RED HERRING PROSPECTUS
Dated March 31, 2014
Please read Section 32 of the Companies Act, 2013
100% Book Building Issue

WONDERLA HOLIDAYS LIMITED

Our Company was originally incorporated as a private limited company in Bangalore, Karnataka under the Companies Act, 1956 (the "**Companies Act 1956**") on November 18, 2002 under the name and style of 'Wonderla Holidays Private Limited'. Our amusement park in Kochi was set up under a public limited company incorporated under the Companies Act 1956 on February 3, 1998 under the name and style of 'Veega Holidays and Parks Limited', which was subsequently converted into a private limited company on July 4, 2001 with the name 'Veega Holidays and Parks Private Limited'. Pursuant to a scheme of amalgamation the erstwhile 'Veega Holidays and Parks Private Limited' was merged with our Company with effect from April 1, 2008. Our Company was converted into a public limited company on January 11, 2013 under the name and style of 'Wonderla Holidays Limited'. For further details of our scheme of amalgamation and changes in the registered office of our Company, see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

Registered Office and Corporate Office: 28th KM, Mysore Road, Bangalore, Karnataka 562 109; **Contact Person**: Santosh Kumar Barik, Company Secretary and Compliance Officer; **Tel**: (91 80) 2201 0333; **Fax**: (91 80) 2201 0324; **Email**: investors@wonderla.com; **Website**: www.wonderla.com

PROMOTERS OF OUR COMPANY: KOCHOUSEPH CHITTILAPPILLY AND ARUN KOCHOUSEPH CHITTILAPPILLY

PUBLIC ISSUE OF 14,500,000 EQUITY SHARES HAVING FACE VALUE OF ₹ 10 EACH OF WONDERLA HOLIDAYS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING TO ₹ [●] LAKHS (THE "ISSUE"). THE ISSUE WOULD CONSTITUTE 25.66% OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMs") AND ADVERTISED AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE.

In case of any revision to the Price Band, the Bid/Issue Period will be extended for a minimum period of three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"), by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the other members of the Syndicate and by intimation to Self Certified Syndicate Banks ("**SCSBs**").

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), this is an Issue for at least 25.00% of the post-Issue Equity Share capital. The Issue is being made in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI Regulations**"), through the Book Building Process wherein 50.00% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIB**") ("**QIB Portion**"), provided that up to 30.00% of the QIB Portion may be available for allocation to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price, in accordance with the SEBI Regulations. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5.00% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with SEBI Regulations, subject to valid Bids being received at or above the Issue Price. QIBs (other than Anchor Investors) and Non-Institutional Bidders shall mandatorily participate in the Issue through the Application Supported by Blocked Amount ("**ASBA**") process providing details of the bank account which will be blocked by the SCSBs to the extent of the Bid Amount for the same. Retail Individual Bidders may also participate in the Issue through the ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see the section "Issue Procedure" on page 316 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (as determined and justified by our Company and the BRLMs as stated under the section "Basis for Issue Price" on page 92 of this Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

IPO GRADING

The Issue has been graded by CRISIL Limited as CRISIL IPO Grade 4/5, indicating that the fundamentals of the Issue are above average relative to other listed equity securities in India. The IPO Grading is assigned on a five point scale from one to five, with IPO Grade 5/5 indicating strong fundamentals and IPO Grade 1/5 indicating poor fundamentals. For details, see the section "General Information" on page 57 of this Red Herring Prospectus.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the section titled "Risk Factors" carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" on page 16 of this Red Herring Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares offered and issued through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to the letters dated July 1, 2013 and June 20, 2013, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be BSE.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE
Edelweiss Ideas create, values protect	ICICI Securities	KARVY Computershare
Edelweiss Financial Services Limited 14th Floor, Edelweiss House Off CST Road, Kalina Mumbai 400 098 Maharashtra, India Tel: (91 22) 4086 3535 Fax: (91 22) 4086 3610 Email: wonderla.ipo@edelweissfin.com Investor grievance email: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Viral Shah SEBI Registration No.: INM0000010650	**ICICI Securities Limited** ICICI Centre H.T. Parekh Marg, Churchgate Mumbai 400 020 Maharashtra, India Tel: (91 22) 2288 2460 Fax: (91 22) 2282 6580 Email: wonderla.ipo@icicisecurities.com Investor grievance email: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Payal Kulkarni SEBI Registration No.: INM000011179	**Karvy Computershare Private Limited** Plot No 17-24 Vittal Rao Nagar Madhapur Hyderabad 500 081 Andhra Pradesh, India Tel: (91 40) 4465 5000 Fax: (91 40) 2343 1551 Email: wonderla.ipo@karvy.com Investor grievance email: wonderla.ipo@karvy.com Website: http://karisma.karvy.com Contact Person: M. Muralikrishna SEBI Registration No.: INR000000221

BID/ISSUE PROGRAMME*

BID/ISSUE OPENS ON: Monday, April 21, 2014	**BID/ISSUE CLOSES ON: Wednesday, April 23, 2014**

* *Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bid /Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, the following terms have the meanings given below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

General Terms

Term	Description
"our Company", "the Company", "the Issuer", "We", "our" or "us" or "Wonderla Holidays"	Unless the context otherwise indicates or implies, refers to Wonderla Holidays Limited, a company incorporated under the Companies Act 1956 and having its registered office and corporate office at 28th KM, Mysore Road, Bangalore 562 109, Karnataka, India

Company Related Terms

Term	Description
Articles/Articles of Association	The articles of association of our Company, as amended
Auditor	The statutory auditor of our Company, being B S R & Co. LLP, Chartered Accountants
Board/Board of Directors	The board of directors of our Company or a duly constituted committee thereof
Director(s)	The director(s) of our Company, unless otherwise specified
Equity Shares	Equity shares of our Company of face value of ₹10 each, fully paid-up, unless otherwise specified in the context thereof
Group Companies	Companies, firms and ventures promoted by our Promoters irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act 1956 or not and disclosed in the section "Our Promoters and Group Companies" on page 172 of this Red Herring Prospectus
Key Management Personnel/KMP	Key management personnel of our Company as per the SEBI Regulations
Listing Agreement	The equity listing agreement to be entered into by our Company with the Stock Exchanges
Memorandum/Memorandum of Association	The memorandum of association of our Company, as amended
Promoters	Promoters of our Company, being Kochouseph Chittilappilly and Arun Kochouseph Chittilappilly
Promoter Group	Unless the context otherwise requires, refers to such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations

Term	Description
Registered Office and Corporate Office	Our office located at 28th KM, Mysore Road, Bangalore 562 109, Karnataka, India
RoC/Registrar of Companies	The Registrar of Companies, Bangalore, Karnataka situated at 'E' Wing, 2nd Floor, Kendriya Sadana, Koramangala, Bangalore 560 034, Karnataka, India
Shareholder	A shareholder of our Company

Issue Related Terms

Term	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, means the issue and allotment of Equity Shares pursuant to the Issue to successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are/ have been Allotted
Allotment Advice/ CAN/ Confirmation of Allocation Note	The note or advice or intimation of Allotment, sent to each successful Bidder (including Anchor Investors) who has been or is to be Allotted the Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion with a minimum Bid of ₹ 1,000.00 lakhs
Anchor Investor Bid/Issue Period	One Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Issue Price	The final price at which Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLMs
Anchor Investor Portion	Up to 30.00% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors
Application Supported by Blocked Amount/ASBA	A process of submitting the Bid cum Application Form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid authorising a SCSB to block the Bid Amount in the ASBA Account maintained with the SCSB. ASBA is mandatory for QIBs (except Anchor Investors) and Non Institutional Bidders participating in the Issue
ASBA Account	An account maintained with the SCSB and specified in the Bid cum Application Form submitted by ASBA Bidders for blocking the amount mentioned in the Bid cum Application Form
ASBA Bid	A Bid made by an ASBA Bidder

Term	Description
ASBA Bidder	Prospective investors (other than Anchor Investors) in the Issue who intend to Bid/apply through the ASBA process
Banker(s) to the Issue /Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being IndusInd Bank Limited, HDFC Bank Limited, ICICI Bank Limited and Federal Bank Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Issue and which is described in "Issue Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment" on page 356 of this Red Herring Prospectus
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto to the extent permissible under the SEBI Regulations
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form
Bid cum Application Form	The form used by a Bidder, including an ASBA Bidder, to make a Bid and which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Bid/Issue Closing Date	Except in relation to any Bids received from Anchor Investors, the date after which the Syndicate, the Designated Branches of the SCSBs and the Registered Brokers will not accept any Bids, which shall be notified in two national daily newspapers, one each in English and Hindi, and one Kannada daily newspaper (Kannada being the regional language at the place where the Registered Office and Corporate Office is located), each with wide circulation
Bid/Issue Opening Date	Except in relation to any Bids received from Anchor Investors, the date on which the Syndicate, the Designated Branches of the SCSBs and Registered Brokers shall start accepting Bids, which shall be notified in two national daily newspapers, one each in English and Hindi, and one Kannada daily newspaper (Kannada being the regional language at the place where the Registered Office and Corporate Office is located), each with wide circulation
Bid/Issue Period	Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form
Book Building Process/Method	Book building process, as provided in Part A of Schedule XI of the SEBI Regulations, in terms of which the Issue is being made
BRLMs/Book Running Lead Managers	The book running lead managers to the Issue, being, Edelweiss Financial Services Limited and ICICI Securities Limited
Broker Center(s)	Broker centers notified by the Stock Exchanges, where Bidders can submit their Bid cum Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are

Term	Description
	available on the websites of the respective Stock Exchanges
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
Controlling Branches	Such branches of SCSBs which coordinate Bids under the Issue with the BRLMs, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Cut-off Price	Issue Price, finalised by our Company in consultation with the BRLMs. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Designated Branches	Such branches of the SCSBs which shall collect the Bid cum Application Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the Refund Account, as the case may be, or the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to successful Bidders in the Issue
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus/ DRHP	The draft red herring prospectus dated April 15, 2013, filed with SEBI, prepared in accordance with the SEBI Regulations and Section 60B of the Companies Act 1956, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Edelweiss	Edelweiss Financial Services Limited
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	The agreement dated March 25, 2014 entered into by our Company, the Registrar to the Issue, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected from the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof
First Bidder	The Bidder whose name appears first in the Bid cum Application Form
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
I-Sec	ICICI Securities Limited

Term	Description
IPO Grading Agency	CRISIL Limited
Issue	Public issue of 14,500,000 Equity Shares for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] lakhs
Issue Agreement	The agreement entered into on April 10, 2013 between our Company and the BRLMs pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which Equity Shares will be Allotted in terms of this Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLMs on the Pricing Date
Mutual Fund Portion	5.00% of the QIB Portion (excluding the Anchor Investor Portion) or 253,750 Equity Shares
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	Proceeds of the Issue that will be available to our Company, less the Issue expenses. For further details about use of the Net Proceeds and the Issue expenses, see the section "Objects of the Issue" on page 79 of this Red Herring Prospectus
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (including Category III foreign portfolio investors, but not including NRIs, other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15.00% of the Issue consisting of 2,175,000 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian
Non-Resident Indian/NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
Price Band	Price Band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof. The final determination of the Price Band and the minimum Bid lot will be made by our Company in consultation with the BRLMs and will be advertised, at least five Working Days prior to the Bid/Issue Opening Date, in all editions of the English national daily Financial Express, all editions of the Hindi national daily Jansatta and Bangalore edition of Vijayavani a Kannada newspaper (Kannada being the regional language at the place where the Registered Office and Corporate Office is located), each with wide circulation
Pricing Date	The date on which our Company, in consultation with the BRLMs will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956, containing, *inter alia*, the Issue Price that is determined at

Term	Description
	the end of the Book Building Process, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker(s) to the Issue to receive monies from the Escrow Account and from the ASBA Account on the Designated Date
QIB Portion	The portion of the Issue being 50.00% of the Issue consisting of 7,250,000 Equity Shares which shall be available for allocation to QIBs (including Anchor Investors)
Qualified Foreign Investors/ QFIs	A person who has opened a dematerialized account with a qualified depository participant as a qualified foreign investor
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations
Red Herring Prospectus/ RHP	This Red Herring Prospectus dated March 31, 2014 issued in accordance with Section 32 of the Companies Act, 2013 and the SEBI Regulations, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. This Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Issue Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to the ASBA Bidders) shall be made
Refund Bank(s)	One or more Escrow Collection Bank(s) with whom Refund Account(s) will be opened and from which a refund of the whole or part of the Bid Amount, if any, shall be made, in this case being, IndusInd Bank Limited
Refunds through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registrar to the Issue /Registrar	Registrar to the Issue, in this case being Karvy Computershare Private Limited
Registered Brokers	A broker registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers Regulations), 1992, having office in any of the Broker Centers, and eligible to procure Bids in terms of the SEBI circular No. CIR/CFD/14/2012 dated October 4, 2012
Retail Individual Bidder(s)	Individual Bidders who have Bid for Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Issue being not less than 35.00% of the Issue consisting of 5,075,000 Equity Shares, the allotment of which shall not be less than the minimum bid lot and the remaining shall be available for allocation on a proportionate basis to Retail Individual Bidder(s)
Revision Form	The form used by the Bidders, including ASBA Bidders, to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms

Term	Description
	or any previous Revision Form(s)
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Specified Locations	The bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available at the website of the SEBI (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time
Syndicate Agreement	The agreement dated March 25, 2014 entered into amongst the members of the Syndicate and our Company in relation to the collection of Bids in the Issue (other than Bids directly submitted to the SCSBs under the ASBA process and Bids submitted to the Registered Brokers)
Syndicate/members of the Syndicate	Collectively the BRLMs and the Syndicate Members
Syndicate Members	Intermediaries registered with SEBI and permitted to carry out activities as an underwriter, in this case being Edelweiss Securities Limited
TRS/Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriters	The BRLMs and the Syndicate Members
Underwriting Agreement	The agreement amongst the Underwriters and our Company to be entered into on or after the Pricing Date
Working Day	Any day, other than Saturdays and Sundays, on which commercial banks in Mumbai are open for business, provided however, for the purpose of the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all days excluding Sundays and bank holidays in Mumbai in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

Technical/Industry Related Terms

Term	Description
CARE Report	Report on Amusement Park Industry issued by CARE Research in January, 2013
CARE Research	Credit Analysis and Research Limited
CII	Confederation of Indian Industries
Footfalls	Number of visitors at our amusement parks calculated on the basis of the number of entry tickets sold
IAAPI	Indian Association of Amusement Parks and Industries

Term	Description
Wonderla Bangalore	Our amusement park situated at 28th KM, Mysore Road, Bangalore 562 109, Karnataka, India
Wonderla Hyderabad	Our proposed amusement park situated in Kongara Khurd 'A' Village, Maheswaram Mandal, Ranga Reddy District, Andhra Pradesh, approximately 27 kms from central Hyderabad, 33 kilometers from Secunderabad Railway Station and 12 kilometers from Hyderabad Airport
Wonderla Kochi/ Veegaland	Our amusement park situated at 803J, Pallikkara, Kumarapuram, Kochi 683 565, Kerala, India
Wonderla Resort	Our resort situated at 28th KM, Mysore Road, Bangalore 562 109, Karnataka, India

Abbreviations/ Conventional Terms

Term	Description
Act/Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as applicable
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I foreign portfolio investor(s)	Includes government and government related investors such as central banks, governmental agencies, sovereign wealth funds and international or multilateral organisations or agencies
Category II foreign portfolio investor(s)	Includes: (i) appropriately regulated broad based funds such as mutual funds, investment trusts, insurance/reinsurance companies; (ii) appropriately regulated persons such as banks, asset management companies, investment managers/ advisors, portfolio managers; (iii) broad based funds that are not appropriately regulated but whose investment manager is appropriately regulated: Provided that the investment manager of such broad based fund is itself registered as Category II foreign portfolio investor: Provided further that the investment manager undertakes that it shall be responsible and liable for all acts of commission and omission of all its underlying broad based funds and other deeds and things done by such broad based funds under these regulations. (iv) university funds and pension funds; and (v) university related endowments already registered with SEBI as foreign

Term	Description
	institutional investors or sub-accounts. Explanation 1- For the purposes of this clause, an applicant seeking registration as a foreign portfolio investor shall be considered to be "appropriately regulated" if it is regulated or supervised by the securities market regulator or the banking regulator of the concerned foreign jurisdiction, in the same capacity in which it proposes to make investments in India. Explanation 2 - A) For the purposes of this clause, "broad based fund" shall mean a fund, established or incorporated outside India, which has at least 20 investors, with no investor holding more than 49% of the shares or units of the fund: Provided that if the broad based fund has an institutional investor who holds more than 49% of the shares or units in the fund, then such institutional investor must itself be a broad based fund. B) For the purpose of clause A of this Explanation, for ascertaining the number of investors in a fund, direct investors as well as underlying investors shall be considered. C) For the purpose of clause B of this Explanation, only investors of entities which have been set up for the sole purpose of pooling funds and making investments, shall be considered for the purpose of determining underlying investors.
Category III foreign portfolio investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations which shall include investors who are not eligible under Category I and II foreign portfolio investors such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CDSL	Central Depository Services (India) Limited
Client ID	Client identification number of the Bidder's beneficiary account
Companies Act 1956	Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections
CPC	Civil Procedure Code, 1908, as amended
CrPC	Criminal Procedure Code, 1973, as amended
CY	Unless stated otherwise, the period of 12 months ending December 31 of that particular year
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996, as amended

Term	Description
DIN	Director Identification Number
DP ID	Depository Participant's Identification
Depository Participant	A depository participant as defined under the Depositories Act
EGM	Extraordinary General Meeting
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995, and registered with SEBI under applicable laws in India
Financial Year/Fiscal/FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations
FVCI	Foreign Venture Capital Investors
GIR	General Index Register
GoI/Government	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
Income Tax Act/IT Act	The Income Tax Act, 1961, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
IPC	Indian Penal Code, 1860, as amended
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
MICR	Magnetic Ink Character Recognition

Term	Description
NEFT	National Electronic Fund Transfer
N I Act	Negotiable Instruments Act, 1881, as amended
Notified Sections	The sections of the Companies Act 2013 that have come into effect on August 30, 2013 and September 12, 2013
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the FEMA Regulations. OCBs are not allowed to invest in the Issue
PAN	Permanent Account Number
RBI	The Reserve Bank of India
₹/Rs./Rupees/INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended

Term	Description
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended
Securities Act	U.S. Securities Act, 1933, as amended
State Government	The government of a state in India
Stock Exchanges	The BSE and the NSE
ULIPs	Unit linked insurance plans
USD/ $	United States Dollars
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value added tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Main Provisions of Articles of Association", "Statement of Tax Benefits", "Regulations and Policies", and "Financial Statements of our Company" on pages 371, 95, 146 and 182 of this Red Herring Prospectus, respectively, shall have the meanings given to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Red Herring Prospectus to "**India**" are to the Republic of India. All references in this Red Herring Prospectus to the "**U.S.**", "**USA**" or "**United States**" are to the United States of America.

Financial Data

Unless indicated otherwise, the financial data in this Red Herring Prospectus is derived from our restated financial statements as of and for Fiscals 2009, 2010, 2011, 2012, 2013 and as of and for the nine month period ended December 31, 2013, prepared in accordance with the Indian GAAP and the Companies Act, and restated in accordance with the SEBI Regulations.

Our Financial Year commences on April 1 of the immediately preceding year and ends on March 31 of that year, so all references to a particular Financial Year are to the 12 month period ended March 31 of that year. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

There are significant differences between the Indian GAAP, the IFRS and the U.S. GAAP. We have not attempted to explain such differences or to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of U.S. GAAP or IFRS and we urge the investors to consult their advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations, included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Currency and Units of Presentation

All references to "Rupees" or "₹" or "Rs." are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "Industry Overview", in this Red Herring Prospectus, all figures have been expressed in "lakhs" or "lacs".

Industry and Market Data

Industry and market data used throughout this Red Herring Prospectus has been obtained from the "Report on Amusement Park Industry" issued by CARE Research in January, 2013. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLMs or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Red Herring Prospectus is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "Risk Factors" on page 16 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI Regulations, the section titled "Basis for Issue Price" on page 92 of this Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from

publicly available sources, and neither we, nor the BRLMs, have independently verified such information.

Exchange Rates

The following table sets forth, for each period indicated, information concerning the number of Rupees for which one US Dollar could be exchanged.

Period ended	Exchange Rate (in ₹)*
Fiscal 2009	50.95
Fiscal 2010	45.14
Fiscal 2011	44.65
Fiscal 2012	51.16
Fiscal 2013	54.39
December 31, 2013	61.89

* *Source:* w*ww.rbi.org.in*

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in India in which our Company has business and our ability to respond to them, our ability to successfully implement its strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in its industry. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- changes in factors affecting discretionary consumer spending, changing footfall patterns and general economic conditions that are outside our control;
- our inability to continue to train and retain qualified employees or increase in labour costs;
- future labour disputes or strikes or work stoppages;
- our inability to implement our expansion plans in a timely and efficient manner due to factors beyond our control;
- our inability to find locations to open and operate our amusement parks on commercially viable terms and successfully acquire the requisite land;
- our inability to expand our business into additional geographic markets in India;
- possible legal uncertainties that our title to the freehold land held by us or other interests over land may be subject to;
- our inability to recoup the capital improvements we make to our amusement parks;
- our inability to generate revenues from the southern Indian cities; and
- our inability to increase Footfalls at our existing amusement parks and penetrate deeper into existing geographic locations.

For a further discussion of factors that could cause our actual results to differ, see the sections titled "Risk Factors" "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" on pages 16, 116 and 231 of this Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as of the date of this Red Herring Prospectus and are not a guarantee of future performance. Neither our Company, our Directors, any member of the Syndicate/Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLMs will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II: RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Red Herring Prospectus, particularly the "Financial Statements of our Company" and the related notes, "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" on page 182, 116 and 231 respectively of this Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Unless otherwise stated, the financial information of our Company used in this section is derived from our audited financial statements under Indian GAAP, as restated.

Internal Risk Factors:

1. Our Company is currently involved in two litigations pertaining to 14.70 acres of land acquired in connection with Wonderla Hyderabad which if determined against us, could cause financial loss or constrain our ability for future expansion at Wonderla Hyderabad.

Our Company is currently involved in two litigations pertaining to 14.70 acres of land acquired by our Company in Ranga Reddy District of Andhra Pradesh in relation to Wonderla Hyderabad.

In the first of the aforesaid matters, our Company has filed a suit before the Court of Additional Senior Civil Judge, Ranga Reddy District to obtain a perpetual injunction against certain persons who were interfering with the peaceful possession and enjoyment of the parcel of land admeasuring 8.00 acres, situated at Sy. No. 265, Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District. We had purchased this parcel of land through various registered sale deeds bearing Nos. 1637/2012, 1638/2012, 691/2012, 1454/2012, 1455/2012 and 1825/2012 from its lawful owners between February and May 2012. Our Company had also filed an interim application bearing I.A. No.1253/ 2012 in the said matter and we have been awarded a temporary injunction in our favour on August 28, 2013, restraining the respondents from interfering with the peaceful possession and our enjoyment over the suit property.

In the second of the aforesaid matters, our Company has filed an application before the Court of Additional District Judge, Ranga Reddy District, to implead ourselves as an additional respondent to an existing suit bearing O.S. No. 498/ 2007 and to an interim application bearing I.A. No. 252/ 2013, in relation to certain parcels of land aggregating 7.95 acres acquired by our Company in Andhra Pradesh, so as to be given an opportunity to be heard in the court before the disposal of the said litigations. We had purchased this parcel of land through various registered sale deeds bearing Nos. 1638/ 2012 and 1766/ 2012 in May 2012 from one of the respondents to the aforesaid suits. For further details in relation to the aforesaid litigations, please see the section titled "*Outstanding Litigation and Material Developments*" on page 261 of this Red Herring Prospectus.

If either of the cases mentioned herein are decided against us, we may lose title/ possession to the suit properties and it may result in a financial loss for us and thereby have an adverse impact on our financial condition and constrain our ability for any future expansion at Wonderla Hyderabad.

2. ***In the event of an adverse court ruling in relation to certain parcels of land acquired by us for our proposed amusement park project, Wonderla Hyderabad in Ranga Reddy District of Andhra Pradesh impacting the proposed development plan, we may need to alter the development plan which may affect our business, results of operations and financial condition.***

Our Company is currently involved in two litigations pertaining to 14.70 acres of land located on Survey Nos. 265, 267, 268, 270, 272, 273, 274 and 275 (the "**Disputed Land**"), acquired by our Company in Ranga Reddy District of Andhra Pradesh in relation to our proposed amusement park project, Wonderla Hyderabad. Our Company has acquired the Disputed Land pursuant to registered sale deeds executed by our Company with the respective owners and the same have been included in the section titled "*Material Contracts and Documents for Inspection*" of this Red Herring Prospectus. In the event of any adverse court ruling in respect of certain survey numbers forming part of the Disputed Land namely Survey Nos. 268, 270, 272, 273, 274 and 275 earmarked for development of Wonderla Hyderabad, our Company may be required to alter the development plan for Wonderla Hyderabad. Any consequent alteration in the development plan of Wonderla Hyderabad may require the Company to finance such modifications using its internal accruals thereby affecting our business, results of operations and financial condition.

3. ***Our Company, our Promoters, other Directors (other than the Promoters of our Company) and our Group Companies are involved in certain legal proceedings, which if determined against us, could adversely impact our business, results of operations, financial condition and prospects.***

Our Company, our Promoters, other Directors (other than the Promoters of our Company) and our Group Companies are involved in certain legal proceedings which are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings to the extent ascertainable, have been disclosed in the section "Outstanding Litigation and Material Developments" on page 261 of this Red Herring Prospectus. Should any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make payments to others or book provisions against probable future payments in our financial statements that could increase our expenses and current liabilities. If any of the cases pending are decided or determined against us, such decision may have an adverse effect on our Company's business, results of operations and financial condition.

Brief details of the outstanding litigation that have been initiated against our Company, our Promoters, other Directors (other than the Promoters of our Company) and our Group Companies are set forth below:

Category	Company	Promoters	Other Directors	Group Companies	Amount involved (in ₹ lakhs)
Criminal proceedings	2	1	-	1	18
Civil proceedings	4	3	-	3	269.89
Tax proceedings	12	-	-	6	415.05
Consumer proceedings	-	-	-	3	9.60
Labour proceedings	-	-	-	1	6.82
Securities related proceedings	-	1	-	1	-
Notices	-	-	-	1	-
Total	**18**	**5**	**-**	**16**	**719.36**

Brief details of the outstanding litigation that have been initiated by our Company, our Promoters, other Directors (other than the Promoters of our Company) and our Group Companies are set forth below:

Category	Company	Promoters	Other Directors	Group Companies	Amount involved (in ₹lakhs)
Criminal proceedings	3	-	-	65	267.65
Civil proceedings	1	1	1	9	148.46
Tax proceedings	-	-	-	4	4.21
Intellectual Property proceedings	-	-	-	2	-
Arbitration proceedings	-	-	-	1	-
Total	**4**	**1**	**1**	**81**	**420.32**

For further details, see the section "Outstanding Litigation and Material Developments" on page 261 of this Red Herring Prospectus.

4. Any occurrence of accidents or mishaps at our amusement parks exposes us to possible financial liabilities and legal proceedings resulting in adverse publicity for our Company. These developments, including legal proceedings and third party claims, could affect our expansion plans, business, financial condition and results of operations.

There have been instances of accidents at our amusement parks in the past that have resulted in legal proceedings, adverse publicity and consequent financial liability for our Company. We have had nine accidents at our amusement parks that have resulted in commencement of legal proceedings against our Company. However, there are only four outstanding cases in this regard, against our Company as on the date of filing this Red Herring Prospectus. For further details of the legal proceedings in this regard, see the section "Outstanding Litigation and Material Developments" on page 261 of this Red Herring Prospectus. Out of the nine accidents, seven instances of loss of life have occurred on our premises, of which five deaths were caused due to cardiac arrests as per medical reports while investigations are yet to determine the cause of death in relation to two deaths. The occurrence of such accidents may become subject of media reports, resulting in adverse publicity for our Company. These developments, including legal proceedings and third party claims, could affect our expansion plans, business, financial condition and results of operations. As of the date of this Red Herring Prospectus, our Company has paid an aggregate compensation of ₹ 4.60 lakhs in case of three accidents that happened at our amusement parks.

While we have been certified by Bureau Veritas Certification (India) Private Limited for meeting the BS OHSAS 18001: 2007 safety standards and ensure that certain other basic safety measures are undertaken including harnesses for our rides, availability of first-aid supplies and trained medical officers and life guards stationed at all our water rides at Wonderla Kochi and Wonderla Bangalore, we cannot assure you that there will not be any accidents going forward.

Further, since majority of our revenues are derived from the operations of two amusement parks, any accident/incident at any one of them may result in the temporary closure of the park for some time thereby affecting the revenues of our Company and gathering adverse publicity for our Company. We cannot assure you that any such temporary closure of our parks would not occur which may affect our business, financial condition and revenues of our Company.

5. A major portion of our revenue is derived from sale of entry tickets as opposed to our income from sale of merchandise and food and beverages. If we are faced with competing amusement parks and are forced to lower the prices of our entry tickets, it may adversely affect our business, our financial condition and our results of operations.

A large portion of our revenues is dependent on the income generated from the sale of entry tickets as opposed to the sale of merchandise, food and beverages. Our revenues are heavily dependant on the sale of entry tickets. We have generated 81.06% and 79.81% of our income through such entry fees in Fiscal 2013 and the nine month period ending December 31, 2013, respectively. We may be faced with competition such that we are forced to reduce the price of our entry tickets at our amusement parks. Our inability to maintain the revenue generated from this key revenue stream due to competition may have an adverse

effect on our business, financial condition and results of operations.

6. ***We generate our revenues primarily from the south Indian cities. Any event that has a negative impact on these cities such as a natural calamity including but not limited to floods, earthquakes, tsunamis, cyclones and droughts, local economic downturn and such other events could have a material adverse effect on our overall business and results of operations.***

Since our amusement parks are all situated in southern India and we primarily cater to visitors from southern Indian cities, we generate our revenues primarily from the southern Indian cities. We expect this market to continue to account for majority of our revenues in the near future. If southern India experiences an event negatively affecting its economy, such as a local economic downturn, a natural disaster, a contagious disease outbreak or a terrorist attack, or if the local authorities adopt regulations that place additional restrictions or burdens on us or on our industry in general, our overall business and results of operations may be materially and adversely affected.

7. ***Our business depends, in part, on factors affecting discretionary consumer spending, changing footfall patterns and general economic conditions that are outside our control. Adverse changes in such factors could result in a reduction in our Footfalls and materially and adversely affect our business and results of operation.***

Visiting amusement parks is a part of discretionary spending and is perceived to be a leisure activity. Consequently, our business is sensitive to a number of factors that influence discretionary consumer spending. In addition, we compete with other tourism activities and recreation categories, such as heritage tours, cinemas, fine dining and travel involving consumers' discretionary expenditure. Therefore, the price of our entry ticket relative to other discretionary spending options available to the consumer influences the proportion of consumers' expenditure that is spent on visiting amusement parks. A large part of our visitors are individuals who are generally less financially resilient than large corporate entities, and consequently, can be more adversely affected by declining economic conditions. Adverse changes in factors affecting discretionary consumer spending could reduce consumer demand for our services, resulting in a reduction in our Footfalls and could have a material adverse effect on our business and results of operations.

The performance of individual amusement parks may also be adversely affected by factors such as changing footfall patterns and the establishment of competing amusement parks. In response to such developments, we may need to increase our marketing efforts, adjust our pricing or take other actions, which may adversely affect our results of operations. These factors are generally beyond our control, and our ability to manage the risks they present is important to our operations and performance. Reduced Footfalls in our amusement parks, increased costs of doing business or reduced prices for our entry tickets as a result of these or other considerations could adversely affect our business, financial condition, results of operations and prospects.

Further, our business, financial condition, results of operations and prospects depend on a variety of general economic conditions. The amusement park industry is highly fragmented and is affected by changes in national, regional and local economic conditions, consumer credit, taxation, unemployment and changing demographic trends. In periods of economic uncertainty, consumers tend to decrease their discretionary spending for recreational/entertainment activities, which may materially and adversely affect our business, financial condition, results of operations and prospects.

8. ***We depend on our dedicated and capable employees for operation and maintenance of our amusement parks. If we are unable to continue to train and retain qualified employees or if labour costs increase, our business, financial condition, results of operations and prospects could be materially and adversely affected.***

Our continued success depends, in part, upon our ability to train and retain a sufficient number of qualified employees for our amusement parks. In the amusement park industry, the number and quality of qualified staff is one of the differentiating factors between different amusement parks and our inability to train and retain suitably qualified staff could impact our reputation, business prospects and results of operations. We cannot assure you that we would be able to train and retain a sufficient number of qualified employees for

our business. Any material increase in employee turnover rates in our existing amusement parks or any failure to retain skilled personnel and key staff due to factors such as failure to keep up with competitive salary levels may make our growth strategy difficult to implement.

Our business development strategy depends in part on our ability to implement best practices in training and managing our personnel. Our training and management of qualified personnel at our amusement parks are important in delivering a consistent and high-quality experience to our visitors. We may face an inability to monitor and motivate qualified staff. In addition, we have and may in future experience disruptions in our amusement park operations due to absenteeism among our staff. Labour costs for qualified employees may increase as a result of competition, local government initiatives to manage labour conditions and higher costs of employee benefits such as employee accommodation due to market trends and other factors. Our inability to train and retain such individuals may also delay the planned opening of new amusement parks. Any such factors could also result in decreased operational efficiencies and productivity, and an increase in recruitment and training costs, thereby materially and adversely affecting our business, financial condition, results of operations and prospects.

9. Any future labour disputes or strikes or work stoppages could lead to loss of revenue and/or increased costs which could adversely affect our business, financial condition and results of operations.

We believe we enjoy good relationships with our employees. Although we have not had strikes or work stoppages by our employees in the past, any strikes or work stoppages we may face in the future could have an adverse impact on our operations, particularly given our dependence on our skilled workforce. Any strike or work stoppage by our employees could have a material adverse effect on our business, financial condition and results of operations.

10. Our expansion plans may not be implemented in a timely and efficient manner due to factors beyond our control which could adversely affect our business, results of operations, financial condition and cash flows.

We have drawn up expansion plans to set up a new amusement park in Ranga Reddy District of Andhra Pradesh. For a more complete description of the expansion plans, see the sections "Our Business" and "Objects of the Issue" on pages 116 and 79, of this Red Herring Prospectus, respectively. The success of our new amusement park is subject to various potential problems and uncertainties, including the overall economic conditions, delays in delivery of supplies, delays in completion, cost overruns, shortages in material or labour, timely and proper performance of our third party contractors' obligations, defects in design or construction, delays in obtaining equipment and rides, delays in obtaining regulatory approvals and availability of power and water. Furthermore, our expansion plans may be affected in the future by unfavourable weather conditions. We cannot assure you that we will be able to implement our expansion plans for our new amusement park in a timely manner, or at all, and any failure to do so would adversely affect our business and results of operations. Additionally, actual capital expenditures for our capital investment projects may exceed our budgets because of various factors beyond our control. If our actual capital expenditures for expansion programs and capital investment projects significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our business, financial condition, results of operations and prospects.

We also cannot guarantee that there will be sufficient Footfalls as envisaged by us at our new amusement park. If we fail to attract a minimum number of visitors at our new amusement park, this could result in lower capacity utilisation thereby affecting our business, financial condition and results of operations. We also expand our existing amusement parks by including new rides and attractions and upgrading existing rides and attractions. The introduction of innovative new rides and attractions requires substantial capital expenditure. The cost of such capital improvements has gone up in recent times. Moreover, we may be unable to recoup investments we make in upgrading our rides and attractions, such as investments in infrastructure in relation to newer attractions which may not yield the expected revenues.

We expect that the execution of our expansion plans will place significant demands on our management, financial and other resources. Furthermore, continued expansion increases the challenges involved in

financial and technical management, recruitment, training and retaining sufficiently skilled technical and managerial staff. Our inability to manage our expansion plans effectively could have an adverse effect on our business, results of operations, financial condition and cash flows.

11. Our inability to find locations to open and operate our amusement parks on commercially viable terms and successfully acquire the requisite land could adversely affect our results of operations and business. Further, land is subject to compulsory acquisition in India which may have an adverse effect on our business, financial condition and results of operations.

As part of our strategy, we intend to set up new amusement parks in various locations. The success of these amusement parks would be highly dependent on finding suitable locations on competitive and viable terms and successfully acquiring the requisite land. There is no assurance that we would be able to find locations with adequate land that we believe will be necessary for implementing our expansion plans on commercially viable terms or at all. There is also no assurance that we would be able to successfully procure the required land after identifying a suitable location. Our inability to find suitable locations and procure the requisite land for our amusement parks could adversely affect our business, financial condition and results of operations.

The right to own property in India is subject to restrictions that may be imposed by the government. In particular, the government under the provisions of the Land Acquisition Act, 1894 has the right to compulsorily acquire any land if such acquisition is for a "public purpose", after making payment of compensation to the owner. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. The likelihood of such actions may increase as the central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships. Any such action in respect of any of the projects in which we are investing or may invest in the future may adversely affect our business, financial condition or results of operations.

12. We may experience difficulties in expanding our business into additional geographic markets in India which may adversely affect our business prospects and could constrain our long term growth prospects.

We currently have two amusement parks, one situated at Kochi and the other at Bangalore. We intend to set up more such amusement parks in key cities of India. Factors such as competition, culture, regulatory regimes, business practices and customs, behaviour and preferences in these cities where we may plan to expand our operations may differ from our operations in our current locations, and our current experience may not be applicable to such new locations. In addition, as we enter new markets and geographical areas, we are likely to compete with local amusement parks who have an established local presence, are more familiar with local regulations, business practices and customs, have stronger relationships with local contractors, suppliers, relevant government authorities or are in a stronger financial position than us, all of which may give them a competitive advantage over us.

If we plan to expand our geographical footprint, our business will be exposed to various additional challenges, including obtaining necessary governmental approvals under unfamiliar regulatory regimes, identifying and collaborating with local suppliers with whom we may have no previous working relationship, attracting potential customers in a market in which we do not have significant experience or visibility, being susceptible to local taxation in additional geographical areas of India, and adapting our marketing strategy and operations to suit different regions of India. Our inability to successfully expand our presence in other geographical areas may adversely affect our business prospects and could constrain our long term growth prospects.

13. Our title to the freehold land held by us or other interests over land may be subject to legal uncertainties which may have an adverse effect on our business, cash flows, financial condition and results of operations.

There may be various legal irregularities to the title to the lands that we own and on which we have set up our amusement parks, and which we may not be able to fully identify, resolve or assess. Prior to any agreement for purchase with respect to any land or any right therein, we usually verify the history and title

of the land based on available documents and information by undertaking a due diligence process. However, there can be no assurance that such documents and information is accurate, authentic or complete. Additionally, property records in India have not been fully computerized and are generally maintained manually with physical records of all land related documents, which are also manually updated. This updating process can take a significant amount of time and can result in inaccuracies or errors and increase the difficulty of obtaining property records and/or materially impact our ability to rely on them. As a result, the title of the real property in which we may invest may not be clear or may be in doubt. Our rights or title in respect of these lands may be compromised by improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, unregistered encumbrances in favor of third parties, the absence of conveyance by all right holders, rights of adverse possessors, ownership claims of family members of prior owners or other irregularities that we may not be aware of.

Further, legal disputes in respect of land title can take several years and can entail considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. If we or the owners of the land, which is the subject of our agreements, are unable to resolve such disputes with these claimants, we may either lose our interest in such land or may be rendered unable to commence or continue development thereon. The failure to obtain good title to a particular plot of land may require us to write-off expenditures in respect of the development.

We face various practical difficulties in verifying the title of a prospective seller or lessor of property. Multiple property registries exist, and verification of title is difficult. Indian law recognizes the ability of persons to effectuate a valid mortgage by the physical delivery of original title documents to a lender, without the requirement of registration. Adverse possession under Indian law also arises upon 12 years of unconcealed, continuous and uninterrupted occupation over specific property to the knowledge and against all rights of parties, including government entities (in which case the aforementioned 12 year period is replaced by a 30 year period) that are landowners, without the specific requirement of registration of ownership rights by the adverse possessor. In addition, Indian law recognizes the concept of a Hindu undivided family, whereby all family members jointly own land and must consent to its transfer, including minor children, absent whose consent a land transfer may be challenged by such non-consenting family member.

A lack of title insurance, coupled with difficulties in verifying title to land, may increase our exposure to third parties claiming title to the property. This could result in a loss of title to the property, affect valuations of the property, or otherwise materially prejudice the development of the property which could in turn have a material and adverse effect on our business, financial condition or results of operations.

14. We make capital improvements to our amusement parks, the cost of which we may be unable to recoup. Our inability to recoup the costs of such capital investments may have an adverse effect on our business, financial condition, results of operations and prospects.

We make significant fixed capital improvements to our amusement parks, such as, the introduction of innovative new rides and attractions. We may invest in infrastructure related to a new attraction at our locations, maintenance of existing attractions or other significant, fixed capital improvements. The cost of such capital improvements has gone up in recent times. As such, we may be unable to recoup investments we make in upgrading our rides and attractions, such as investments in infrastructure in relation to newer attractions which may not yield the expected revenues. The loss of investments in such capital improvements may have an adverse effect on our business, financial condition, results of operations and prospects.

15. Our future growth also depends on our ability to increase Footfalls at our existing amusement parks, penetrate deeper into existing geographic locations and increase revenue from other revenue streams, our inability to do so could adversely and materially affect our growth.

The increase in the Footfalls at our amusement parks and deeper penetration into existing geographic locations at our existing amusement parks will affect our growth and will continue to be a critical factor affecting our revenue and profits. Our ability to increase the Footfalls at our existing amusement parks depends in part on our ability to successfully implement our initiatives to increase innovative rides and

attractions by increasing the area of developed land at our amusement parks and upgrading the existing rides. Our ability to penetrate further into the existing geographic locations where we already have a presence depends in part on our ability to successfully market ourselves either directly or through tie-ups with sales promotion agents or tour operators and our ability to expand the range of our offerings. It is possible that we will not achieve our targeted Footfalls at our existing amusement parks. Further, Footfalls at our existing amusement parks could decrease and we may not be able to achieve our targeted level of expansion within existing geographic locations. If any of this were to happen, Footfalls at our amusement parks and our growth may be materially and adversely affected.

Our future growth also depends on our ability to develop other revenue streams. We launched our first resort titled, Wonderla Resort, in March 2012 beside our amusement park in Bangalore. This being our first venture in the hospitality sector, we may be unable to generate expected revenues from its operations. We also generate revenue from our food and beverages operations and our merchandise operations at our amusement park which are run by contractors on the basis of revenue sharing arrangements. These arrangements are renegotiated on an annual basis. If we are unable to generate expected revenues from our resort operations or renew these arrangements on profitable terms, our growth may be materially and adversely affected.

16. Changes in consumer preferences that are largely beyond our control could adversely affect our business, financial condition, results of operations and prospects.

Our business may be sensitive to changing consumer preferences, including changes in consumer tastes and habits and consumer acceptance of our amusement park concepts, all of which may be caused by many factors that are generally beyond our control. Some or all of our amusement park concepts may become less attractive in light of changing consumer preferences, and we may be unable to adapt to such changes in a timely manner or such changes that we adapt to our amusement park concepts may be unsuccessful. Any change in consumer preferences that decreases demand for our offerings or the acceptance of our amusement park concepts could adversely affect our business, financial condition, results of operations and prospects.

17. Failure to successfully introduce new rides and attractions may adversely affect our business, financial condition, results of operations and prospects

Innovation is an important factor in our industry in generating increases in Footfalls at our amusement parks. We regularly develop and intend to continue to develop and introduce new rides and attractions. However, these new rides and attractions may prove to be unsuccessful. We conduct market surveys relating to customer preferences and benchmark against amusement parks in other parts of the world before implementation, including concept testing with visitors, in-house testing of rides and attractions by our research and development team. If a new ride is successful in all phases of this testing it is introduced. However, there can be no assurance that such efforts will be successful in identifying new rides and attractions and avoiding unsuccessful introductions. An inability to successfully introduce new rides and attractions may adversely affect our business, financial condition, results of operations and prospects.

18. Negative publicity relating to any of our amusement parks could reduce Footfalls at our amusement parks, and may adversely affect our business, financial condition, results of operations and prospects.

We may receive negative publicity relating to accidents, safety norms or other matters at our amusement parks. For instance, we have in the past and may in the future experience adverse publicity as a result of accidental injuries or deaths on our premises. Since our business largely depends on our reputation and brand image, any adverse publicity, whether disseminated in India or elsewhere, may negatively affect our reputation and our business generally, regardless of whether the allegations are valid, whether they are limited to just a single location or whether we are at fault. The negative impact of adverse publicity relating to one amusement park may extend far beyond the amusement park involved to affect our other amusement park also. Any loss of confidence on the part of our visitors would be difficult and costly to re-establish. This could lead to an adverse impact on our business, financial condition, results of operations and prospects.

19. Our management will have flexibility in utilizing the Net Proceeds of the Issue, which could affect our profitability and cause the price of our Equity Shares to decline.

Our management will have broad discretion in using the Net Proceeds of the Issue, and investors will be relying on the judgment of our management regarding the utilization of the Net Proceeds. Our funding plans are in accordance with our own estimates and have not been appraised by any bank or financial institution. We may have to revise our management estimates from time to time and consequently our requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Pending utilization for the purposes described under the section titled "Objects of the Issue", we may temporarily invest the Net Proceeds of the Issue in interest bearing liquid instruments including deposits with banks and investments in mutual funds and other financial products and investment grade interest bearing securities as may be approved by our Board. Our management will have significant flexibility in temporarily investing the Net Proceeds of the Issue. Accordingly, the use of the Net Proceeds for purposes identified by us may not result in actual growth of our business, increased profitability or an increase in the value of your investment.

20. We have not entered into any definitive arrangement to utilize certain portions of the Net Proceeds of the Issue which may mean that we may not achieve the economic benefits expected and could have an adverse effect on our business, financial condition and results of operations.

We intend to utilise the Net Proceeds of the Issue as indicated in the section "Objects of the Issue" on page 79 of this Red Herring Prospectus. A certain portion of the Net Proceeds of the Issue is proposed to be utilised to acquire certain rides and other equipments in line with our expansion plans to set up an amusement park in Ranga Reddy District of Andhra Pradesh. We have only received quotations for certain rides and other equipments we propose to acquire for expansion of our amusement park at Ranga Reddy District of Andhra Pradesh. Procurement of rides and other equipments could entail significant outlay of cash in addition to the timeframe involved in procuring them. For further details, see the section "Objects of the Issue" on page 79 of this Red Herring Prospectus. Any delays in the purchase of rides and other equipments, cost overruns, delay in construction of office space or for other reasons, may mean we may not achieve the economic benefits expected which could have an adverse effect on our business, financial condition and results of operations.

21. Reconstitution of the existing State of Andhra Pradesh pursuant to the Andhra Pradesh Reorganisation Bill, 2014 (the "Reorganisation Bill") into two separate states, namely State of Andhra Pradesh and the State of Telangana may result in Wonderla Hyderabad being situated within the State of Telangana.

The Lok Sabha and the Rajya Sabha have passed the Reorganisation Bill on February 18, 2014 and February 20, 2014, respectively. The Reorganisation Bill is currently awaiting the assent of the President of India for it to come into force as and act. The Reorganisation Bill makes provisions relating to representation in Parliament and State Legislatures, distribution of revenues, apportionment of assets and liabilities, mechanisms for the management and development of water resources, power and natural resources and other matters. Due to the bifurcation pursuant to the Reorganisation Bill, Wonderla Hyderabad may be situated within the State of Telangana as a result of which we may also be subject to certain new restrictions in relation to approvals already obtained by the Company or may be required to obtain certain fresh approvals or revalidate certain existing approvals, required for our business operations, as may be prescribed. As we have already obtained several approvals from various state departments of Andhra Pradesh in relation to setting up of Wonderla Hyderabad, we cannot assure you that the approvals that we have obtained from the state departments of Andhra Pradesh would continue to remain in effect.

Further, our business, financial condition, results of operations and prospects depend on a variety of general socio-economic and political conditions and we are unable to predict such conditions in the new State of Telangana. Taxes and other levies imposed by the Central Government or State Governments that affect our industry include customs duties, entertainment tax, excise duties, sales tax, value added tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The new state Government of Telangana may impose such additional levies or local taxes that may adversely impact our business and results of operations. Further, any policy decisions taken by the Government of the

new State of Telangana, formulated in relation to the amusement park industry or the entertainment industry at large, subsequent to the bifurcation of the State of Andhra Pradesh may also have an adverse effect on the setting up and operations of Wonderla Hyderabad, our business operations and financial conditions.

22. If we are unable to maintain existing and/or establish new arrangements with independent contractors who manufacture rides, provide housekeeping services, provide catering services and provide security services, our business could be adversely affected.

We outsource the manufacture of some of our rides, the housekeeping services, the catering services and the security services to independent contractors. We have entered into written arrangements with many of these independent contractors, but there can be no assurance that these contractors will continue to be associated with us on reasonable terms, or at all. Further, since the independent contractors are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to these independent contractors, which may cause them to prefer our competitors over us. Although we work closely with these independent contractors, we do not exercise control over them, and our arrangements with these independent contractors could involve various risks, including potential interruption to their operations for factors beyond their or our control, any significant adverse changes in their financial or business conditions, as well as low levels of output or efficiency. If we are unable to maintain existing and/or establish new arrangements with independent contractors who manufacture rides, provide housekeeping services, provide catering services and provide security services, our business could be adversely affected.

23. We have not entered into any annual maintenance contracts in relation to the machinery operated at our parks. The occurrence of an accident or a mechanical breakdown which we are not prepared for in relation to the machinery at our parks may have an adverse effect on our business, financial condition and results of operations.

We have not entered into any annual maintenance agreements for the maintenance or upkeep of the machinery that we operate at our parks, including in relation to any mechanical breakdown. Out of the 685 employees on our rolls as on January 31, 2014, 260 are employees in our technical departments, who execute our projects, implement new technology at our parks, conduct daily, weekly and shutdown maintenance work and ensure safe and breakdown free operations of the amusement rides, among other primary responsibilities. Notwithstanding the training and extent of responsibilities undertaken by our technical department, we may not be fully prepared or trained to handle and resolve every mechanical breakdown. Since we have not entered into annual maintenance contracts with any external contractor in relation to the machinery we operate at our parks, in the event of a mechanical breakdown which is beyond the scope of our technical expertise there may be a material and adverse effect on our business, financial condition and results of operations.

24. The requirement of funds in relation to the objects of the Issue has not been appraised, and is based on current conditions which are subject to change which may have an adverse impact on our business, financial condition and results of operations.

We intend to use the net proceeds of the Issue for the purposes described in the section titled "Objects of the Issue" on page 79 of this Red Herring Prospectus. The objects of the Issue have not been appraised by any bank or financial institution. These are based on current conditions and are subject to changes in external circumstances or costs. Based on the competitive nature of the industry, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. Our management estimates for our operations may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, which may have an adverse impact on our business, financial condition and results of operations.

25. Any failure, disruption or manipulation of our information technology systems could adversely impact our business and operations.

We rely on our IT systems to provide us with connectivity across our business functions through our software, hardware and network systems. Our business processes are IT enabled, and any failure in our IT systems or loss of connectivity or any loss of data arising from such failure could disrupt our ability to track, record and analyze work in progress, process financial information, manage creditors/debtors or engage in normal business activities, which could have a material adverse effect on our business and operations. Further, any failure, disruption or manipulation of our IT system could disrupt our ability to track, record and analyze sales of tickets, which could have a material adverse effect on our business and operations.

26. Our hospitality business is subject to a number of risks since we have ventured into the hospitality business very recently and lack significant experience in this foray. Our inability to manage our hospitality business may affect our revenues and results of operations.

We ventured into the hospitality business in March 2012 by launching Wonderla Resort beside our amusement park in Bangalore. For the year ended March 31, 2013 and the nine month period ended December 31, 2013, the total revenue of Wonderla Resort was ₹ 594.57 lakhs and ₹ 477.24 lakhs, being 4.27% and 3.93%, respectively, of our total revenue for the said period. For details, see the section "Financial Statements of our Company" on page 182 of this Red Herring Prospectus. We lack extensive experience in this business and we may not be able to compete effectively with established and new competitors in this business. Our success in the management of resorts will depend on our ability to forecast and respond to demand in an industry in which we have limited experience. In addition, the performance of the hotel industry is also closely linked with the performance of the general economy and any economic downturn would affect our business. Our inability to successfully manage our resort may affect our revenues and results of operations.

27. There are potential conflicts of interest with our Promoters. Such conflicts of interest may have an adverse effect on our business, financial condition, results of operations and prospects.

Our Promoters are shareholders of Pearl Spot Resorts Limited and one of our Promoters, Kochouseph Chittilappilly, is a director on the board of Pearl Spot Resorts Limited. Our Promoters and their immediate relatives collectively hold 28.17% of the equity share capital of Pearl Spot Resorts Limited. For further details, see the section "Our Promoters and Group Companies" on page 172 of this Red Herring Prospectus. There can be no assurance that our Promoters' roles in such company, which also runs a resort, do not present any conflicts of interest or potential conflicts of interest and that they will continue to be able to commit adequate time and resources to our Company. As a result, a conflict of interest may occur between our business and the business of Pearl Spot Resorts Limited which could have an adverse effect on our business, financial condition, results of operations and prospects.

28. Our current amusement park locations may become unattractive which may result in reduced Footfalls at our amusement parks and could adversely affect our business, financial condition, results of operations and prospects.

The success of an amusement park also depends on its location. Given the rate of urban construction in India, there can be no assurance that our current amusement park locations will continue to be attractive as neighbourhoods or demographic patterns change. Neighbourhood, economic conditions, transportation and accessibility to where our amusement parks are located could deteriorate in the future, thus resulting in potentially reduced Footfalls in these locations. Our visitors mostly come from different parts of Karnataka and Kerala where our amusement parks are located and also from different parts of southern India. If the current locations of our amusement parks become unattractive for tourists due to the factors mentioned above, it may result in reduced Footfalls at our amusement parks. Any of these factors could adversely affect our business, financial condition, results of operations and prospects.

29. Our ability to raise capital for our future growth and expansion may be limited. Any failure to obtain financing in a timely manner or on commercially acceptable terms could adversely affect our growth plans, business, financial condition, results of operations and prospects.

Our business is capital intensive in nature and requires high capital investment for setting up of new parks and maintenance of existing parks. Changes in our operating plans, acceleration of our expansion plans, lower-than-anticipated Footfalls, increased expenses or other events, including those described in this section, may cause us to seek additional financing on an accelerated basis. Financing may not be available on commercially acceptable terms, or at all. In addition, some of our facility agreements require us to seek the lenders' prior consent in order to incur additional indebtedness above certain thresholds. For further details on our loan arrangements, see the section "Financial Indebtedness" on page 252 of this Red Herring Prospectus. Additional financing, if available, may involve significant cash payment obligations and covenants that restrict our operational flexibility. Our borrowings may be subject to interest rates which may be fixed from time to time at the discretion of our lenders or may be subject to floating interest rates. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Further, any failure to obtain financing in a timely manner or on commercially acceptable terms could adversely affect our business, financial condition, results of operations and prospects.

30. Our operating results are influenced by the effectiveness of our marketing and advertising programmes, the ineffectiveness of which could adversely affect our business, financial condition, results of operations and prospects.

Our revenues are influenced by brand marketing and advertising. We rely to a large extent on our Promoters' and senior management's experience in defining our marketing and advertising programmes. We also rely on our sales promotion agents, who are engaged to manage our advertising and marketing activities. If our Promoters, senior management or our sales promotion agents lead us to adopt unsuccessful marketing and advertising campaigns, we may fail to attract new visitors and retain existing guests. If our marketing and advertising programmes are unsuccessful, our results of operations could be materially and adversely affected.

In addition, increased spending by our competitors on advertising and promotion or an increase in the cost of television or radio advertising, could adversely affect our results of operations and financial condition. Moreover, a material decrease in our funds earmarked for advertising or an ineffective advertising campaign relative to that of our competitors, could also adversely affect our business, financial condition, results of operations and prospects.

31. Our amusement parks are susceptible to the consequences of natural calamities and extreme weather conditions, which may adversely affect our business, financial condition, results of operations and prospects.

Our amusement parks are or may in the future, be primarily located in regions in India that may be susceptible to natural calamities and severe weather conditions including heavy monsoons, storms, or other similar conditions, which may cause floods and/or damage to our amusement parks, resulting in fewer visitors to our amusement parks or closure of our amusement parks for extended or indefinite periods of time or otherwise have a material adverse impact on our operations. Such natural calamities and weather conditions may also materially and adversely affect Footfalls seasonally in some or all of the markets where our amusement parks operate, which may adversely affect our business, financial condition, results of operations and prospects.

32. Footfalls at our amusement parks are subject to seasonality and may have disproportionate effect on our results of operations.

The Footfalls at our amusement parks experience moderate seasonal fluctuations. Typically, our Footfalls are higher in the third quarter of the Fiscal due to festive seasons such as Diwali and Christmas and lower in the fourth quarter. We also see an increase in Footfalls during the first quarter of the Fiscal owing to schools' summer vacations. Weather conditions can also have an influence on our business. For example,

we may experience a decrease in our business during heavy monsoon season. Our fixed costs such as employee salaries, amusement park operating costs and logistics-related expenses are relatively constant throughout the year. Consequently, lower than expected Footfalls during certain quarters of the Fiscal or more pronounced seasonal variations in Footfalls in the future could have a disproportionate impact on our operating results for the Fiscal, or could strain our resources and impair our cash flows. Any slowdown in Footfalls during peak seasons or failure by us to accurately anticipate and prepare for such seasonal fluctuations could have a material adverse effect on our business, financial condition and results of operations.

33. Some of our Group Companies have incurred losses in the preceding three years.

Some of our Group Companies have incurred losses in the preceding three fiscals. The details of profit/ losses incurred by such Group Companies for the preceding three fiscals are as follows:

Sl. No.	Group Company	Profit/Losses after tax (₹ in lakhs)		
		Fiscal 2013	Fiscal 2012	Fiscal 2011
1.	Formose Properties Private Limited#	2.52	(2.76)	-
2.	Vindico Properties Private Limited^	2.33	(2.76)	-
3.	Eventus Properties Private Limited@	2.53	(2.76)	-
4.	Veegaland Developers Private Limited	(80.51)	(18.03)	(17.64)
5.	K Chittilappilly Foundation*	(53.28)	-	-

 # Having been incorporated on January 7, 2011, audited financial information for Fiscal 2012 for Formose Properties Private Limited is for the period beginning January 7, 2011 till March 31, 2012.

^ Having been incorporated on January 11, 2011, audited financial information for Fiscal 2012 for Vindico Properties Private Limited is for the period beginning January 11, 2011 till March 31, 2012.

@ Having been incorporated on January 20, 2011, audited financial information for Fiscal 2012 for Eventus Properties Private Limited is for the period beginning January 20, 2011 till March 31, 2012.

** Having been incorporated on May 08, 2012, the audited financial information for Fiscal 2013 for K Chittilappilly Foundation is for the period beginning May 8, 2012 till March 31, 2013.*

For further details on the financial information of our Group Companies, see the section "Our Promoters and Group Companies" on page 172 of this Red Herring Prospectus. There is no assurance that these or any of the other Group Companies will not incur losses in future or that there will not be an adverse effect on our Company's reputation as a result of such losses.

34. Our use of imported rides and equipments exposes us to the risk of imposition or increase of tariffs, duties, quotas on such imported equipments which could negatively affect our business, financial condition and results of operations.

We depend to a certain extent on rides and equipments that are imported. India has in place import quotas and tariffs on such equipments which generally increase prices for imported products. We have no control over the imposition of such tariffs or duties and such restrictions may increase in the future, thereby increasing the costs of these rides and equipments and negatively affecting our business, financial condition and results of operations.

35. We purchase rides and equipments from foreign suppliers and therefore face foreign exchange risks which could have a material adverse effect on our cash flows, revenues and financial condition.

We purchase rides and equipments from a number of foreign suppliers including from Italy and Germany, in foreign currency. In view of the fluctuation in the value of the Rupee against foreign currencies, we face a degree of foreign exchange risk. The value of the Rupee against foreign currencies is affected by, among other things, the demand and supply of the Rupee and changes in India's political and economic conditions. We do not always hedge against currency rate fluctuations in respect of our purchase contracts, given the duration of our purchase contracts. This exposes us to exchange rate movements which may have a material

effect on our operating results in a given period. Thus, we cannot assure that we will not suffer any loss because of the fluctuation of the value of the Rupee, which may have a material adverse effect on our cash flows, revenues and financial condition.

36. Our business depends on the delivery of an adequate and uninterrupted supply of electrical power and water at a reasonable cost, the lack of which could disrupt our business, adversely affecting our results of operations.

Our amusement parks require an adequate and cost-effective supply of electrical power and water to function effectively. We principally depend on power supplied by regional and local electricity transmission grids operated by the various state electricity providers. Since, in the non-urban areas where power supply is erratic, in order to ensure that the power supply to our sites is constant and uninterrupted, we also rely on batteries and DG sets, where the cost of operating is high and may not be cost effective. A lack of adequate power supply and/or power outages could result in significant downtime at our amusement parks, resulting in inconvenience to our visitors. Further, we depend on the local water supply as well as bore wells to meet the requirements of the water rides at our amusement parks. A lack of adequate water supply could result in significant downtime at our amusement parks, resulting in inconvenience to our visitors.

Our operating costs will increase if the price at which we purchase electrical power from the state electricity providers increases, the price of fuel increases, the price of water from the municipal water supply increases or there arises the need to dig more bore wells due to inadequate water supply. There is no assurance that our amusement parks will have an adequate or cost effective supply of electrical power and water supply at our sites or fuel for DG sets, the lack of which could disrupt our business, adversely affecting our results of operations.

37. Environmental regulations and associated litigation may impose additional costs and may adversely affect our business, prospects, results of operations, cash flows and financial condition.

Our Company is subject to various national, state-level and municipal environmental laws and regulations in India concerning issues such as damage caused by air emissions and noise emissions by our diesel generator sets, some of which may impose overlapping requirements and varying standards of compliance on us. These laws can impose liability for non-compliance with regulations and are increasingly becoming more stringent and may in the future create substantial environmental compliance or remediation liabilities and costs. There could also be new regulations or policies imposed by the relevant authorities in relation to our business which may result in increased compliance costs.

While we believe that our Company is currently in compliance in all material respects with all applicable environmental laws and regulations, discharge of pollutants into the air or water may nevertheless cause us to be liable to the government where our amusement parks are located. In addition to potential clean-up liability, we may become subject to monetary fines and penalties for violation of applicable environmental laws, regulations or administrative orders. This may also result in closure or temporary suspension or adverse restrictions on our operations. Our Company may also, in future, become involved in proceedings with various regulatory authorities that may require us to pay fines, comply with more rigorous standards or other requirements or incur capital and operating expenses for environmental compliance. In addition, third parties may sue us for damages and costs resulting from environmental contamination emanating from our premises.

As a result of any claims that our operations are not in compliance with all applicable environmental laws, unidentified environmental liabilities could arise which may have an adverse effect on our business, prospects, results of operations, cash flows and financial condition.

38. We are required to obtain, renew and maintain statutory and regulatory permits, licenses and approvals for our business operations from time to time. Any failure or delay to obtain or renew them may adversely affect our operations, including our timelines for setting up Wonderla Hyderabad.

We require certain statutory and regulatory permits, licenses and approvals to carry out our business

operations and applications for their renewal need to be made within certain timeframes. While we have applied for a few of these approvals and permits, we cannot assure you that we will receive these approvals in a timely manner or at all. Further, in future we will be required to apply for renewal of these approvals and permits for our business operations to continue. If we are unable to renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner or at all, operations may be adversely affected. We will require additional regulatory permits and approvals for setting up Wonderla Hyderabad and failure to obtain them in time may impact our timelines for setting up Wonderla Hyderabad. For details in relation to the status of the approvals required for Wonderla Hyderabad, see the section "Government Approvals" on page 283 of this Red Herring Prospectus.

39. Our success may also depend upon our Promoters for their continuing services, loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our success may depend upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our founder and Promoter, Kochouseph Chittilappilly, has played a pivotal role since our inception. He currently serves as our Vice Chairman and Whole Time Director and his experience and vision has played a key role in us attaining our current market position, having set up, run and expanded the two amusement parks, Wonderla Kochi and Wonderla Bangalore. He has over 14 years of experience in the amusement park industry. Our Promoter, Arun Kochouseph Chittilappilly, the elder son of Kochouseph Chittilappilly, is the Managing Director of our Company. He was appointed as an additional Director of our Company on January 27, 2003 and as our Director on December 22, 2003. He has been the Managing Director of our Company since April 1, 2012. He has been actively involved in the day to day operations and management of our Company since 2003. He has over 10 years of experience in the amusement park industry. If our Promoters are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

In addition, we depend on our Promoters in procuring certain bank loans and advances from time to time. We rely on our Promoters in relation to some of our bank loans for which our Promoters have granted certain security and personal guarantees. For further details, see the section "Financial Indebtedness" on page 252 of this Red Herring Prospectus. We cannot assure you that any future financing we obtain without guarantees from our Promoters or from unrelated third-parties will be on terms which are equal to or more favourable than the terms of our past financings.

40. We rely on the experience and skills of our Directors, key management and our technically qualified staff. Our success will depend on our ability to attract and retain skilled personnel. Our inability to attract and retain skilled personnel could affect our business, results of operations and financial condition

We believe we have a team of professionals to effectively oversee our operations and growth of our business. Our success is substantially dependent on the expertise and services of our Directors, our key management and our technically qualified staff. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. We cannot assure you that we will be able to retain any or all of them, or that our succession planning will help us to replace the key members of our management with equally skilled personnel. The loss of the services of such key members of our management or technical team and the failure of any succession plan to replace such key members with equally capable personnel could have an adverse effect on our business, financial condition and results of operations.

41. Our Company's indebtedness, inability to make payments or refinance our debt and the conditions and restrictions imposed by the financing arrangements could adversely affect our ability to conduct our business and operations.

As of December 31, 2013 our Company's outstanding indebtedness was ₹ 2,102.37 lakhs. Our Company

may incur additional indebtedness in the future. Our Company's indebtedness could have several consequences, including but not limited to the following:

- a portion of our cash flow will be used towards repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future on reasonable terms may be restricted; and
- fluctuations and increase in prevailing interest rates may affect the cost of our borrowings, with respect to existing floating rate obligations and new loans.

Our Company has entered into agreements with certain banks and financial institutions for short term loans, working capital loans, cash credit facilities which contain restrictive covenants, including, but not limited to, requirements that we obtain consent from the lenders prior to altering our capital structure, issuing any further shares, effecting any scheme of amalgamation or reconstitution, declaring dividends, or creating any charge or lien on our assets. Our borrowings are secured against all or a portion of our movable and immovable assets situated at Wonderla Bangalore, Wonderla Kochi and Wonderla Hyderabad. Our Company has created pari passu charge over entire fixed assets of Wonderla Bangalore, movable and immovable, present and future, including equitable mortgage over land admeasuring 81 acres 30 guntas along with buildings located at Bidadi, Hobli, Ramanagaram Taluk, Bangalore Rural District in favour of State Bank of Travancore and Axis Bank Limited. Our Company has created a charge on movable and immovable assets of our Company's land admeasuring 25.47 acres, situated at Kunnathumadu Village, Cochin in favour of Dhanlaxmi Bank Limited. We have also created first ranking pari passu charge over entire fixed assets of Wonderla Hyderabad, both movable and immovable, present and future including equitable mortgage of land admeasuring 46.17 acres, located at Kongara Khurd A Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh in favour of State Bank of Travancore. For further details on our financial indebtedness, see the section "Financial Indebtedness" on page 252 of this Red Herring Prospectus.

Our Company's ability to make payments on and refinance our indebtedness will depend on our ability to generate cash from our future operations. We may not be able to generate enough cash flow from operations or obtain enough capital to service our debt. For further details, see the section "Financial Indebtedness" on page 252 of this Red Herring Prospectus.

42. Any increase in interest rates would have an adverse effect on our results of operations.

We are dependent upon the availability of equity, internal accruals and debt financing to fund our operations and growth. Our borrowings are subject to interest rates which may be fixed from time to time at the discretion of our lenders. As of December 31, 2013, we have an outstanding indebtedness of ₹ 2,102.37 lakhs, certain borrowings of which are subject to floating interest rates. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations.

43. Our insurance policies provide limited coverage and we may not be insured against some business risks which if they occur, may have an adverse effect on our business.

We maintain the following insurance policies subject to specified limits: (a) standard fire and special perils policy to insure our stocks of all kinds including contents within the amusement park, buildings, residential complex with contents, sewage treatment plant, water treatment plant, power house, incinerator, furniture, wooden racks, restaurant equipments, mechanical and electrical items; (b) public liability policy to insure payment arising out of legal liabilities including claimant's costs, fees and expenses; (c) directors and

officers liability policy to insure against loss arising from any claim made against directors or officers of our Company; (d) electronic equipment insurance policy to insure the electronic equipments of our Company against any damage; (e) special contingency insurance policy to insure our Company's properties against loss or damage caused due to identified contingencies; (f) group mediclaim policy to insure our employees and their dependants; and (g) personal accident policy for employees and their spouse and guests to the amusement park to insure all our employees and guests against accident on our Company's premises. Notwithstanding the insurance coverage that we carry, we may not be fully insured against some business risks, including key man insurance coverage, and the occurrence of an accident that causes losses in excess of limits specified under the relevant policy, or losses arising from events not covered by our insurance policies, could materially and adversely affect our business. For further details, see "Our Business – Insurance" on page 145 of this Red Herring Prospectus.

44. Our business is subject to changes in tax rules and regulations or policies imposed by the Government of India or other State Governments that could adversely affect our business and financial condition and results of operations.

Taxes and other levies imposed by the GoI or State Governments that affect our industry include customs duties, entertainment tax, excise duties, sales tax, value added tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is subject to change from time to time. Any adverse change in Indian tax rules and regulations or policy may have an adverse effect on our business, financial condition and results of operations. As such, we cannot assure you that such changes or other regulatory changes in the future will not have an adverse effect on our business, financial condition and results of operations.

45. The requirements of being a listed company may strain our resources and have an adverse effect on our business and operations.

We have no experience as a publicly listed company and have not been subjected to increased disclosure requirements and the increased scrutiny of our affairs by shareholders, regulators and the public at large that are associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which will impose certain obligations on us, such as requiring us to file unaudited financial results on a quarterly basis within specified timelines. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. In addition, we may need to engage additional legal and accounting personnel with appropriate experience and technical accounting knowledge, resulting in increased costs, and we cannot assure you that we will be able to do so in a timely manner, or, at all.

46. Contingent liabilities amounting to ₹ 355.99 lakhs as on December 31, 2013, which have not been provided for, could adversely affect our business, financial condition, and results of operations, if any of them were to materialise.

Our contingent liabilities as on December 31, 2013 amount to an aggregated sum of ₹ 355.99 lakhs as per our restated financial statements included in this Red Herring Prospectus. These contingent liabilities consist principally of tax related claims. If any or all of these contingent liabilities materialize, it could affect our business, financial condition and results of operations. For further information, see the section "Financial Statements of our Company" on page 182 of this Red Herring Prospectus.

As of December 31, 2013, we had the following contingent liabilities:

Claims against our Company not acknowledged as debt	As of December 31, 2013 (₹ lakhs)
Disputed special entry tax demand pending appeal	5.35
Disputed entertainment tax	9.89
Claims for compensation	17.28

Claims against our Company not acknowledged as debt	As of December 31, 2013 (₹ lakhs)
Income tax demand pending appeal	99.55
Interest on water cess	1.67
Service tax demand pending appeal	211.11
Bank guarantees	11.14
Total	**355.99**

47. We are dependent on third party transportation providers and suppliers of raw materials for the supply and delivery of some of our rides, maintenance equipments, food and beverage items, etc. and any delay in transportation or an unexpected increase in costs could adversely affect our business, results of operations and financial condition.

Third party transportation providers are typically used for the supply and delivery of some of our rides, maintenance equipments, food and beverage items, etc. Transportation costs are borne by our Company. In certain instances, disagreements may arise between our Company and our third party transportation providers, especially truck transports, which may result in delay or non-delivery of some of our rides, maintenance equipments, food and beverage items, etc. Furthermore, there has also been a steady trend of increasing transportation costs which may have an adverse effect on our business, financial condition and results of operations.

The occurrence of natural disasters may also impair the conditions of the railway and highway infrastructure to the point of making them unavailable. Any transportation problems that occur could have a material adverse effect on our business, results of operations and financial condition.

We are also exposed to market risk with respect to the prices of raw materials and components used in our amusement parks. These commodities include iron, steel, cement, diesel and other raw materials. The costs for these raw materials and components are subject to fluctuation based on commodity prices. The cost of components and various small parts sourced from outside manufacturers may also fluctuate based on their availability from suppliers. Further, our Company has not entered into any long term agreements with the suppliers of raw materials. Our Company sources its raw materials through short term arrangements which are regularly renewed on revised terms and conditions. Such cost fluctuations and the failure to renew arrangements for supply of raw materials on favourable terms could have an adverse effect on our business, results of operations and financial condition.

48. Failure to maintain adequate health and safety standards may cause our Company to incur significant costs and liabilities and may damage our reputation and adversely affect our business, financial condition and results of operations.

We are subject to a broad range of health and safety laws and regulations in India. These laws and regulations, as interpreted by the relevant authorities and the courts, impose increasingly stringent health and safety protection standards. The costs of complying with, and the imposition of liabilities pursuant to, health and safety laws and regulations could be significant, and failure to comply could result in the assessment of civil and/or criminal penalties, the suspension of permits or operations and significant liabilities pursuant to lawsuits by third parties. Failure to maintain adequate health and safety standards could damage our Company's reputation and adversely affect our business, financial condition and results of operations.

49. We face competition in our business and we may not be able to compete effectively and failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

We operate in an industry which is subject to market trends and customer preferences in relation to discretionary spending. In the amusement park industry we face competition not only from other amusement parks, but also from other entertainment service providers and tourist attractions, which affects our business prospects and margins. There can be no assurance that we can continue to effectively compete

with our competitors in the future, and the failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

Also, a significant component of our business strategy is the continued establishment and promotion of existing brands. Due to the competitive nature of the amusement park industry, entertainment industry and tourism industry, if we do not continue to sustain and further develop our brand, we may fail to increase our Footfalls. To promote our brand, we have incurred and will continue to incur substantial expenses related to advertising and other marketing efforts as well as in relation to distribution channels and retail stores. In future, we may introduce new rides and attractions that are not accepted by visitors which could adversely affect our goodwill, sales and result of operations.

Although, our operations have historically been focused in south Indian cities, we are planning to expand in other cities across India. As we intend to diversify our regional focus and grow our domestic operations, we face the risk that some of our competitors, who are also engaged in the amusement park business, may be better known in other regional markets and enjoy better relationships with job-work contractors and suppliers. Some of our competitors may have greater financial resources than we do. They may also benefit from greater economies of scale and operating efficiencies. Competitors may, whether through consolidation or growth, present more attractive and/or lower cost solutions than we do, causing us to lose market share to our competitors. There can be no assurance that we can continue to compete effectively with our competitors in the future and failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

50. Our inability to renew our agreements with the tour operators and sales promotion agents or to adequately incentivise them, may affect our Footfalls and thereby have an adverse effect on our business, financial condition, results of operations and prospects.

A portion of our revenues are dependent on our tie-ups with tour operators and sales promotion agents whom we engage on the basis of annual agreements, which may be renewed, to promote our amusement parks. We pay these tour operators and sales promotion agents on a commission basis. Our inability to renew these agreements regularly or to adequately incentivise the arrangements with them may affect our Footfalls and thereby have an adverse effect on our business, financial condition, results of operations and prospects.

51. We have applied for and are still awaiting registration of our trademark, "Wonderla Resort," and any infringement of such intellectual property may affect our reputation, goodwill, business and our results of operations.

We believe that the primary factors in influencing guests to visit our recently opened resort is the ability to differentiate our services from competitors by our brand-based marketing strategies which is a key factor in attracting guests. However our trademark "Wonderla Resort" and the associated logo have not been registered. Our application for registration of our trademark "Wonderla Resort" is currently pending before the registry. Therefore, we may not be able to prevent infringement of our trademark and a passing off action may not provide sufficient protection. Additionally, we may be required to litigate to protect our brands, which may adversely affect our business operations. Loss of the rights to use the trademark and the logo may affect our reputation, goodwill, business and our results of operations.

52. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Some of our Directors (including our Promoters) and Key Management Personnel in addition to normal remuneration or benefits and reimbursement of expenses are interested in our Company to the extent of their shareholding and dividend entitlement in our Company. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over us, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such

voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

53. Our Group Company, V-Guard Industries Limited, has in the past deviated from the use of proceeds and hence there has been a shortfall in performance vis-à-vis objects stated in the previous issue of the Group Company.

Our Group Company V-Guard Industries Limited has in the past deviated from its use of proceeds and hence there has been a shortfall in performance vis-à-vis objects stated in the issue of the Group Company. As disclosed in the section "Other Regulatory and Statutory Disclosures", the objects, stated in the prospectus dated February 29, 2008 for which funds were raised through the public issue, aggregated to ₹ 6,560.00 lakhs and included setting up of an enameled copper wire factory in Coimbatore, at an estimated cost of ₹ 904.00 lakhs. However, the management decided that the company would not be benefitted by the setting up of the proposed factory on the basis of findings of the internal research and development department. The management abandoned the said proposal and the funds were set aside to be utilized for any other purpose under the head 'general corporate' in the prospectus. In furtherance of this, V-Guard Industries Limited passed a special resolution of its shareholders at the annual general meeting on July 14, 2008.

54. Our operating results may fluctuate significantly due to various factors and could fall below the expectations of security analysts and investors causing our stock prices to fall.

Our operating results may fluctuate significantly because of various factors, including:

- changes in consumer preferences and discretionary spending;
- the timing of new amusement park openings and related revenues and expenses;
- fluctuations in the cost of equipment;
- labour availability and wages of amusement park management and staff;
- profitability of our amusement parks; and
- variations in general economic conditions.

As a result of these factors and others, results of any one quarter are not necessarily indicative of results to be expected for any other quarter or for any year. Average Footfalls in any particular future period may decrease. In the future, operating results may fall below the expectations of securities analysts and investors, which could cause our stock prices to fall.

55. Our ability to pay dividends in the future will depend upon future earnings, financial conditions, cash flows, working capital requirements and capital expenditures.

The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we will be able to pay dividends. Additionally, we may be prohibited by the terms of our future debt financing agreements to make any dividend payments until a certain time period as may be agreed with lenders.

56. Our Promoter, Kochouseph Chittilappilly, and a member of our Promoter Group, Sheela Kochouseph Chittilappilly, have sold Equity Shares held by them within 6 months immediately preceding the date of the DRHP, at a price which may be lower than the Issue Price.

On March 4, 2013 and March 28, 2013, our Promoter, Kochouseph Chittilappilly sold, in total 1,074,108

Equity Shares to 1,235 employees of our Group Company, V-Guard Industries Limited. Additionally, on March 13, 2013, March 15, 2013 and March 28, 2013, a member of our Promoter Group, Sheela Kochouseph Chittilappilly sold, in total 825,170 Equity Shares to 626 employees of our Company and our Group Companies, V-Star Creations Private Limited, Veegaland Developers Private Limited and Thomas Chittilappilly Trust. The aforesaid sale of shares was made at face value for cash, which may be at a price that is lower than the Issue Price. The aforesaid sale of shares to the employees was in appreciation of their contribution made to our Company and/or to our Group Companies. While determining the number of Equity Shares to be transferred to the employees, due weightage was given to their grade and tenure of their services.

57. We will continue to be controlled by our Promoters and Promoter Group following this Issue and our other shareholders may not be able to affect the outcome of shareholder voting.

After the completion of the Issue, our Promoters and Promoter Group will collectively hold approximately 70.97% of the fully diluted post-Issue equity capital. Consequently, our Promoters and Promoter Group may exercise substantial control over us and may have the power to elect and remove a majority of our directors and/or determine the outcome of proposals for corporate action requiring approval of our Board of Directors or Shareholders, such as lending and investment policies, revenue budgets, capital expenditure, dividend policy and strategic acquisitions. Our Promoters and Promoter Group may be able to influence our major policy decisions, including our overall strategic and investment decisions, by controlling the election of our directors and, in turn, indirectly controlling the selection of our senior management, determining the timing and amount of any dividend payments (if any), approving our annual budgets, deciding on increases or decreases in our share capital, determining our issuance of new securities, approving mergers, acquisitions and disposals of our assets or businesses, and amending our Articles of Association. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company. The interests of our Promoters and Promoter Group could conflict with the interests of our other shareholders, including the holders of our Equity Shares to be offered, and our Promoters and Promoter Group could make decisions that materially adversely affect your investment in our Equity Shares to be offered. We cannot assure you that our Promoters and Promoter Group will act to resolve any conflicts of interest in our Company's favour.

For further information, see the sections "Capital Structure" and "Our Promoters and Group Companies" on pages 68 and 172, respectively of this Red Herring Prospectus.

58. Any future issuance of Equity Shares may dilute your shareholdings or sales of our Equity Shares by our Promoters or Promoter Group may adversely affect the trading price of our Equity Shares.

Any future equity issuances by us or sales of our Equity Shares by our Promoters or Promoter Group may adversely affect the trading price of our Equity Shares and our Company's ability to raise capital through an issue of securities. In addition, any perception by potential investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Additionally, the disposal, pledge or encumbrance of our Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of our Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

59. The unsecured loans that may have been taken by our Promoters or Group Companies may be recalled by the lenders at any time which may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought.

Our Promoters or Group Companies may have availed unsecured loans from banks and financial institutions that are repayable on demand by the relevant lenders. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand for repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought.

External Risk Factors:

60. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, financial condition, results of operations and prospects.

The regulatory and policy environment in which we operate is evolving and subject to change. There can be no assurance that the GoI may not implement new regulations and policies which will require us to obtain approvals and licenses from the GoI and other regulatory bodies or impose onerous requirements, conditions, costs and expenditures on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

Please see the section "Regulations and Policies" on page 146 for details of certain laws currently applicable to us. Any changes to such laws, including the instances briefly mentioned below, may adversely affect our business, financial condition, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with such changes in applicable law and policy:

- The Companies Bill, 2012 was passed by the Lok Sabha on December 18, 2012, and by the Rajya Sabha on August 8, 2013. It received presidential assent on August 29, 2013 and has been enacted as the Companies Act 2013 pursuant to notification in the Official Gazette on August 30, 2013. Under Section 1 of the Companies Act 2013, the GoI has the power to appoint different dates for different provisions of the Companies Act 2013 to come into force. As on September 12, 2013, 99 sections of the Companies Act 2013 were notified and the corresponding sections of the Companies Act, 1956 have ceased to have effect from such date. Although the Companies Act 2013, is not yet fully operational, it envisages significant changes to the Indian company law framework, including the issue of capital by companies, corporate governance, audit matters and corporate social responsibility, the introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Various provisions of the Companies Act 2013 are subject to detailed rules and further directions to be issued by the GoI. In particular, we will be required to amend our memorandum of association and articles of association in order to comply with the Companies Act 2013. We will also be required to increase our investments in corporate social responsibility ("**CSR**") initiatives from 1% of our net profit after tax to at least 2% of our average net profit made during three immediately preceding financial years. We have not yet determined other significant impact of this legislation on our business.

- The Government of India proposes to revamp the implementation of direct taxes by way of the introduction of the Direct Taxes Code (the "**DTC**"). If the DTC is passed in its present form by both houses of the Indian Parliament and approved by the President of India and then notified in the Gazette of India, the tax impact discussed in this Red Herring Prospectus will likely be altered by the DTC.

- The General Anti Avoidance Rules ("**GAAR**") have recently been notified by way of an amendment to the Income Tax Rules, 1962, and are scheduled to come into effect from April 1, 2016. While the intent of this legislation is to prevent business arrangements set up with the intent to avoid tax incidence under the Income Tax Act, certain exemptions have been notified, *viz.*, (i) arrangements where the tax benefit to all parties under the business arrangement is less than ₹ 300.00 lakhs, (ii) where Foreign institutional Investors ("**FIIs**") have not taken benefit of a double tax avoidance tax treaty under Section 90 or 90A of the Income Tax Act and have invested in listed or unlisted securities with SEBI approval, (iii) where a non-resident has made an investment, either direct or indirect, by way of an offshore derivative instrument in an FII, or (iv)

where any income is accruing from transfer of investments made before August 30, 2010, provided in all cases that the GAAR will apply to any business arrangement pursuant to which tax benefit is obtained on or after April 1, 2015, irrespective of the date on which such arrangement was entered into.

- Certain recent changes to Indian income tax law provide that income arising directly or indirectly through the sale of a capital asset, including shares, will be subject to tax in India, if such shares derive indirectly or directly their value substantially from assets located in India and whether or not the seller of such shares has a residence, place of business, business connection, or any other presence in India. The term "substantially" has not been defined. Further, the applicability and implications of the changes are largely unclear. Due to these recent changes, investors may be subject to Indian income taxes on the income arising directly or indirectly through the sale of our Equity Shares. Further, changes in capital gains tax or tax rates on capital market transactions or sale of shares could affect investor returns.

- The Government of India has recently released safe harbor rules with respect to acceptance by the Indian tax authorities of declared transfer prices for certain types of international transactions (including intra-group loans and corporate guarantees and for the manufacture and export of core and non-core automotive components) between an eligible assessee and its associated enterprises, either or both of which are not Indian residents. The benefit, if any that we may derive from the application of such rules in the future is unclear.

- The Government of India is also proposing an amendment to Indian securities laws to provide greater powers to SEBI to curb irregularities and frauds in the Indian capital markets (including the power to seek telephonic records to check insider trading and to carry out search and seizure operations), and a bill for protection of whistleblowers, so as to enhance corporate governance in India.

- SEBI has pursuant to a notification dated January 7, 2014 notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, whereby amongst other things, existing FIIs, sub-accounts and QFIs have been merged into a new investor category, foreign portfolio investors.

We have not determined the impact of these recent and proposed laws and regulations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings, or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

61. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. As a result, any slowdown in the Indian economy could adversely affect our business. India's economy could be adversely affected by a general rise in interest rates, inflation, natural calamities, such as earthquakes, tsunamis, floods and drought, increases in commodity and energy prices, and protectionist efforts in other countries or various other factors. In addition, the Indian economy is in a state of transition. It is difficult to gauge the impact of these fundamental economic changes on our business. Any slowdown in the Indian economy could adversely affect our business, results of operations, financial condition and prospects.

62. Political instability or changes in the Government in India or in the Government of the states where we operate could cause us significant adverse effects.

We are incorporated in India and all of our operations, assets and personnel are located in India. Consequently, our performance and the market price and liquidity of our Equity Shares may be affected by changes in exchange rates and controls, interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The Government has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business is also impacted by regulation and conditions in the various states in India where we operate. Our business, and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive governments have pursued policies of economic liberalisation and financial sector reforms. However, there can be no assurance that such policies will be continued. Any political instability could affect the rate of economic liberalisation, specific laws and policies affecting foreign investment, the amusement park industry or investment in our Equity Shares. A significant change in the Government's policies, in particular, those relating to the amusement park industry in India, could adversely affect our business, results of operations, financial condition and prospects and could cause the price of our Equity Shares to decline.

63. It may not be possible for you to enforce any judgment obtained outside India against our Company or our management or any of our associates or affiliates in India, except by way of a suit in India.

Our Company is incorporated as a public limited company under the laws of India and all of its directors and executive officers reside in India. All of our assets are, and assets of our executive officers and directors may be, located in India. As a result, it may be difficult to effect service of process outside India upon us and our executive officers and directors or to enforce judgments obtained in courts outside India against us or our executive officers and directors, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to execute such a judgment or to repatriate any amount recovered.

64. Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business, results of operations, financial condition and prospects.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures, and the price of our Equity Shares.

65. Our business and activities will be regulated by the Competition Act, 2002.

The Parliament of India enacted the Competition Act, 2002 (the "**Competition Act**") for the purpose of preventing practices having an adverse effect on competition in the relevant market in India under the auspices of the Competition Commission of India (the "**CCI**"). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties. On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. The combination regulation provisions require that acquisition of shares, voting rights, assets or control or mergers or amalgamations which cross the prescribed asset and turnover based thresholds shall be mandatorily notified to and pre-approved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 which sets out the mechanism for implementation of the combination regulation provisions under the Competition Act. The effect of the Competition Act on the business environment in India is currently unclear. If we are affected, directly or indirectly, by any provision of the Competition Act, or its application or interpretation, including any enforcement proceedings initiated by the Competition Commission and any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission, it may have a material adverse effect on our business, results of operations, financial condition and prospects.

66. Outbreak of contagious diseases in India may have a negative impact on the Indian economy.

In the past, there have been threats of epidemics in the Asia Pacific region, including India and in other parts of the world such as H1N1 or "swine flu". If any of our employees are suspected of having contracted any of these infectious diseases, we may be required to quarantine such employees or the affected areas of our facilities and temporarily suspend part or all of our operations. Further, the fear of contracting such contagious diseases could restrict our management and/or employees from travelling within or outside India and our customers from visiting our amusement parks which could disrupt our operations. The temporary suspension of part or all of our operations or the inability of our management and/or employees to travel within or outside India as a result of any epidemic would have a material adverse effect on our business, results of operations, financial condition and prospects.

67. Regional hostilities, terrorist attacks or social unrest in India and South Asia or other countries, could adversely affect the financial markets and the trading price of our Equity Shares could decrease.

Terrorist attacks and other acts of violence or war including those involving India may adversely affect the Indian and worldwide financial markets. The terrorist acts may result in a loss of business confidence and have other consequences that could adversely affect our business, results of operations, financial condition and prospects. Increased volatility in the financial markets, including economic recession, can have an adverse impact on the economies of India and other countries.

In addition, South Asia has from time to time experienced instances of civil unrest and hostilities among neighbouring countries. Present relations between India and certain of its neighbouring countries continue to be fragile because of issues such as terrorism, armament and other political and social matters. Increased tensions and hostilities may occur in the future and on a wider scale. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy by disrupting trade and communications and making travel and transportation more difficult.

India has also experienced social unrest, communal disturbances and riots in some parts of the country during recent times. Such political and social tensions could create a perception that investments in Indian companies involve greater degrees of risk. These hostilities and tensions could lead to political or economic instability in India and a possible adverse affect on the Indian economy, our business, future financial performance and the trading price of our Equity Shares.

68. There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment.

Prior to the Issue, there has not been a public market for our Equity Shares. We cannot predict the extent to

which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling our Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of our Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- volatility in the Indian and other global securities markets;
- the performance of the Indian and global economy;
- risks relating to our business and industry, including those discussed in this Red Herring Prospectus;
- strategic actions by us or our competitors;
- investor perception of the investment opportunity associated with our Equity Shares and our future performance;
- adverse media reports about us, our shareholders or Group Companies;
- future sales of our Equity Shares;
- variations in our quarterly results of operations;
- differences between our actual financial and operating results and those expected by investors and analysts;
- our future expansion plans;
- perceptions about our future performance or the performance of Indian amusement parks generally;
- performance of our competitors in the Indian amusement park industry and the perception in the market about investments in the amusement park sector;
- significant developments in the regulation of the amusement park industry in our key locations;
- changes in the estimates of our performance or recommendations by financial analysts;
- significant developments in India's economic liberalisation and deregulation policies; and
- significant developments in India's fiscal and environmental regulations.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly as a result of market volatility. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

69. Economic developments and volatility in securities markets in other countries may cause the price of our Equity Shares to decline.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the recent financial crisis in the United States and European countries lead to a global financial and economic crisis that adversely affected the market prices in the securities markets around the world, including Indian securities markets. Negative economic developments, such as rising fiscal or trade

deficits, or a default on national debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

70. Significant differences exist between Indian GAAP and IFRS as well as valuation methods and accounting practices in the amusement park industry which may be material to the restated financial statements prepared and presented in accordance with SEBI Regulations contained in this Red Herring Prospectus.

As stated in the reports of our auditors included in this Red Herring Prospectus, the restated financial statements included in this Red Herring Prospectus are based on financial information prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as IFRS. Significant differences exist between Indian GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. In addition, there are no standard valuation methodologies or accounting practices used by the emerging amusement park industry in emerging markets including India. In making an investment decision, investors must rely upon their own examination of us, the terms of the Issue and the financial information contained in this Red Herring Prospectus.

71. Our transition to the use of the IFRS-converged Indian Accounting Standards may adversely affect our financial condition and results of operations.

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, IFRS announced by the Ministry of Corporate Affairs, Government of India (the "**MCA**") in January 2010. The convergence of certain Indian Accounting Standards with IFRS was notified by the MCA on February 25, 2011. The date of implementing such converged Indian Accounting Standards has not yet been determined.

Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear significantly different under IFRS than under Indian GAAP. This may have an adverse effect on the amount of revenue recognized during a particular period as compared to the amount of revenue recognized during a corresponding period in the past. In addition, in our transition to IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems.

Moreover, our transition may be hampered by increasing competition and increased costs for the relatively small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements. Any of these factors relating to the use of IFRS-converged Indian Accounting Standards may adversely affect our financial condition and results of operations.

72. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely affect our financial condition.

According to a 'Weekly Statistical Supplement' released by RBI on February 28, 2014, India's foreign exchange reserves totalled approximately USD 18,244.90 Billion as of February 21, 2014. India's foreign exchange reserves have declined recently and may have negatively affected the valuation of the Rupee. Further declines in foreign exchange reserves could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial condition and the market price of the Equity Shares.

73. There will be restrictions on daily movements in the price of our Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Our Equity Shares, once listed, will be subject to a daily circuit breaker imposed by the Stock Exchanges, which will not allow transactions beyond specified daily increases or decreases in the price of our Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set at some point by the Stock Exchanges based on the historical volatility in the price and trading volume of our Equity Shares. The Stock Exchanges may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of our Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

74. There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all, and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, permission for listing of our Equity Shares will not be granted until after those Equity Shares have been issued and allotted. Approval will require all other relevant documents authorising the issuing of Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

75. There can be no assurance that our Company's securities will continue to be listed on the Stock Exchanges.

Pursuant to the listing of our Equity Shares on the Stock Exchanges, we will be required to comply with certain regulations and/or guidelines as prescribed by SEBI and the Stock Exchanges. However, in the event that we fail to comply with any of the aforesaid regulations and/or guidelines, there can be no assurance that our Equity Shares will continue to be listed on the Stock Exchanges.

76. There may be less information available about companies listed on Indian stock exchanges than companies listed on stock markets in other countries.

After completion of this Issue, our Equity Shares will be publicly listed on the Stock Exchanges. Our Equity Shares will not be listed on any stock exchange in any other country outside India. There is a difference between the level of regulation and monitoring of the Stock Exchanges and the activities of investors, brokers and other participants in the Indian stock markets and that of stock markets in other countries, including stock markets in countries with more developed economies such as the United Kingdom and the United States. Additionally, there may be less publicly available information about Indian companies than is regularly made available by public companies in more developed economies. As a result, you may have access to less information about our business, results of operations and financial condition and those of our competitors that are listed on Indian stock exchanges, on an ongoing basis, than you may in the case of companies subject to the reporting requirements of other countries.

77. You will not be able to sell immediately on an Indian stock exchange any of our Equity Shares you purchase in the Issue.

Our Equity Shares will be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before our Equity Shares can be listed and trading may commence. Investors' book entry or "demat" accounts with depository participants in India are expected to be credited within three Working Days of the date on which the basis of allotment is approved by the Designated Stock Exchange. Upon receipt of final approval from the Stock Exchanges, trading in our Equity Shares is expected to commence within 12 Working Days from the Bid/Issue Closing Date. We cannot assure that our Equity Shares will be credited to investors' demat accounts, or that trading in our Equity Shares will commence,

within the time periods specified above. Any delay in obtaining the approvals would restrict the investor's ability to sell our Equity Shares.

78. Foreign investors are subject to foreign investment restrictions under Indian law that limit our Company's ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the Reserve Bank of India ("**RBI**"). If the transfer of shares, which are sought to be transferred is not in compliance with such requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. Our Company cannot assure investors that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all. For more information, see the section "Restrictions on Foreign Ownership of Indian Securities" on page 370 of this Red Herring Prospectus.

Prominent Notes:

- Initial public offering of 14,500,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs. The Issue shall constitute 25.66% of the post Issue paid-up Equity Share capital of our Company.

- Investors may contact the BRLMs, who have submitted the due diligence certificate to SEBI, for any complaint pertaining to the Issue. All grievances pertaining to the Issue and all future communications in connection with queries related to Allotment, credit of Equity Shares, refunds, non-receipt of Allotment Advice and other post-Issue matters should be addressed to the Registrar to the Issue. In case of ASBA Bids submitted to the SCSBs, the Bidders should contact the relevant SCSB. In case of queries related to ASBA Bids submitted to the members of the Syndicate at the Specified Locations, the Bidders should contact the relevant member of the Syndicate. In case of Bids submitted through Registered Brokers, the Bidders should contact the relevant Registered Broker through whom he/she has submitted the Bid for any queries. All such communications should quote the full name and address of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, the ASBA Account number in which the amount equivalent to the Payment Amount was blocked. All grievances relating to the ASBA process may also be copied to the Registrar to the Issue.

- The net worth of our Company as at March 31, 2013 and as at December 31, 2013, as per our restated financial statements included in this Red Herring Prospectus was ₹ 12,144.79 lakhs and ₹ 15,243.63 lakhs, respectively. For more information, see the section "Financial Statements of our Company" on page 182 of this Red Herring Prospectus.

- The net asset value per Equity Share as at March 31, 2013 and as at December 31, 2013, as per our restated financial statements included in this Red Herring Prospectus was ₹ 28.92 and ₹ 36.29, respectively.

- The average cost of acquisition per Equity Share by our Promoters are as follows:

Name of Promoter	Number of Equity Shares held	Average cost of acquisition (In ₹)
Kochouseph Chittilappilly	17,375,792	9.41
Arun Kochouseph Chittilappilly	7,910,200	9.46
Total	**25,285,992**	

As certified by Varma & Varma, Chartered Accountants, by their certificate dated February 19, 2014.

- None of our Group Companies have any business interests in our Company, except as disclosed in "Financial Statements of our Company – Disclosures of significant transactions with related parties" on page 220, of this Red Herring Prospectus.

- There has been no financing arrangement whereby our Promoter Group, our Directors, or any of their respective relatives have financed the purchase by any other person of securities of our Company other than in the ordinary course of the business of the financing entity during the six months preceding the date of the Draft Red Herring Prospectus.

Our Company was converted into a public limited company on January 11, 2013 with the name Wonderla Holidays Limited and received a fresh certificate of incorporation consequent upon change in status from the RoC.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

Overview of the Indian Economy

India, the world's largest democracy in terms of population had a GDP on a purchasing power parity basis of approximately USD 4.7 trillion for the calendar year 2012. This makes it the third largest economy in the world after the United States of America and China (*Source: CIA World Factbook, updated as of February 19, 2013*). The general health of the leisure and hospitality industry is affected by the performance of the Indian economy.

The economy has grown by 5.40% for the calendar year 2012 in real terms (adjusted for inflation) (*Source: CIA World Factbook, updated as of February 19, 2013*). The services sector share in our GDP is the highest at 65.00% for the calendar year 2011 (*Source: CIA World Factbook, updated as of February 19, 2013*) and is the key driver of growth of the economy.

The outlook of India's medium-term growth is positive due to a young population and corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. (*Source: CIA World Factbook, updated as of February 19, 2013*)

Growth in per Capita Income

According to Centre for Monitoring Indian Economy, India's per capita GDP (at constant prices) has grown from around ₹14,959 in 1991 at the time of liberalization to ₹46,555 for the Fiscal 2012. This increase in per capita GDP has built a thriving middle-class society with their rising disposable incomes. This has had a significant investment multiplier effect on the economy leading to increasing consumerism and wealth creation thus positively impacting savings. (*Source: CARE Report*)

Tourism Inflow

Being a vast country with diversified traditions and a long history, India offers wide variety of avenues for domestic as well as international tourists. With the rapid economic growth in last few years, there is considerable rise in business tourists in India. (*Source: CARE Report*)

The tourism and hospitality sector's direct contribution to GDP in calendar year 2011 was USD 35.2 billion (*Source: India Brand Equity Forum*). It is one of the important industries in India also contributing to foreign exchange earnings and employs large number of people directly and indirectly through hospitality industry. During 2011, the number of domestic tourist visits to the states/ union territories of India was 851 million as compared to 748 million in 2010, growing at 13.80%. On the other hand, foreign tourist visits recorded a moderate growth of 9.00% to 19.5 million in 2011, compared to an impressive growth of 24.60% in 2010. (*Source: CARE Report*)

Global Amusement Park Industry

Evolution of Amusement Park Industry across the globe

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

Indian Amusement Park Industry

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

Key Players

Amusement parks across India offer varied experience to users ranging from dry rides, wet rides, snow parks, resorts, shopping malls etc, though most of the rides remain similar in nature. Large parks like Essel World in Mumbai and Nicco Park in Kolkata charge separately for their water parks whereas in others like Wonderla Bangalore and Kochi, Kishkinta in Chennai, dry and wet rides can be accessed on the same ticket. Ocean Park (Snow World) in Hyderabad and Essel World Freeze in Pune offer ice skating, skiing etc in their snow parks. (*Source: CARE Report*)

Following their global peers, some of the existing amusement parks like Wonderla and Ramoji Film City and most of the upcoming parks including Atlanta's park in Surat is coming out with a resort to provide facility for overnight stay. As India is waking up to the retail revolution in the country, parks like Entertainment City in Noida and Adventure Island in Rohini, Delhi have incorporated shopping malls and other retail formats to make the user experience a wholesome one. (*Source: CARE Report*)

Large parks in India have predominantly adopted 'pay one price' wherein the customer is entitled to unlimited use of rides after paying a single entry fees. Worlds of Wonder in Entertainment City, Noida provides both the options of 'pay-one-price' and 'pay-as-you-go'. (*Source: CARE Report*)

Demand Drivers

- **Demographic Advantages**

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

- **Rising Income Levels**

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

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

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

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

  The census of 2011 has seen equal increase in rural and urban population over 2011 in absolute terms as

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

- **Growth in tourism**

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

Barriers to Entry

Entry into the amusement park industry has certain barriers as follows:

- **Capital Intensive Business**

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

- **Competition from existing players**

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

- **Land Acquisition becoming critical**

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

  Other major challenges faced by the park operators are as below:

  Rising land costs: Often the park operators are constrained by the rising land costs, as the parks need to be set up in the metro cities or at the most at the outskirts of the major cities with a huge land area, so as to attract a healthy footfall. As land is becoming expensive, it is getting extremely difficult to acquire land for large projects and most of the amusement parks are coming up in the outskirts of large cities or on major highways. (*Source: CARE Report*)

  Purchase of land in parts: The park operators may or may not be able to acquire the required land at one go. Announcement of some other infrastructure projects like airports, SEZs etc raises the land rates astronomically making the project unviable. (*Source: CARE Report*)

  Land use for city development: It becomes difficult to acquire land in the metro cities, especially when the

park is planned to be located around the area where major developments like SEZs, stations, etc. are planned. This may pose a challenge to the parks having a lease agreement with any authority, especially if the agreement has not been renewed. The lease agreement usually is for 30-50 years, also 99 years in some cases, and even for smaller period like three years in some. The land of a park may have to be surrendered in case the agreement is not renewed and the land is urgently needed for any kind of city development. For instance, Appu Ghar, Delhi had to be shut down on the decision of the Supreme Court as the government needed the land on an urgent basis for the construction of Delhi's Metro Station. (*Source: CARE Report*)

Rehabilitation: If the proposed park is planned to be built in some residential or slum area, the park owner needs to resettle all the people residing in that area. This will add to time, money and efforts. (*Source: CARE Report*)

Commuting convenience: This is the most crucial part for attracting a healthy footfall and revenues. The park should be located at a place which has easy connectivity via road and major public transports, to ensure the ease of travelling for the visitors. This is again a challenge as the area connected to major transport routes is a busy area, hence higher capital investment in land follows. (*Source: CARE Report*)

Future Outlook

Expected Investments over the next 2-3 years

A total of ₹ 175 billion of investment pertaining to the 12 major projects lined up over next 3-4 years. The amusement park in Surat is contributing around ₹ 95-100 billion of this amount. Some of these large projects may avail viability gap funding from the state governments.

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

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

SUMMARY OF OUR BUSINESS

Overview

We are one of the largest operators of amusement parks in India. We currently own and operate two amusement parks under the brand name *'Wonderla*', situated at Kochi and Bangalore and are in the process of setting up our third amusement park in Ranga Reddy District of Andhra Pradesh, Wonderla Hyderabad. We also own and operate a resort beside our amusement park in Bangalore under the brand name 'Wonderla Resort' which has been operational since March 2012.

Our amusement parks offer a wide range of water and land based attractions catering to all age groups. We have 22 water based attractions and 33 land based attractions at Wonderla Kochi, situated on 93.17 acres of land and 20 water based attractions and 35 land based attractions at Wonderla Bangalore, situated on 81.75 acres of land. We recorded total Footfalls of 23.40 lakhs in Fiscal 2013 and 17.50 lakhs in the nine month period ended December 31, 2013 across our two amusement parks in Kochi and Bangalore. Our total Footfalls across the two amusement parks have grown at a CAGR of 7.42% from Fiscal 2011 to Fiscal 2013. Our resort operated under the name, *Wonderla Resort*, is a 'Three Star' leisure resort located beside our amusement park in Bangalore comprising of 84 luxury rooms, with amenities including banquet halls, a board room, conference rooms, a multi-cuisine restaurant, a solar heated swimming pool, recreation area, kids' activity centre and a well equipped gym. Further, for setting up our proposed amusement park in Ranga Reddy District of Andhra Pradesh, we have acquired 49.57 acres of land.

Our Promoter, Kochouseph Chittilappilly in the year 1996 had incorporated V-Guard Industries Limited, our Group Company, which is listed on BSE and NSE since 2008. Our Promoters launched our first amusement park in Kochi in the year 2000, by the name '*Veegaland*' and our second amusement park in Bangalore in the year 2005, by the name '*Wonderla*'. Pursuant to a scheme of amalgamation the erstwhile 'Veega Holidays and Parks Private Limited' which owned and operated '*Veegaland*', merged with our Company with effect from April 1, 2008 and consequently both our amusement parks are being operated under the name '*Wonderla*'. For further details in relation to our corporate history and our scheme of amalgamation, see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

The following table depicts details of our business operations for Fiscals 2011, 2012, 2013 and for the nine month period ended December 31, 2013:

Sl. No.	Particulars	Fiscal 2011	Fiscal 2012	Fiscal 2013	Nine month period ended December 31, 2013
1.	**Footfalls** (in lakhs)				
	▪ Kochi	11.11	11.79	12.11	8.33
	▪ Bangalore	9.17	10.79	11.29	9.17
	Total	20.28	22.58	23.40	17.50
2.	**Revenue** (₹ in lakhs)				
	▪ Kochi	4,332.38	5,173.33	5,947.79	4,876.28
	▪ Bangalore	4,789.32	6,278.29	7,375.07	6,799.05
	▪ Wonderla Resort	-	0.67	594.57	477.24
	Total	9,121.70	11,452.29	13,917.43	12,152.57
3.	**Attractions**				
	❖ Land based attractions				
	▪ Kochi	32	34	34	33
	▪ Bangalore	32	33	33	35
	❖ Water based attractions				
	▪ Kochi	22	22	22	22
	▪ Bangalore	20	20	20	20
4.	**Area** (in acres)				
	▪ Kochi	91.20	91.20	91.20	93.17
	▪ Bangalore	81.75	81.75	81.75	81.75

We have won several awards and accolades for our amusement parks in Kochi and Bangalore. Our parks, Wonderla Kochi and Wonderla Bangalore have been certified by Bureau Veritas Certification (India) Private Limited for meeting the BS OHSAS 18001: 2007 safety standards and ISO 14001: 2004 environment protection standards, for the operation and maintenance of our land and water based attractions as well as for the related amenities that we provide to our customers. We have won several awards instituted by the Indian Association of Amusement Parks and Industries ("**IAAPI**"), including, among others, the IAAPI excellence award for the highest number and variety of innovative rides won by us four times, most recently for the year 2012-13, the IAAPI excellence award for the most innovative ride won by us three times, most recently in 2012-13 and the IAAPI excellence award for innovative promotional activity won by us three times, most recently for the year 2012-13. We have won the Kerala state tourism award for best tourism destination for the year 2010-11 and the Confederation of Indian Industry excellence award in the areas of environment, health and safety for the year 2010. For further details in relation to awards and accreditations see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

Our total income increased from ₹ 6,330.76 lakhs in Fiscal 2009 to ₹ 13,917.43 lakhs in Fiscal 2013 at a CAGR of 21.77%. Our net profit after tax increased from ₹ 1,103.08 lakhs in Fiscal 2009 to ₹ 3,348.08 lakhs in Fiscal 2013 at a CAGR of 31.99%. Our total income and profit after tax for the nine month period ended December 31, 2013 are ₹ 12,152.57 lakhs and ₹ 3,098.84 lakhs respectively.

Our Competitive Strengths

- Our operational experience in the amusement park industry for over a decade and our established brand equity;
- Our in-house manufacturing facility at Wonderla Kochi;
- Our high safety and hygiene standards;
- Our understanding of customer needs and ability to constantly innovate new attractions at our amusement parks; and
- Experience of our Promoters, our key management and our qualified staff.

Our Strategy

- Expand our business operations by setting up new amusement parks in other cities;
- Continue to expand and improvise our existing amusement parks to increase our Footfalls;
- Widen our customer base and visitor experience through amusement parks integrated with resorts;
- Further expansion of our in-house ride design and manufacturing capabilities; and
- Expansion of our revenue streams and innovative marketing initiatives to supplement our income from entry fees.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial statements derived from our restated financial statements as of and for Fiscals 2009, 2010, 2011, 2012 and 2013 and as of and for the nine months period ended December 31, 2013. These financial statements have been prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and are presented in "Financial Statements of our Company" on page 182 of this Red Herring Prospectus. The summary financial statements presented below should be read in conjunction with our restated financial statements, the notes and annexures thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operation" on page 231 of this Red Herring Prospectus.

SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Non-current assets						
Fixed assets						
Tangible assets	11,340.65	10,464.87	9,234.98	12,035.04	14,347.56	14,558.92
Intangible assets	95.31	83.98	71.97	66.65	47.40	51.54
Capital work-in-progress	6.30	131.60	767.88	436.90	572.08	2,025.45
Long-term loans and advances	319.65	234.49	355.53	911.28	832.37	263.77
Other non-current assets	17.50	12.25	10.38	10.99	12.77	19.65
Total	**11,779.41**	**10,927.19**	**10,440.74**	**13,460.86**	**15,812.18**	**16,919.33**
Current assets						
Current investments	-	-	-	-	-	1,391.98
Inventories	111.16	133.75	144.66	181.50	280.55	361.72
Trade receivables	10.93	16.42	26.00	20.20	48.62	56.50
Cash and bank balances	29.94	111.13	31.69	248.41	287.32	95.93
Short-term loans and advances	143.66	201.37	81.30	136.16	168.85	125.06
Other current assets	5.39	8.65	9.35	9.05	87.56	229.15
Total	**301.08**	**471.32**	**293.00**	**595.32**	**872.90**	**2,260.34**
Non-current liabilities						
Long-term borrowings	3,482.25	2,043.71	806.66	1,609.84	1,243.39	1,702.97
Deferred tax liability (net)	26.35	314.20	357.32	334.32	369.06	344.36
Long-term provisions	19.75	32.94	35.67	45.68	152.05	130.15
Total	**3,528.35**	**2,390.85**	**1,199.65**	**1,989.84**	**1,764.50**	**2,177.48**
Current liabilities						
Short-term borrowings	2,145.00	1,652.57	99.88	53.80	615.63	143.86
Trade payables	67.26	154.49	206.77	369.27	401.74	588.88
Other current liabilities	1,362.91	1,329.53	1,113.09	1,178.76	695.60	742.02
Short-term provisions	565.99	1,011.77	835.10	930.73	1,062.82	283.80
Total	**4,141.16**	**4,148.36**	**2,254.84**	**2,532.56**	**2,775.79**	**1,758.56**
Net worth	**4,410.98**	**4,859.30**	**7,279.25**	**9,533.78**	**12,144.79**	**15,243.63**
Net worth represented by						
Share capital	2,600.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00
Share capital suspense account - fully paid up shares to be allotted as per the scheme of amalgamation	1,600.00	-	-	-	-	-
Reserves and surplus	210.98	659.30	3,079.25	5,333.78	7,944.79	11,043.63
Net worth	**4,410.98**	**4,859.30**	**7,279.25**	**9,533.78**	**12,144.79**	**15,243.63**

SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED

(Amounts in lacs)

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
Income						
Income from services	5,717.19	6,299.86	8,244.94	10,467.20	12,481.12	10,546.89
Sale of products	518.80	586.65	719.46	846.29	1,303.93	1,422.10
Other income	94.77	88.66	157.30	138.80	132.38	183.58
Total	**6,330.76**	**6,975.17**	**9,121.70**	**11,452.29**	**13,917.43**	**12,152.57**
Expenditure						
Direct Operating Expenses	1,040.45	1,145.41	1,238.67	1,695.97	2,072.91	1,812.73
Purchase of Stock in Trade	319.11	371.15	406.35	484.65	734.22	754.17
Change in Inventory of Stock in Trade	(1.70)	(7.51)	10.82	(10.13)	(12.10)	(25.95)
Employee benefits	988.13	1,120.72	1,380.57	2,074.81	2,742.05	1,931.45
Other expenses	1,118.62	1,134.14	1,334.34	1,518.28	1,964.11	1,878.23
Finance charges	763.57	578.26	389.95	113.29	222.51	119.77
Depreciation/ amortisation	1,172.73	1,182.84	1,182.74	1,155.74	1,184.51	1,012.27
Total	**5,400.91**	**5,525.01**	**5,943.44**	**7,032.61**	**8,908.21**	**7,482.67**
Profit / (loss) before extraordinary items and tax	**929.85**	**1,450.16**	**3,178.26**	**4,419.68**	**5,009.22**	**4,669.90**
Extraordinary items	-	-	1,079.96	-	-	-
Net profit / (loss) before tax	**929.85**	**1,450.16**	**4,258.22**	**4,419.68**	**5,009.22**	**4,669.90**
Less: Provision for tax						
Current tax / minimum alternate tax	(71.12)	(246.16)	(1,062.95)	(1,455.95)	(1,626.40)	(1,595.76)
Less : MAT credit entitlement	71.12	21.93	-	-	-	
Fringe benefit tax	(8.80)	-	-	-	-	-
Deferred tax (charge) / benefit	182.03	(287.85)	(43.12)	23.00	(34.74)	24.70
Total provision for tax	**173.23**	**(512.08)**	**(1,106.07)**	**(1,432.95)**	**(1,661.14)**	**(1,571.06)**
Net profit after tax, as restated	**1,103.08**	**938.08**	**3,152.15**	**2,986.73**	**3,348.08**	**3,098.84**

STATEMENT OF CASH FLOWS, AS RESTATED

(Amounts in lacs)

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
Cash flow from operating activities						
Net profit before tax	929.85	1,450.16	4,258.22	4,419.68	5,009.22	4,669.90
Adjustments:						
Finance charges	763.57	578.26	389.95	113.29	222.51	119.77
Depreciation and amortisation	1,172.73	1,182.84	1,182.74	1,155.74	1,184.51	1,012.27
Interest income	(6.88)	(9.09)	(4.65)	(4.18)	(1.76)	(20.41)
Loss on sale of current investments in mutual funds (net)	3.97	-		-	-	-
(Profit)/loss on sale of fixed assets	1.33	2.63	(1,079.96)	0.18	(2.21)	3.90
Fixed assets written off	-	-	-	-	8.43	5.79
Dividend income from mutual funds	(15.44)	(1.23)	(61.09)	(36.37)	(26.89)	(60.50)
Operating cash flow before working capital changes	**2,849.13**	**3,203.57**	**4,685.21**	**5,648.34**	**6,393.81**	**5,730.72**
Adjustments for changes in working capital						
(Increase)/decrease in inventories	2.73	(22.59)	(10.91)	(36.84)	(99.05)	(81.17)
(Increase)/decrease in trade receivables	3.54	(5.49)	(9.58)	5.80	(28.42)	(7.88)
(Increase)/decrease inloans and advances	(31.41)	59.02	10.51	(55.81)	(115.22)	(114.92)
Increase/(decrease) in liabilities	(136.08)	159.21	(320.58)	296.27	217.76	255.20
Cash generated from operations	**2,687.91**	**3,393.72**	**4,354.65**	**5,857.76**	**6,368.88**	**5,781.95**
Income taxes paid	(111.23)	(201.75)	(1,076.15)	(1,384.96)	(1,511.96)	(1,554.92)
Fringe benefit tax paid	(8.80)	-	-	-	-	
Net cash generated by operating activities (A)	**2,567.88**	**3,191.97**	**3,278.50**	**4,472.80**	**4,856.92**	**4,227.03**
Cash flow from investing activities						
Purchase of fixed assets	(323.28)	(435.96)	(1,307.12)	(3,934.12)	(3,744.73)	(2,222.39)
Proceeds from sale of fixed assets	4.85	30.33	1,805.60	10.49	4.78	53.33
Loss on sale of Investments in mutual funds (net)	(3.97)	-	-	-	-	-
Dividend income from mutual funds	15.44	1.23	61.09	36.37	26.89	60.50

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
Interest received	6.71	8.40	4.39	4.28	1.73	20.16
Purchases of short-term investments	-	-	-	-	-	(1,391.98)
Net cash (used in) / generated by investing activities (B)	**(300.25)**	**(396.00)**	**563.96**	**(3,882.98)**	**(3,711.33)**	**(3,480.38)**
Cash flow from financing activities						
Proceeds from/(repayment of) term and vehicle loans from banks	(1,673.09)	(1,328.90)	(885.62)	510.11	(811.59)	308.86
Proceeds from/(repayment of) corporate loans from banks	332.00	(168.00)	(164.00)	-	700.00	(431.70)
Proceeds from/(repayment of) cash credit and working capital loans	(121.73)	(176.42)	67.36	(46.08)	(38.17)	128.23
Increase/(Decrease) in Unsecured Loans	113.71	(316.01)	(2,043.25)	-	-	
Issue of Share Capital (Including Securities Premium)	-	-	-	-	-	
Dividend paid including taxes	(187.19)	(140.39)	(489.76)	(732.20)	(732.20)	(737.07)
Finance cost paid	(726.03)	(585.06)	(406.63)	(104.93)	(224.72)	(206.36)
Net cash used in financing activities (C)	**(2,262.33)**	**(2,714.78)**	**(3,921.90)**	**(373.10)**	**(1,106.68)**	**(938.04)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**5.30**	**81.19**	**(79.44)**	**216.72**	**38.91**	**(191.39)**
Cash and cash equivalents at the beginning of the period	24.64	29.94	111.13	31.69	248.41	287.32
Cash and cash equivalents at the end of the period	29.94	111.13	31.69	248.41	287.32	95.93

THE ISSUE

Issue of Equity Shares	14,500,000 Equity Shares
of which	
A) QIB portion[(1)]	7,250,000 Equity Shares
of which:	
Anchor Investor Portion	2,175,000 Equity Shares
Available for allocation to Mutual Funds only (5.00% of the QIB Portion (excluding the Anchor Investor Portion))	253,750 Equity Shares
Balance for all QIBs including Mutual Funds	4,821,250 Equity Shares
B) Non-Institutional Portion[(2)]	Not less than 2,175,000 Equity Shares
C) Retail Portion[(2)]	Not less than 5,075,000 Equity Shares
Equity Shares outstanding prior to the Issue	42,000,000 Equity Shares
Equity Shares outstanding after the Issue	56,500,000 Equity Shares
Use of Net Proceeds	See the section "Objects of the Issue" on page 79 of this Red Herring Prospectus for information about the use of the Net Proceeds.

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis. For further details, see "Issue Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment" on page 356 of this Red Herring Prospectus.

(1) *Our Company may, in consultation with the BRLMs allocate up to 30.00% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5.00% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 253,750 Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see the section "Issue Procedure" on page 316 of this Red Herring Prospectus.*

(2) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.*

GENERAL INFORMATION

Our Company was originally incorporated as a private limited company in Bangalore, Karnataka under the Companies Act 1956 on November 18, 2002 under the name and style of 'Wonderla Holidays Private Limited'. Our amusement park in Kochi was set up under a public limited company incorporated under the Companies Act 1956 on February 3, 1998 under the name and style of 'Veega Holidays and Parks Limited', which was subsequently converted into a private limited company on July 4, 2001 under the name and style of 'Veega Holidays and Parks Private Limited'. Pursuant to a scheme of amalgamation the erstwhile 'Veega Holidays and Parks Private Limited' was merged with our Company with effect from April 1, 2008. Our Company was converted into a public limited company under the name and style of 'Wonderla Holidays Limited' and a fresh certificate of incorporation dated January 11, 2013 was issued by the RoC.

Registered Office and Corporate Office of our Company

Wonderla Holidays Limited
28th KM
Mysore Road
Bangalore 562 109
Karnataka, India
Tel: (91 80) 2201 0333
Fax: (91 80) 2201 0324
Website: www.wonderla.com
Corporate Identification No.: U55101KA2002PLC031224

Address of the RoC

Our Company is registered with the RoC, situated at the following address:

Registrar of Companies, Bangalore, Karnataka
'E' Wing, 2nd Floor
Kendriya Sadana
Koramangala
Bangalore 560 034
Karnataka, India.

Board of Directors

Set forth below are the details in respect of our Board of Directors as on the date of filing of this Red Herring Prospectus:

Name, Designation and DIN	Age	Address
George Joseph **Designation:** Chairman, Non-Executive Director **DIN:** 00253754	64	Melazhakath House 1/362 Alanickal Estate Road Arakulam Idukki Dist 685 591 Kerala, India
Kochouseph Chittilappilly **Designation:** Vice Chairman, Whole Time Director **DIN:** 00020512	63	Chittilappilly House Byepass Road, Vennala PO Kochi 682 028 Kerala, India
Arun Kochouseph Chittilappilly **Designation:** Managing Director	35	No. 87, Flat A2 Rusthumji Residency Richmond Road

Name, Designation and DIN	Age	Address
DIN: 00036185		Bangalore 560 025 Karnataka, India
Ramachandran Panjan Moothedath **Designation:** Non-Executive Director **DIN:** 00553406	67	403, Shagun Towers, Wing A A. K. Vaidya Marg, Yashodham Goregaon (East) Mumbai 400 063 Maharashtra, India
Priya Sarah Cheeran Joseph **Designation:** Non-Executive Director **DIN:** 00027560	35	No. 87, Flat A2 Rusthumji Residency Richmond Road Bangalore 560 025 Karnataka, India

For further details of our Directors, see the section "Our Management" on page 158 of this Red Herring Prospectus.

Company Secretary and Compliance Officer

Our Company has appointed Santosh Kumar Barik, as the Company Secretary and the Compliance Officer. His contact details are as follows:

Santosh Kumar Barik
28th KM
Mysore Road
Bangalore 562 109
Karnataka, India
Tel: (91 80) 2201 0333
Fax: (91 80) 2201 0324
Email: investors@wonderla.com

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders can also contact the Designated Branches of the SCSBs.

All grievances pertaining to the Issue must be addressed to the Registrar to the Issue quoting the full name and the address of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Syndicate Member where the Bid was submitted and cheque or draft number and issuing bank thereof.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, as the case may be, quoting the full name and address of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch, as the case may be, where the ASBA Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

Book Running Lead Managers

Edelweiss Financial Services Limited
14th Floor, Edelweiss House
Off CST Road, Kalina

Mumbai 400 098
Maharashtra, India
Tel: (91 22) 4086 3535
Fax: (91 22) 4086 3610
Email: wonderla.ipo@edelweissfin.com
Investor Grievance Email: customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Viral Shah
SEBI Registration No.: INM0000010650

ICICI Securities Limited
ICICI Centre
H.T. Parekh Marg
Churchgate
Mumbai 400 020
Maharashtra, India
Tel: (91 22) 2288 2460
Fax: (91 22) 2282 6580
Email: wonderla.ipo@icicisecurities.com
Investor Grievance Email: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Payal Kulkarni
SEBI Registration No.: INM000011179

Indian Legal Counsel to the Issue

Amarchand & Mangaldas & Suresh A. Shroff & Co.
201, Midford House
Off M.G. Road
Bangalore 560 001
Karnataka, India

Tel: (91 80) 2558 4870
Fax: (91 80) 2558 4266

Registrar to the Issue

Karvy Computershare Private Limited
Plot No 17-24
Vittal Rao Nagar
Madhapur
Hyderabad 500 081
Andhra Pradesh, India
Tel: (91 40) 4465 5000
Fax: (91 40) 2343 1551
Email: wonderla.ipo@karvy.com
Investor grievance email: wonderla.ipo@karvy.com
Website: http://karisma.karvy.com
Contact Person: M. Muralikrishna
SEBI Registration No.: INR000000221

Statutory Auditors to our Company

B S R & Co. LLP, Chartered Accountants
Maruthi Infotech Centre 11/1 and 12/1
East Wing, II Floor
Koramangala, Inner Ring Road

Bangalore 560 071
Karnataka, India
Firm Registration Number: 101248W
Tel: (91 80) 3980 6000
Fax: (91 80) 3980 6999
Email: zshekary@kpmg.com

Syndicate Member

Edelweiss Securities Limited
2nd Floor, M. B. Towers,
Plot No. 5, Road No. 2,
Banjara Hills, Hyderabad 500 034
Tel: (91 22) 6747 1342
Fax: (91 22) 6747 1347
Email: wonderla.ipo@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Mr. Prakash Boricha
SEBI Registration No.: INB011193332 (BSE)/ INB231193310 (NSE)/ INB261193396 (MCX-SX)

Bankers to the Issue and Escrow Collection Banks

IndusInd Bank Limited
PNA House, 4th Floor
Plot No. 57 & 57/1
Road No. 17, Near SRL, MIDC
Andheri (East), Mumbai 400 093
Tel: (91 22) 6106 9248
Fax: (91 22) 6623 8021
Email: suresh.esaki@indusind.com
Website: www.indusind.com
Contact Person: Mr. Suresh Esaki
SEBI Registration No.: INBI00000002

HDFC Bank Limited
FIG-OPS Department, Lodha
I Think Techno Campus
O-3, Level
Next to Kanjumarg Railaway Station
Kanjumarg (East), Mumbai 400 042
Tel: (91 22) 3075 2928
Fax: (91 22) 2579 9809
Email: uday.dixit@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Uday Dixit
SEBI Registration No.: INBI00000063

ICICI Bank Limited
Capital Market Division
1st Floor, 122, Mistry Bhavan
Dinshaw Vachha Road
Backbay Reclamation
Churchgate, Mumbai 400 020
Tel: (91 22) 2285 9905
Fax: (91 22) 2261 1138
Email: anil.gadoo@icicibank.com
Website: www.icicibank.com

Contact Person: Mr. Anil Gadoo
SEBI Registration No.: INBI00000004

Federal Bank Limited
Corporate Office, C 9, 2nd Floor
Laxmi Towers, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Tel: (91 22) 2656 7531
Fax: (91 22) 2656 6660
Email: vivekr@federalbank.co.in/arvindshukla@federalbank.co.in
Website: www.federalbank.co.in
Contact Person: Mr. Vivek Ramachandran / Mr. Arvind Shukla
SEBI Registration No.: INBI00000083

Refund Bank

IndusInd Bank Limited
IndusInd Bank
PNA House, 4th Floor
Plot No. 57 & 57/1
Road No. 17, Near SRL, MIDC
Andheri East, Mumbai 400093
Tel: (91 22) 6106 9248
Fax: (91 22) 6623 8021
Email: suresh.esaki@indusind.com
Website: www.indusind.com
Contact Person: Mr. Suresh Esaki
SEBI Registration No.: INBI00000002

Bankers to our Company

State Bank of Travancore
Commercial Branch - Ernakulam
P.B. No. 3689
Malankara Centre
Ernakulam 682 085
Kerala, India
Tel: (91 484) 235 5939
Fax: (91 484) 238 0176
Email: cbernakulam@sbt.co.in

HDFC Bank Limited
Retail Loan Service Centre
First Floor, Sudhas Building
Madhava Pharmacy Junction
Banerji Road
Kochi 682 030
Kerala, India
Tel: (91 484) 6160 6161
Fax: (91 484) 4433 182
Email: loansupport@hdfcbank.com

Axis Bank
Corporate Banking Branch
Indian Express Building
No. 1, 2nd floor
Queens Road
Bangalore 562 101
Karnataka, India
Tel: (91 80) 2205 8552
Fax: (91 80) 2205 8567
Email: laxmikanth.bhat@axisbank.com

Dhanalaxmi Bank
Industrial Finance Branch,
Mini Enclave
Door No.40/9036
Chittoor Road
Ernakulam 682 011
Kerala, India
Tel: (91 484) 667 5007
Fax: (91 484) 236 4033
Email: hariharanv@dhanbank.co.in

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries. For details of the

Designated Branches of the SCSBs which shall collect Bid cum Application Forms submitted by ASBA Bidders, please refer to the abovementioned link.

Broker Centres

In accordance with SEBI circular dated October 4, 2012, the investors can submit Bid cum Application Forms using the stock broker network of the stock exchanges. The Bid cum Application Forms will be made available by the Stock Exchanges on their websites/broker terminals for download/print in more than 1,000 centres which are part of the nationwide broker network of stock exchanges and where there is a presence of the brokers' terminals. The details of Broker Centres are available on the websites of BSE and NSE at http://www.bseindia.com/ and http://www.nseindia.com/, respectively.

IPO Grading Agency

This Issue has been graded by CRISIL Limited as CRISIL IPO Grade 4/5, indicating that the fundamentals of the Issue are above average relative to other listed equity securities in India *vide* their letter dated February 26, 2014. The IPO grading is assigned on a five point scale from 1 to 5 with an IPO grade 5 indicating strong fundamentals and IPO grade 1 indicating poor fundamentals. The report of CRISIL Limited in respect of the IPO grading of this Issue will be annexed to the Red Herring Prospectus and the Prospectus.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Except for the Auditor's Report on the restated audited financial statements and the "Statement of Tax Benefits" on pages 182 and 95 of this Red Herring Prospectus, respectively, and all other persons deemed as experts under the provisions of the Companies Act, our Company has not obtained any expert opinions.

B S R & Co. LLP, Chartered Accountants, statutory auditor, have given their consent as experts under Section 58 of the Companies Act 1956, to the inclusion of the Auditor's Report and the statement of tax benefits in the form and in the context it appears in this Red Herring Prospectus and such consent and report will not be withdrawn upto the time of delivery of the Red Herring Prospectus with the RoC.

Monitoring Agency

As per Regulation 16 of the SEBI Regulations since size of this issue is less than ₹ 50,000 lakhs there is no requirement for appointment of a monitoring agency.

Inter se allocation of responsibilities among the Book Running Lead Managers

The following table sets forth the *inter se* allocation of responsibilities for various activities among the Book Running Lead Managers:

Sl. No.	Activities	Responsibility	Coordinator
1.	Capital structuring with relative components and formalities such as type of instruments, etc.	Edelweiss and I-Sec	Edelweiss
2.	Due diligence of our Company's operations/ management/ business plans/ legal etc. Drafting and finalization of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus and all statutory advertisements. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the SEBI, Stock Exchanges and RoC including obtaining in-principle listing approvals, SEBI observations on the Draft Red Herring Prospectus and RoC filing of the Red Herring Prospectus	Edelweiss and I-Sec	Edelweiss

Sl. No.	Activities	Responsibility	Coordinator
	and Prospectus.		
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned above including corporate advertisement, brochure, corporate film, etc.	Edelweiss and I-Sec	I-Sec
4.	Appointment of other intermediaries viz., Registrar and Bankers to the Issue, Printers, Advertising Agency, IPO Grading Agency, etc.	Edelweiss and I-Sec	Edelweiss
5.	International Institutional marketing of the Issue, which will cover, inter alia: • Preparation of road show presentation and FAQs; • Finalising the list and division of investors for one to one meetings; and • Finalising road show schedule and investor meeting schedules.	Edelweiss and I-Sec	I-Sec
6.	Domestic Institutional marketing of the Issue, which will cover, inter alia: • Finalising the list and division of investors for one to one meetings; and • Finalising road show schedule and investor meeting schedules.	Edelweiss and I-Sec	Edelweiss
7.	Retail and Non-institutional marketing of the Issue, which will cover, inter alia: • Finalising media, marketing & PR strategy; • Finalising centers for holding conference for brokers, etc; • Finalising bidding/ collection centers; and • Deciding on the quantum of the issue material and follow up on distribution of publicity and issue materials including form, prospectus, etc.	Edelweiss and I-Sec	I-Sec
8.	Co-ordination with Stock Exchanges for book building software, bidding terminals and mock trading.	Edelweiss and I-Sec	Edelweiss
9.	Finalisation of Issue Price in consultation with our Company.	Edelweiss and I-Sec	I-Sec
10.	The post bidding activities including management of escrow accounts, co-ordination of non-institutional and institutional allocation, intimation of allocation and dispatch of refunds to bidders, etc. The post-Issue activities will involve essential follow up steps, which include the finalization of Basis of Allotment, dispatch of refunds, demat delivery of shares, finalization of listing and trading of instruments with the various agencies connected with the work such as the Registrar to the Issue and Bankers to the Issue	Edelweiss and I-Sec	I-Sec

Sl. No.	Activities	Responsibility	Coordinator
	and the bank handling refund business. The BRLMs shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with our Company.		

Appraising Entity

None of the objects of the Issue for which the Net Proceeds will be utilised have been appraised.

Credit Rating

As this is an issue of Equity Shares, there is no credit rating required for the Issue.

Trustees

As this is an issue of Equity Shares, the appointment of trustees is not required.

Book Building Process

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of this Red Herring Prospectus within the Price Band. The Price Band and the minimum Bid lot size will be decided by our Company in consultation with the BRLMs, and advertised in all editions of Financial Express (a widely circulated English national newspaper), all editions of Jansatta (a widely circulated Hindi national newspaper) and Bangalore edition of Vijayavani (a widely circulated Kannada newspaper), at least five Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of upload on their websites. The Issue Price is finalised after the Bid / Issue Closing Date. The principal parties involved in the Book Building Process are:

- our Company;
- the BRLMs;
- the Syndicate Members who are intermediaries registered with SEBI or registered brokers with BSE/NSE and eligible to act as Underwriters. The Syndicate Members are appointed by the BRLMs;
- the SCSBs;
- Registered Brokers;
- the Registrar to the Issue; and
- the Escrow Collection Banks.

In terms of Rule 19(2)(b)(i) of the SCRR and under the SEBI Regulations, the Issue is being made in accordance with Regulation 26(1) of the SEBI Regulations, through the Book Building Process wherein 50.00% of the Issue shall be allocated on a proportionate basis to QIB Bidders, provided that up to 30.00% of the QIB Portion may be available for allocation to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price, in accordance with the SEBI Regulations. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5.00% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not

less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

QIBs (excluding Anchor Investors) and Non-Institutional Bidders can participate in the Issue only through the ASBA process and Retail Individual Bidders have the option to participate through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process.

In accordance with the SEBI Regulations, QIBs bidding in the QIB Portion and Non Institutional Bidders bidding in the Non Institutional Portion are not allowed to withdraw or lower the size of their Bids at any stage. Allocation to the Anchor Investors will be on a discretionary basis. For further details, see the section "Terms of the Issue" on page 308 of this Red Herring Prospectus.

Our Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for the Issue. In this regard, our Company has appointed the BRLMs to manage the Issue and procure subscriptions to the Issue.

The Book Building Process under the SEBI Regulations is subject to change from time to time and investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

Illustration of Book Building and Price Discovery Process *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue and excludes Anchor Investors.)*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the shares of the company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the company is able to issue the desired number of shares is the price at which the book cuts off, *i.e.*, ₹ 22 in the above example. The company, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹ 22. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (For further details see the section "Issue Procedure - Part B: General Information Document for Investing in Public Issues - Section 3: Category of Investors Eligible to Participate in an Issue" on page 332 of this Red Herring Prospectus).

2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form.

3. Except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form (for further details see the section "Issue Procedure - Section 4: Applying in the Issue - Field Number 2: PAN Number of Sole/First Bidder/Applicant" on page 336 of this Red Herring Prospectus). The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.

4. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form.

5. Ensure the correctness of your demographic details (as defined in the "Issue Procedure - Section 4: Applying in the Issue" on page 332 of this Red Herring Prospectus) given in the Bid cum Application Form, with the details recorded with your Depository Participant.

6. Bids by Anchor Investors shall be submitted only to the members of the Syndicate. Bids by QIBs (excluding Anchor Investors) shall be submitted only to the members of the Syndicate, other than Bids by QIBs (excluding Anchor Investors) who Bid through the ASBA process, who shall submit the Bids either to the members of the Syndicate at the Specified Locations or to the Designated Branch of the SCSBs where the ASBA Account is maintained.

7. Bids by ASBA Bidders will have to be admitted to the Designated Branches of the SCSBs where the ASBA Account is maintained, except for ASBA Bids in the Specified Locations or at the Broker Centers. In case of the Specified Locations, the ASBA Bids may either be submitted with the Designated Branches or with the Syndicate. In case of the Broker Centers, the ASBA Bids shall be submitted to the Registered Brokers or to the Designated Branches of the SCSBs. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission of the Bid cum Application Form to the SCSB or the Syndicate or the Registered Broker, as the case may be, to ensure that the Bid is not rejected.

Underwriting Agreement

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded by the Underwriters including through its Syndicate/Sub Syndicate. The Underwriting Agreement is dated [•]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated its intention to underwrite the following number of Equity Shares:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.

Name, address, telephone, fax and email of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in lakhs)
[•]	[•]	[•]
[•]	[•]	[•]

The abovementioned is indicative underwriting and this would be finalised after the pricing and actual allocation.

In the opinion of our Board of Directors (based on a certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI or have been granted a certificate of registration by the SEBI to act as an underwriter in accordance with the SEBI (Underwriters) Regulations 1993 or the SEBI (Stock-Brokers and Sub-Brokers) Regulations 1992 or the SEBI (Merchant Bankers) Regulations 1992 and such certificate is valid and

in existence and the Underwriters are hence entitled to carry on business as underwriters or registered as brokers with the Stock Exchange(s). Our Board of Directors, at its meeting held on [●] has accepted and entered into the Underwriting Agreement with the Underwriters.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount.

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in this Issue.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Red Herring Prospectus is set forth below.

(In ₹, except share data)

		Aggregate value at face value	Aggregate value at Issue Price
A	**AUTHORISED SHARE CAPITAL**		
	60,000,000 Equity Shares	600,000,000	
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**		
	42,000,000 Equity Shares	420,000,000	
C	**THE ISSUE[(1)]**		
	Issue of 14,500,000 Equity Shares of ₹ 10 each	145,000,000	[●]
	Of which		
	QIB Portion of 7,250,000 Equity Shares	72,500,000	[●]
	Of which		
	(1) Anchor Investor Portion[(2)]	21,750,000	[●]
	(2) Available for allocation to Mutual Funds only	2,537,500	[●]
	(3) Balance for all QIBs including Mutual Funds	48,212,500	[●]
	Non Institutional Portion of not less than 2,175,000 Equity Shares	21,750,000	[●]
	Retail Portion of not less than 5,075,000 Equity Shares	50,750,000	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**		
	56,500,000 Equity Shares	565,000,000	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	30,000,000	
	After the Issue[(3)]	[●]	

(1) *The Issue has been authorised pursuant to a resolution passed by our Board of Directors on December 17, 2012 and a resolution of our Shareholders at their meeting held on January 3, 2013, pursuant to Section 81(1A) of the Companies Act 1956.*

(2) *Our Company, in consultation with the BRLMs, may allocate up to 30.00% of the QIB Portion, consisting of 2,175,000 Equity Shares, to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations. One third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. In case of under-subscription or non-Allotment in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Portion. For details, see the section "Issue Procedure" on page 316 of this Red Herring Prospectus.*

(3) *To be finalized upon determination of the Issue Price.*

Notes to Capital Structure

1. **Equity Share Capital History of our Company**

(a) The history of the Equity Share capital of our Company is provided in the following table:

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of Payment/ Consideration	Reasons for allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Equity Share Capital (In ₹)	Cumulative Share Premium (In ₹)
January 27, 2003	10,000[(1)]	10	10	Cash	Subscribers to Memorandum	10,000	100,000	-
August	7,900,100[(2)]	10	10	Cash	Allotment of	7,910,100	79,101,000	-

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of Payment/ Consideration	Reasons for allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Equity Share Capital (In ₹)	Cumulative Share Premium (In ₹)
23, 2004					shares			
February 28, 2005	2,089,900[(3)]	10	10	Cash	Allotment of shares	10,000,000	100,000,000	-
October 17, 2005	1,000,000[(4)]	10	10	Cash	Allotment of shares	11,000,000	110,000,000	-
March 31, 2006	4,000,000[(5)]	10	10	Cash	Allotment of shares	15,000,000	150,000,000	-
January 21, 2008	10,000,000[(6)]	10	12	Cash	Allotment of shares	25,000,000	250,000,000	20,000,000
March 15, 2008	5,000,000[(7)]	10	12	Cash	Allotment of shares	30,000,000	300,000,000	30,000,000
November 11, 2009	16,000,000[(8)]	10	10	-	Shares issued pursuant to amalgamation of Veega Holidays and Parks Private Limited with our Company	42,000,000[(9)]	420,000,000	30,000,000

(1) Initial allotment of 9,700 Equity Shares to Kochouseph Chittilappilly, 100 Equity Shares to K. Vijayan, 100 Equity Shares to Sheela Kochouseph Chittilappilly and 100 Equity Shares to Mithun K. Chittilappilly.

(2) Allotment of 1,490,200 Equity Shares to Kochouseph Chittilappilly, 499,900 Equity Shares to Sheela Kochouseph Chittilappilly, 230,000 Equity Shares to Mithun K. Chittilappilly, 930,000 Equity Shares to Arun Kochouseph Chittilappilly, 500,000 Equity Shares to Priya Sarah Cheeran Joseph, 2,600,000 Equity Shares to V-Guard Industries Private Limited and 1,650,000 Equity Shares to Veega Holidays and Parks Private Limited.

(3) Allotment of 400,000 Equity Shares to V-Guard Industries Private Limited, 1,350,000 Equity Shares to Veega Holidays and Parks Private Limited, 269,900 Equity Shares to Mithun K. Chittilappilly and 70,000 Equity Shares to Arun Kochouseph Chittilappilly.

(4) Allotment of 1,000,000 Equity Shares to V-Guard Industries Private Limited.

(5) Allotment of 1,000,000 Equity Shares to Veega Holidays and Parks Private Limited, 2,000,000 Equity Shares to Arun Kochouseph Chittilappilly and 1,000,000 Equity Shares to Priya Sarah Cheeran Joseph.

(6) Allotment of 800,000 Equity Shares to Arun Kochouseph Chittilappilly, 2,160,000 Equity Shares to Mithun K. Chittilappilly, 5,540,000 Equity Shares to Kochouseph Chittilappilly and 1,500,000 Equity Shares to Sheela Kochouseph Chittilappilly.

(7) Allotment of 5,000,000 Equity Shares to Kochouseph Chittilappilly.

(8) Allotment of 6,410,000 Equity Shares to Kochouseph Chittilappilly, 3,969,400 Equity Shares to Sheela Kochouseph Chittilappilly, 200 Equity Shares to K. Vijayan, 3,610,000 Equity Shares to Mithun K. Chittilappilly, 2,010,200 Equity Shares to Arun Kochouseph Chittilappilly and 200 Equity Shares to B. Jayaraj pursuant to the order dated September 11, 2009 passed by the High Court of Karnataka amalgamating Veega Holidays and Parks Private Limited with our Company. Every shareholder of Veega Holidays and Parks Private Limited was allotted two Equity Shares of our Company for every one equity share held by such shareholder in Veega Holidays and Parks Private Limited.

(9) Pursuant to the scheme of amalgamation sanctioned by the High Court of Karnataka, Equity Shares aggregating to 4,000,000 Equity Shares held by Veega Holidays and Parks Private Limited in our Company were cancelled.

(b) As on the date of this Red Herring Prospectus, our Company does not have any preference share capital.

2. **Equity Shares issued for consideration other than cash**

Except shares issued pursuant to the scheme approved under Sections 391-394 of the Companies Act 1956 which has been disclosed below, our Company has not issued any shares for consideration other than cash.

Equity Shares allotted pursuant to the scheme approved under Sections 391-394 of the Companies Act 1956.

Allottees	Date of allotment of Equity Shares	Face Value (₹)	Number of Equity Shares allotted	Details of the scheme pursuant to which the Equity Shares were allotted
Shareholders of Veega Holidays and Parks Private Limited, namely, Kochouseph Chittilappilly (allotted 6,410,000 Equity Shares), Sheela Kochouseph Chittilappilly (allotted 3,969,400 Equity Shares), K. Vijayan (allotted 200 Equity Shares), Mithun K. Chittilappilly (allotted 3,610,000 Equity Shares), Arun Kochouseph Chittilappilly (allotted 2,010,200 Equity Shares) and B. Jayaraj (allotted 200 Equity Shares).	November 11, 2009	10	16,000,000	As per the scheme that was sanctioned by the High Court of Karnataka by way of an order dated September 11, 2009, every shareholder in Veega Holidays and Parks Private Limited was required to be allotted two Equity Shares of our Company for every one equity share held by such shareholder in Veega Holidays and Parks Private Limited.

For further details in relation to the scheme of amalgamation, see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

3. **Issue of Equity Shares in the last one year**

Our Company has not issued any Equity Shares in the last one year.

4. **History of the Equity Share capital held by our Promoters, contribution and lock-in**

(a) *Build-up of our Promoters' shareholding in our Company*

As on the date of this Red Herring Prospectus, our Promoters hold 25,285,992 Equity Shares, equivalent to 60.20% of the issued, subscribed and paid-up Equity Share capital of our Company.

(b) History of the share capital held by our Promoters

Kochouseph Chittilappilly

Date of Allotment/ Transfer	Nature of Transaction	No. of Equity Shares	Nature of consideration	Face Value (₹)	Issue/ acquisition price (₹)	Percentage of the pre-Issue Capital (%)	Percentage of the post-Issue Capital (%)
January 27, 2003	Subscriber to the Memorandum	9,700	Cash	10	10	0.02	0.02
August 23, 2004	Allotment of shares	1,490,200	Cash	10	10	3.55	2.64
January 21, 2008	Allotment of shares	5,540,000	Cash	10	12	13.19	9.81
March 15, 2008	Allotment of shares	5,000,000	Cash	10	12	11.90	8.85
November 11, 2009	Shares issued pursuant to amalgamation of Veega Holidays and Parks Private Limited with our Company	6,410,000	-	10	-	15.26	11.35
March 4, 2013	Shares transferred to 901 employees of our Group Company, V-Guard Industries Limited	(902,690)	Cash	10	10	(2.15)	(1.60)
March 28, 2013	Shares transferred to 334 employees of our Group Company, V-Guard Industries Limited	(171,418)	Cash	10	10	(0.41)	(0.30)
Total		**17,375,792**				**41.37**	**30.75**

Arun Kochouseph Chittilappilly

Date of Allotment/ Transfer	Nature of Transaction	No. of Equity Shares	Nature of consideration	Face Value (₹)	Issue/ acquisition price (₹)	Percentage of the pre-Issue Capital (%)	Percentage of the post-Issue Capital (%)
August 23, 2004	Allotment of shares	930,000	Cash	10	10	2.21	1.65
February 28, 2005	Allotment of shares	70,000	Cash	10	10	0.17	0.12
March 31, 2006	Allotment of shares	2,000,000	Cash	10	10	4.76	3.54
March 29, 2007	Transfer of shares*	2,100,000	Cash	10	12	5.00	3.72
January 21, 2008	Allotment of shares	800,000	Cash	10	12	1.90	1.42
November 11, 2009	Shares issued pursuant to amalgamation of Veega Holidays and Parks Private Limited with our Company	2,010,200	-	10	-	4.79	3.56
Total		**7,910,200**				**18.83**	**14.00**

* *Transfer of 2,100,000 Equity Shares from V-Guard Industries Private Limited.*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters and our Promoter Group are pledged.

(c) Shareholding of our Promoters and Promoter Group

The table below presents the shareholding of our Promoters and Promoter Group as on the date of filing of this Red Herring Prospectus:

Shareholder	Pre-Issue		Post-Issue*	
	No. of Equity Shares	Percentage of issued Equity Share capital	No. of Equity Shares	Percentage issued Equity Share capital
Promoter				
Kochouseph Chittilappilly	17,375,792	41.37	17,375,792	30.75
Arun Kochouseph Chittilappilly	7,910,200	18.83	7,910,200	14.00
Sub Total (A)	**25,285,992**	**60.20**	**25,285,992**	**44.75**
Promoter Group				
Sheela Kochouseph Chittilappilly	7,044,230	16.77	7,044,230	12.47
Priya Sarah Cheeran Joseph	1,500,000	3.57	1,500,000	2.65
Mithun K. Chittilappilly	6,270,000	14.93	6,270,000	11.10
Sub Total (B)	**14,814,230**	**35.27**	**14,814,230**	**26.22**
Total Promoters and Promoter Group ((A) + (B))	**40,100,222**	**95.48**	**40,100,222**	**70.97**

(d) *Details of Promoters' contribution and lock-in*:

Pursuant to Regulations 32 and 36 of the SEBI Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by our Promoters shall be locked in for a period of three years from the date of Allotment of Equity Shares in the Issue and our Promoters' shareholding in excess of 20.00% shall be locked-in for a period of one year. All Equity Shares of our Company held by our Promoters are eligible for Promoters' contribution.

The details of the three year lock in mentioned above are as follows:

Name	Date of Allotment/Acquisition and when made fully paid-up	Nature of Allotment/Acquisition	No. of Equity Shares Allotted/ Acquired	Face Value (₹)	Issue/acquisition price per Equity Share (₹)	No. of Equity Shares locked in	Percentage of post-Issue paid-up capital (%)
Kochouseph Chittilappilly	November 11, 2009	Shares issued pursuant to amalgamation of Veega Holidays and Parks Private Limited with our Company	6,410,000	10	-	5,650,000	**10.00**
Arun Kochouseph Chittilappilly	March 31, 2006	Allotment of Shares	2,000,000	10	10	2,000,000	**10.00**
	March 29, 2007	Transfer of Shares	2,100,000	10	12	1,639,800	
	November 11, 2009	Shares issued pursuant to amalgamation of Veega Holidays and Parks Private Limited with our Company	2,010,200	10	-	2,010,200	
					Total	**11,300,000**	**20.00**

Our Promoters' contribution has been brought in to the extent of not less than the specified minimum lot

and from the person defined as 'promoter' under the SEBI Regulations. The Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution under Regulation 33 of the SEBI Regulations. In this connection, our Company confirms the following:

(A) The Equity Shares offered for Promoters' contribution (a) have not been acquired in the last three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) bonus shares out of revaluation reserves or unrealised profits of our Company or issued against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

(B) Our Promoters have given undertakings to the effect that they shall not sell/transfer/dispose of, in any manner, Equity Shares forming part of the minimum Promoters' contribution from the date of filing this Red Herring Prospectus till the date of commencement of lock-in in accordance with SEBI Regulations;

(C) In terms of Regulation 37 of the SEBI Regulations, our entire pre-Issue Equity Share capital held by persons other than our Promoters will be locked-in for a period of one year from the date of Allotment in this Issue except for our Promoters' contribution as specified in clause 4(d) above which shall be locked in for a period of three years from the date of Allotment in this Issue;

(D) Our Promoter's contribution does not include any Equity Shares acquired during the preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

(E) Our Company has not been formed by the conversion of a partnership firm into a company;

(F) The Equity Shares held by our Promoters and offered for Promoter's contribution are not subject to any pledge;

(G) All the Equity Shares of our Company held by our Promoters and Promoter Group shall be held in dematerialised form prior to the filing of this Red Herring Prospectus with the RoC; and

(H) The Equity Shares offered for Promoters' contribution do not consist of Equity Shares for which specific written consent has not been obtained from our Promoters for inclusion of its subscription in our Promoters' contribution subject to lock-in.

(I) In terms of Regulation 40 of the SEBI Regulations:

- the Equity Shares held by persons other than our Promoters prior to the Issue may be transferred to any other person holding the Equity Shares of our Company, which are locked-in as per Regulation 37 of the SEBI Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeovers Regulations, as applicable; and

- the Equity Shares held by our Promoters may be transferred among our Promoter Group or to a new promoter or persons in control of our Company, which are locked-in as per Regulation 36 of the SEBI Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeovers Regulations, as applicable.

(J) Locked-in Equity Shares of our Company held by our Promoters can be pledged with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan. Further, the Equity Shares constituting 20.00% of the fully diluted post-Issue capital of our Company held by our Promoters that are locked in for a period of three years from the date of Allotment of Equity Shares in the Issue, may be pledged only if, in addition to complying with the aforesaid conditions, the loan has been granted by the banks or financial

institutions for the purpose of financing one or more objects of the Issue.

(e) Lock-in of Equity Shares to be Allotted, if any, to the Anchor Investor

Any Equity Shares allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

5. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of filing of this Red Herring Prospectus:

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHARE-HOLDERS	TOTAL NUMBER OF SHARES (PRE ISSUE)	NO OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL NUMBER OF SHARES (POST ISSUE)*	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		NO. OF SHARES PLEDGED OR OTHERWISE ENCUMBERED
						PRE-ISSUE	POST-ISSUE*	
						AS A PERCENTAGE of (A+B)	AS A PERCENTAGE of (A+B)	
(I)	(II)	(III)	(IV)	(V)		(VI)		
(A)	**PROMOTER AND PROMOTER GROUP**							
(1)	INDIAN							
(a)	Individual /HUF	5	40,100,222	40,100,222	40,100,222	95.48	70.97	Nil
(b)	Central Government/State Government(s)	0	0	0	0	0.00	0	Nil
(c)	Bodies Corporate	0	0	0	0	0.00	0	Nil
(d)	Financial Institutions / Banks	0	0	0	0	0.00	0	Nil
(e)	Others	0	0	0	0	0.00	0	Nil
	Sub-Total A(1) :	5	40,100,222	40,100,222	40,100,222	95.48	70.97	Nil
(2)	FOREIGN							
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0	0.00	0.00	Nil
(b)	Bodies Corporate	0	0	0	0	0.00	0.00	Nil
(c)	Institutions	0	0	0	0	0.00	0.00	Nil
(d)	Qualified Foreign Investor	0	0	0	0	0.00	0.00	Nil
(e)	Others	0	0	0	0	0.00	0.00	Nil
	Sub-Total A(2) :	0	0	0	0	0.00	0.00	Nil
	Total A=A(1)+A(2)	**5**	**40,100,222**	**40,100,222**	**40,100,222**	**95.48**	**70.97**	**Nil**
(B)	**PUBLIC SHAREHOLDING***							
(1)	INSTITUTIONS							
(a)	Mutual Funds /UTI	0	0	0		0.00		Nil
(b)	Financial Institutions /Banks	0	0	0		0.00		Nil
(c)	Central Government / State Government(s)	0	0	0		0.00		Nil
(d)	Venture Capital Funds	0	0	0		0.00		Nil
(e)	Insurance Companies	0	0	0		0.00		Nil
(f)	Foreign Institutional Investors	0	0	0		0.00		Nil
(g)	Foreign Venture Capital Investors	0	0	0		0.00		Nil
(h)	Qualified Foreign Investor	0	0	0		0.00		Nil
(i)	Others	0	0	0		0.00		Nil
	Sub-Total B(1) :	0	0	0		0		Nil
(2)	NON-INSTITUTIONS							
(a)	Bodies Corporate	0	0	0	0	0.00	0.00	Nil
(b)	Individuals							
	(i) Individuals holding nominal share capital up to ₹1 lakh	1,873	1,790,560	1,790,560	1,790,560	4.26	3.17	Nil
	(ii) Individuals holding nominal share capital in excess of ₹1 lakh	8	109,218	109,218	109,218	0.26	0.19	Nil
(c)	Qualified Foreign Investor	0	0	0	0	0.00	0.00	Nil
(d)	Others	0	0	0	0	0.00	0.00	Nil
	Sub-Total B(2) :	1,881	1,899,778	1,899,778	1,899,778	4.52	3.36	Nil
(e)	PUBLIC (PURSUANT TO THE ISSUE) B(3)	-	-	-	14,500,000	-	25.66	Nil
	Total B=B(1)+B(2)+B(3):	**1,881**	**1,899,778**	**1,899,778**	**16,399,778**	**4.52**	**29.03**	**Nil**
	Total (A+B) :	**1,886**	**42,000,000**	**42,000,000**	**56,500,000**	**100**	**100**	**Nil**

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHARE-HOLDERS	TOTAL NUMBER OF SHARES (PRE ISSUE)	NO OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL NUMBER OF SHARES (POST ISSUE)*	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		NO. OF SHARES PLEDGED OR OTHERWISE ENCUMBERED
						PRE-ISSUE	POST-ISSUE*	
						AS A PERCENTAGE of (A+B)	AS A PERCENTAGE of (A+B)	
(I)	(II)	(III)	(IV)	(V)		(VI)		
(C)	SHARES HELD BY CUSTODIANS, AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED							
(1)	Promoter and Promoter Group	0	0	0	0	0.00	0.00	Nil
(2)	Public	0	0	0	0	0.00	0.00	Nil
	GRAND TOTAL (A+B+C) :	**1,886**	**42,000,000**	**42,000,000**	**56,500,000**	**100**	**100**	**Nil**

* *This is based on the assumption that the existing shareholders shall continue to hold the same number of Equity Shares after the Issue. This does not include any Equity Shares that such shareholders (excluding our Promoters and Promoter Group) may Bid for and be Allotted in the Issue.*

6. The list of top 10 Shareholders of our Company and the number of Equity Shares held by them as on the date of filing, 10 days before the date of filing and two years before the date of filing of this Red Herring Prospectus are set forth below:

(a) The top 10 Shareholders, as on the date of filing of this Red Herring Prospectus are as follows:

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
1.	Kochouseph Chittilappilly	17,375,792	41.37
2.	Arun Kochouseph Chittilappilly	7,910,200	18.83
4.	Sheela Kochouseph Chittilappilly	7,044,230	16.77
3.	Mithun K. Chittilappilly	6,270,000	14.93
5.	Priya Sarah Cheeran Joseph	1,500,000	3.57
6.	Jayaraj B.	18,478	0.04
7.	K. Vijayan	15,120	0.04
8.	Sivadas M.	15,048	0.04
9.	Ravikumar M.A.	14,212	0.03
10.	Antony Sebastian K.	13,338	0.03
	Total	**40,176,418**	**95.66**

(b) The top 10 Shareholders, 10 days prior to filing of this Red Herring Prospectus were as follows:

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
1.	Kochouseph Chittilappilly	17,375,792	41.37
2.	Arun Kochouseph Chittilappilly	7,910,200	18.83
4.	Sheela Kochouseph Chittilappilly	7,044,230	16.77
3.	Mithun K. Chittilappilly	6,270,000	14.93
5.	Priya Sarah Cheeran Joseph	1,500,000	3.57
6.	Jayaraj B.	18,478	0.04
7.	K. Vijayan	15,120	0.04
8.	Sivadas M.	15,048	0.04
9.	Ravikumar M.A.	14,212	0.03
10.	Antony Sebastian K.	13,338	0.03
	Total	**40,176,418**	**95.66**

(c) The top 10 Shareholders, two years prior to filing this Red Herring Prospectus were as follows:

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
1.	Kochouseph Chittilappilly	18,449,900	43.93
2.	Arun Kochouseph Chittilappilly	7,910,200	18.83
4.	Sheela Kochouseph Chittilappilly	7,869,400	18.74

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
3.	Mithun K. Chittilappilly	6,270,000	14.93
5.	Priya Sarah Cheeran Joseph	1,500,000	3.57
6.	K. Vijayan*	300	0.00
7.	B. Jayaraj*	200	0.00
	Total	**42,000,000**	**100.00**

* *Less than 0.01%*

7. **Details of Equity Shares held by our Directors**

The table below sets forth the details of Equity Shares that are held by our Directors:

Sl. No.	Name	Number of Equity Shares	Pre-Issue Equity Share Capital (%)	Post-Issue Equity Share Capital (%)
1.	Kochouseph Chittilappilly	17,375,792	41.37	30.75
2.	Arun Kochouseph Chittilappilly	7,910,200	18.83	14.00
3.	Priya Sarah Cheeran Joseph	1,500,000	3.57	2.65
	Total	**26,785,992**	**63.78**	**47.41**

This disclosure is made in accordance with Schedule VIII - Part A of the SEBI Regulations.

8. Our Company does not have an Employee Stock Option Plan.

9. As on the date of this Red Herring Prospectus, the BRLMs and their respective associates do not hold any Equity Shares in our Company.

10. Any under-subscription in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

11. Except Kochouseph Chittilappilly and Sheela Kochouseph Chittilappilly, none of the members of our Promoter Group, nor our Promoters, nor our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with the SEBI. Kochouseph Chittilappilly has sold 1,074,108 Equity Shares and Sheela Kochouseph Chittilappilly has sold 825,170 Equity Shares at face value, to our employees and employees of some of our Group Companies as part of an employee retention measure so as to incentivize the employees, during the six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

12. Except as provided below, there has been no subscription to or sale or purchase of Equity Shares within three years preceding the date of filing of this Red Herring Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre-Issue share capital of our Company.

Sl. No.	Name of Shareholder	Promoter / Director / Promoter Group	Number of Equity Shares Acquired	Number of Equity Shares Sold
1.	Kochouseph Chittilappilly	Promoter	-	1,074,108*
2.	Sheela Kochouseph Chittilappilly	Promoter Group	-	825,170**

* *The Equity Shares were transferred on March 4, 2013 and March 28, 2013 at face value.*

** *The Equity Shares were transferred on March 13, 2013, March 15, 2013 and March 28, 2013 at face value.*

13. As of the date of filing of this Red Herring Prospectus, the total number of Shareholders is 1,886.

14. Our Company, our Directors and the BRLMs have not entered into any buy-back, safety and/or standby arrangements for purchase of Equity Shares from any person.

15. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Red Herring Prospectus.

16. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Red Herring Prospectus at a price which may be lower than the Issue price.

17. Our Company has not issued any Equity Shares out of revaluation of reserves.

18. All Equity Shares in the Issue are fully paid up and there are no partly paid up Equity Shares as on the date of this Red Herring Prospectus. All the Equity Shares offered through the Issue will be fully paid-up at the time of Allotment.

19. Our Company has not raised any bridge loans against the proceeds of the Issue.

20. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering this Red Herring Prospectus with the RoC and the Bid/Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

21. Our Company presently does not intend or propose any further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment and rights issue or in any other manner during the period commencing from submission of the Draft Red Herring Prospectus with SEBI until the Equity Shares offered through this Red Herring Prospectus have been listed on the Stock Exchanges or until the application monies are refunded on account of non-listing.

22. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus issue or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. However, if our Company enters into any acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use the Equity Shares as currency for acquisition or participation in such joint ventures.

23. In terms of Rule 19(2)(b)(i) of the SCRR and under the SEBI Regulations, the Issue will be made through the Book Building Process. 50.00% of the Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLMs allocate up to 30.00% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price, in accordance with the SEBI Regulations. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Out of the QIB Portion (excluding the Anchor Investor Portion), 5.00% will be available for allocation on a proportionate basis to Mutual Funds only. The remainder will be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 253,750 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. Further, not less than 15.00% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue will be available for allocation to Retail Individual Bidders in accordance with SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

24. A Bidder cannot make a Bid for more than the number of Equity Shares offered in this Issue, subject to the

maximum limit of investment prescribed under relevant laws applicable to each category of investor.

25. There shall be only one denomination of Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

26. An oversubscription to the extent of 10.00% of the Issue can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.

27. Our Promoters and members of our Promoter Group will not participate in the Issue.

28. There have been no financial arrangements whereby our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of the Draft Red Herring Prospectus with SEBI.

29. For details of our related party transactions, see the section "Financial Statements of our Company – Disclosures of significant transactions with related parties" on page 220 of this Red Herring Prospectus.

OBJECTS OF THE ISSUE

The Issue is being undertaken to meet the objects thereof, as set forth herein, and to realize the benefits of listing of our Equity Shares on the Stock Exchanges, including the enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

The proceeds of the Issue, after deducting Issue related expenses ("**Net Proceeds**"), are estimated to be approximately [●] lakhs.

The Net Proceeds from the Issue are proposed to be utilized by our Company for the following objects:

1. To set up an amusement park, Wonderla Hyderabad; and

2. General corporate purposes.

The details of the proceeds of the Issue are summarized in the table below:

(₹ in lakhs)

Particulars	Amount*
Gross Proceeds	[●]
Less: Issue Related Expenses	[●]
Net Proceeds	[●]

* *To be finalized upon determination of the Issue Price.*

The main objects clause of our Memorandum of Association enables us to undertake the existing activities and the activities for which the funds are being raised by us through this Issue. Further, we confirm that the activities we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

Utilization of Net Proceeds

The Net Proceeds will be utilized as set forth in the table below:

(₹ in lakhs)

Sl. No.	Particulars	Amount
1.	To set up an amusement park, Wonderla Hyderabad	17,330.84
2.	General corporate purposes	[●]*
	Total	[●]*

* *To be finalized upon determination of the Issue Price.*

Schedule of implementation and deployment of funds

We propose to deploy Net Proceeds for the aforesaid purposes in Fiscals 2014, 2015 and 2016 in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

(₹ in lakhs)

Sl. No.	Particulars	Total estimated cost	Amounts deployed/ utilized as on February 20, 2014*	Balance estimated cost as on February 20, 2014	Amount estimated to be financed through debt**	Amount which will be financed from Net Proceeds of the Issue	Estimated Net Proceeds utilization during Fiscal		
							2014	2015	2016
1.	To set up an amusement park, Wonderla Hyderabad	25,598.06	3,767.22	21,830.84	4,500.00	17,330.84	-	7,082.00	10,248.84
2.	General Corporate Purposes	-	-	-	-	[●]***	[●]***	[●]***	[●]***
	TOTAL	-	-	-	-	[●]***	[●]***	[●]***	[●]***

* *As per the certificate of Varma & Varma, Chartered Accountants, dated February 28, 2014. The total funds*

deployed as of February 20, 2014 comprises of internal accruals of ₹3,267.22 lakhs and debt of ₹500.00 lakhs.

** *We have been sanctioned a loan of ₹5,000.00 lakhs by the State Bank of Travancore for part financing our proposed amusement park project, Wonderla Hyderabad. As of February 20, 2014, we have utilized ₹500.00 lakhs for our proposed project. For further details in relation to the loan sanctioned by the State Bank of Travancore, see the section titled "Financial Indebtedness" on page 252 of this Red Herring Prospectus.*

*** *To be finalized upon determination of the Issue Price.*

Means of finance

We intend to finance the setting up of our amusement park, Wonderla Hyderabad, through debt finance and from Net Proceeds. We have been sanctioned a loan of ₹ 5,000.00 lakhs by the State Bank of Travancore for part financing our proposed amusement park project, Wonderla Hyderabad. For further details in relation to the loan, see the section "Financial Indebtedness" on page 252 of this Red Herring Prospectus. Internal accruals will be utilized in the event of shortfall in Net Proceeds towards the objects of the Issue. Accordingly, we confirm that we are in compliance with the SEBI Regulations for firm arrangement of finance through verifiable means, excluding the amount to be raised through the Issue and existing identifiable internal accruals. Our fund requirements and deployment of the Net Proceeds are based on internal management estimates as per our business plan approved by our Board, and have not been appraised by any bank / financial institution or other independent agency. The estimates are based on current market conditions and are subject to change in light of changes in external circumstances or costs, or in other financial conditions, business or strategy.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt, as required.

We operate in highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances or costs in our financial condition, business or strategy. Consequently, our fund requirements may also change accordingly. Any such change in our plans may require rescheduling of our expenditure programs, discontinuing project currently planned and an increase or decrease in the expenditure for the particular project or land acquisition in relation to current plans, at the discretion of the management of our Company.

Details of the Objects

1. To set up an amusement park, Wonderla Hyderabad

We intend to expand our business by launching a new amusement park, Wonderla Hyderabad. Pursuant to the same, we intend to deploy ₹ 17,330.84 lakhs from the Net Proceeds for setting up our amusement park, Wonderla Hyderabad, by Fiscal 2016.

Estimated cost of establishment and deployment of funds

The break-up of the total cost for setting up our amusement park, Wonderla Hyderabad is as follows:

(₹ in lakhs)

Sl. No.	Particulars	Cost	Amounts deployed/utilized as on February 20, 2014*	Amount estimated to be financed through debt and Net Proceeds
a)	Land, land development and civil construction	9,938.44	2,547.59	7,390.85
b)	Amusement rides	10,667.02	969.70	9,697.32
c)	Machinery and equipments	2,613.50	8.48	2,605.02
d)	Furnishing and vehicles	1,140.35	15.50	1,124.85
e)	Consultants fees	235.45	38.40	197.05

Sl. No.	Particulars	Cost	Amounts deployed/utilized as on February 20, 2014*	Amount estimated to be financed through debt and Net Proceeds
f)	Pre-operative expenses	625.00	187.54	437.46
g)	Contingencies	378.30	-	378.30
	Grand Total	**25,598.06**	**3,767.22****	**21,830.84****

* *As per the certificate of Varma & Varma, Chartered Accountants, dated February 28, 2014*

** *Rounded-off based on aggregation of actuals as provided in the certificate of Varma & Varma, Chartered Accountants, dated February 28, 2014*

Methodology for computation of estimated costs

a) Land, land development and civil construction

For setting up our proposed amusement park in Ranga Reddy District of Andhra Pradesh, we have acquired 49.57 acres of land, which has been mutated in the name of our Company and has been converted from agricultural to non-agricultural land use. For further details see section titled "Government Approvals" on page 283 of this Red Herring Prospectus. However, as per the development plan approved by our Company, we intend to use only 27 acres of land for setting up our proposed amusement park, Wonderla Hyderabad, comprising of 24 land rides, 18 water rides and other allied facilities. The remaining parcels of land shall be used by our Company for future expansion of Wonderla Hyderabad. Since Wonderla Hyderabad is an amusement park, availability of land in the adjoining area is important should the Company decide to expand in future, which may or may not be available at that point in time. Hence, the Company has already purchased the additional land.

The development plan for Wonderla Hyderabad has been certified by an independent architect, M/s. Matrix Consultants, through certificates dated October 16, 2013 and October 30, 2013 and our Company has acknowledged the same and confirmed the proposal to use only 27 acres of land for setting up the amusement park, Wonderla Hyderabad, *vide* our letter dated October 18, 2013. The 27 acres of land demarcated for setting up Wonderla Hyderabad as per the development plan, is free from any kind of disputes/ litigations. The certificates issued by M/s. Matrix Consultants dated October 16, 2013 and October 30, 2013 and the letter issued by our Company dated October 18, 2013, have been included in the section titled "Material Contracts and Documents for Inspection" on page 416 of this Red Herring Prospectus. We have currently deputed some of our employees to obtain all the necessary approvals for setting up Wonderla Hyderabad and to get the development plan sanctioned. The total cost incurred towards purchase of land admeasuring 49.57 acres, aggregates to ₹2,547.44 lakhs as certified by Varma & Varma, Chartered Accountants, through certificate dated February 28, 2014.

The land purchased by our Company in Kongara Khurd 'A' Village, Maheswaram Mandal, Ranga Reddy District, Andhra Pradesh was not previously owned by our Promoter, Promoter Group, Group Company or associate company. Further, we confirm that the sellers of the aforesaid land acquired in Hyderabad are not in any way related to our Promoters/ Promoter Group/ Associates/ Group Companies.

We have received quotations dated February 1, 2014 from J&I Architects (Reg. Architect No. CA/ 87/ 10995) in relation to land development and civil construction work.

The details of the capital expenditure for land development are based on the quotations received from J&I Architects and the details of the capital expenditure for civil construction work on a per sq. ft. basis are based on the quotations received from J&I Architects. However, we have not entered into any definitive agreements with J&I Architects with respect to any of the proposed land development or construction work and there can be no assurance that J&I Architects will be engaged to eventually provide these services. If we engage someone other than J&I Architects,

such architect's estimates and actual costs for the services may differ from the current estimates. For further details, see section titled "Risk Factors" on page 16 of this Red Herring Prospectus "***Risk Factors – We have not entered into any definitive arrangement to utilize certain portions of the Net Proceeds of the Issue which may mean that we do not achieve the economic benefits expected and could have an adverse effect on our business, financial condition and results of operations***" on page 24 of this Red Herring Prospectus.

The particulars of land development and civil construction work for our amusement park, Wonderla Hyderabad and the break up of the cost involved are as follows:

Sl. No.	Particulars	Cost (in ₹ lakhs)*
Land		
1.	Purchase consideration (including stamp duty, registration charges and other ancillary expenses)	2,547.44**
	Sub Total	**2,547.44**
Land development		
2.	Compound Wall and Retaining Wall	200.00
3.	Paving	500.00
4.	Roads and Parking	200.00
5.	Landscaping and Photo Point	330.00
6.	Drain	330.00
	Sub Total	**1,560.00**
Civil construction work		
7.	Entrance Building	1,320.00
8.	Multipurpose Hall	322.00
9.	Restaurant near wave pool	137.00
10.	Musical Fountain Restaurant	367.00
11.	Restaurant and Food Court	347.00
12.	Water Slide Tower Building Tower 1	577.00
13.	Water Slide Tower 2 Building	307.00
14.	XD Max Restaurant	112.00
15.	Work Shop Building	227.00
16.	Power House Building	227.00
17.	Treatment Plant	402.00
18.	Pump Room and Under Ground Tank	166.00
19.	Toilets	156.00
20.	Drivers Rest Rooms	107.00
21.	Staff and Labour Quarters	747.00
22.	Main Gate and Security Building	49.00
23.	Wondersplash Store Area	261.00
	Sub Total	**5,831.00**
	Total	**9,938.44*****

* *As per the certificate of J&I Architects dated February 1, 2014*

** *As per the certificate of Varma & Varma, Chartered Accountants, dated February 28, 2014*

*** *As per the certificate of Varma & Varma, Chartered Accountants, dated February 28, 2014 we have already deployed ₹2,547.59 lakhs towards land, land development and civil construction, comprising of ₹2,547.44 lakhs towards land acquisition and ₹15,000 towards advance payment made to contractors.*

b) Amusement rides

We have received quotations/ placed firm orders for the purchase of amusement rides and other attractions from various suppliers. The estimated capital expenditure for the import of land amusement rides from suppliers outside India are based on quotations/ proforma invoices received from various suppliers and certificates dated February 1, 2014 received from J&I Architects with respect to customs duty, transportation charges, cost involved for foundation, control panel,

erection and commissioning of the respective amusement rides. The estimated capital expenditure for the in-house manufacture of land and water amusement rides are based on certificates dated February 1, 2014 received from J&I Architects and in certain cases, quotations/ proforma invoices received from indigenous suppliers. However, we have not entered into any definitive agreements with any of these suppliers or the architect and there can be no assurance that either the same suppliers or the architect would be engaged to eventually supply the amusement rides or be involved in setting up of these rides or our cost may also increase due to a possible cost escalation owing to currency fluctuations or other market risks. If we engage someone other than the identified suppliers and architect, such supplier's/ architect's estimates and actual costs for the rides may differ from the current estimates. For further details, see "***Risk Factors – We purchase rides and equipments from foreign suppliers and therefore face foreign exchange risks which could have a material adverse effect on our cash flows, revenues and financial condition***" and "***Risk Factors – We have not entered into any definitive arrangement to utilize certain portions of the Net Proceeds of the Issue which may mean that we do not achieve the economic benefits expected and could have an adverse effect on our business, financial condition and results of operations***" on pages 28 and 24 of this Red Herring Prospectus.

The particulars of land amusement rides to be either imported from suppliers outside India, procured from domestic suppliers or manufactured in-house, the break up of the cost involved and the details of the quotations received from suppliers outside and within India, wherever applicable, are as follows:

Sl. No.	Particulars	Total Cost (in ₹ lakhs)*	Date of Quotation/ Purchase Order	Name of Supplier
Imported Land Rides**				
1.	Maverick	534.72	January 28, 2014	Moser's Rides Srl, Italy
2.	Boomerang Roller Coaster***	1,282.25	April 12, 2013 April 6, 2013 February 14, 2013	General Attractions, LLC Alabama, USA Intermark Ride Group, Tennessee, USA Superior Equipment Services LLC Maryville, TN, USA
3.	TeknoFly	565.14	January 24, 2014	VISA International Srl, Italy
4.	Equinox (Side Winder)	546.18	January 28, 2014	Moser's Rides Srl, Italy
5.	Super Jumper	450.49	January 27, 2014	SBF Srl, Italy
6.	Convoy	74.86	January 24, 2014	VISA International Srl, Italy
7.	Carousel	128.91	January 27, 2014	SBF Srl, Italy
8.	Pirate Ship (Kids)	63.78	January 24, 2014	VISA International Srl, Italy
9.	Tea Cup	62.57	January 27, 2014	SBF Srl, Italy
10.	Kiddies Wheel	74.04	January 27, 2014	SBF Srl, Italy
Sub Total		**3,782.94**		
Indigenous Land Rides****				
11.	Wonderla Bamba	145.00	-	-
12.	Dancing Car	130.00	-	-
13.	Musical Fountain	710.00	-	-
14.	XD Max	430.00	-	-
15.	Bumper Car	331.86	January 24, 2014	Preston & Barbieri Srl, Italy

16.	Sky Wheel	570.00	-	-
17.	Wonder Splash	320.00	-	-
18.	Flying Boat	125.00	-	-
19.	Termite Train	170.00	-	-
20.	Termite Coaster	220.00	-	-
21.	Flying Elephant	90.00	-	-
22.	Funky Monkey	60.00	-	-
23.	Inflatable	61.00	January 24, 2014	Unique Inflatables Limited, Hyderabad
24.	Mini Train	90.00	-	-
25.	Workshop Equipments and Tools	200.00	-	-
Sub Total		**3,652.86**		
Total (A)		**7,435.80**		

* *As per the certificates of J&I Architects dated February 1, 2014 and quotations/ proforma invoices received from suppliers*

** *As per the certificates of J&I Architects dated February 1, 2014 for imported land rides, the cost also includes import customs duty, transportation charges, cost involved for foundation, control panel, erection and commissioning of the rides. (Conversion rate: 1 Euro = 86.00 Rupees)*

*** *Our Company has not placed any purchase orders other than with General Attractions, LLC Alabama, USA, Intermark Ride Group, Tennessee, USA and Superior Equipment Services LLC Maryville, TN, USA for supplying the 'Boomerang Roller Coaster'. The same has been delivered to our Company in July, 2013. As per the certificate of J&I Architects dated February 1, 2014 for purchase of 'Boomerang Roller Coaster' (Conversion rate: 1 USD = 55.00 Rupees). Further, as per the certificate of Varma & Varma, Chartered Accountants, dated February 28, 2014, we have incurred ₹ 969.70 lakhs towards purchase of this ride until February 20, 2014.*

*****As per the certificates of J&I Architects dated February 1, 2014. These rides are manufactured/ constructed in-house and the cost includes the cost of material, electrical components, erection and commissioning, foundation and labour cost. For the rides 'Bumper Car' and 'Inflatable', we have also received quotations/ proforma invoices from suppliers.*

The particulars of water amusement rides to be procured from domestic suppliers or manufactured in-house, the break up of the cost involved and details of the quotations received from domestic suppliers, wherever applicable, are as follows:

Sl. No.	Particulars	Total Cost (in ₹ lakhs)*	Date of Quotation	Name of Supplier
Water Rides				
1.	Wave Pool 1	425.00	-	-
2.	Wave Pool 2	265.00	-	-
3.	Family Pool	229.00	January 21, 2014	Arihant Industrial Corporation Limited
4.	Ladies Pool	207.00	January 21, 2014	Arihant Industrial Corporation Limited
5.	Lazy River	190.00	-	-
6.	Rain Disco	315.00	-	-

Sl. No.	Particulars	Total Cost (in ₹ lakhs)*	Date of Quotation	Name of Supplier
7.	Boomerang	90.00	-	-
8.	Multilane Uphill	180.00	-	-
9.	Multilane Wavy	180.00	-	-
10.	Family Raft (108")	85.00	January 23, 2014	Arihant Industrial Corporation Limited
11.	Vertical Fall (27")	80.00	-	-
12.	Wavy Fall (27")	80.00	-	-
13.	54" Crazy Cruise (Harakiri)	60.00	January 21, 2014	Arihant Industrial Corporation Limited
14.	42" Slide (40 ft.)	65.00	January 24, 2014	Dominic Fun Rides Private Limited
15.	33" Slide	50.00	January 24, 2014	Dominic Fun Rides Private Limited
16.	42" Slide (30 ft.)	45.00	January 24, 2014	Dominic Fun Rides Private Limited
17.	54" Flume Slide	105.00	January 21, 2014	Arihant Industrial Corporation Limited
18.	54" Tube Slide	100.22	January 21, 2014	Arihant Industrial Corporation Limited
19.	Conveyors (5 Nos.)	250.00	-	-
20.	Ride Erection and Commissioning	230.00	-	-
Total (B)		**3,231.22**		
Grand Total (A+B)		**10,667.02**		

* *As per the certificates of J&I Architects dated February 1, 2014 and quotations/ proforma invoices received from suppliers. The total cost includes the cost of equipments as per the quotations, wherever applicable and the cost of materials, electrical components, erection and commissioning, foundation and labour cost, as per the certificates of J&I Architects.*

c) Machinery and equipments

We have received quotations/ placed firm orders for the purchase of certain equipments for power generation, water treatment and pollution control from/with various suppliers. The estimated capital expenditure for the purchase of such equipments and for setting up of these facilities are based on quotations received from such suppliers and based on the certificates dated February 1, 2014 received from J&I Architects with respect to cost involved for installation and setting up of the power generation, water treatment and pollution control facilities at our proposed amusement park, Wonderla Hyderabad. However, we have not entered into any definitive agreements with any of these suppliers or the architect and there can be no assurance that the same suppliers or architect would be engaged to eventually supply such equipments or be involved in setting up of such facilities at our amusement park,Wonderla Hyderabad. If we engage someone other than the identified suppliers or architect, such supplier's/ architect's estimates and actual costs may differ

from the current estimates. For further details, see "***Risk Factors – We have not entered into any definitive arrangement to utilize certain portions of the Net Proceeds of the Issue which may mean that we do not achieve the economic benefits expected and could have an adverse effect on our business, financial condition and results of operations***" on page 24 of this Red Herring Prospectus.

The particulars of power generation, water supply and pollution control equipments at our amusement park, Wonderla Hyderabad, the break up of the cost involved and details of the quotations received from suppliers are as follows:

Sl. No.	Particulars	Cost (in ₹ lakhs)*	Date of Quotation	Name of Supplier
Power generation				
1.	Generators (4 Nos.)	217.93	January 23, 2014	GMMCO Limited
2.	Transformers	21.16	January 21, 2014	Kirloskar Electric Company Limited
3.	Panels, Cabling and Lighting	685.00	-	-
4.	Lightning Protection	115.00	-	-
5.	Elevator	86.39	January 21, 2014	Mitsubishi Elevator ETA India Private Limited
6.	Diesel Storage	45.00	-	-
7.	Solar Photovoltaic Power Plant	70.19	January 19, 2014	Legit Solutions Private Limited
Sub Total		**1,240.67**		
Water supply				
8.	Reverse Osmosis Plant	150.02	March 21, 2013	Gelind Tech Consultants
9.	Treatment Plant Equipments	350.00	-	-
10.	Pipes and Fittings	400.00	-	-
11.	Pumps and Filter	400.00	-	-
Sub Total		**1,300.02**		
Pollution control equipments				
12.	Incinerators	52.81	January 23, 2014	TEXOL Thermal Technologies
13.	Compost Plant	20.00	-	-
Sub Total		**72.81**		
Grand Total		**2,613.50**		

* *As per the certificates of J&I Architects dated February 1, 2014 and quotations/ proforma invoices received from suppliers. The total cost includes the cost of equipments as per the quotations, wherever applicable and the cost of materials, electrical components, erection and commissioning, foundation and labour cost, as per the certificates of J&I Architects. The cost also includes service tax, sales tax or VAT, wherever applicable.*

d) Furnishing and vehicles

We have received quotations/ placed firm orders for the purchase of furniture, fixtures, vehicles, communication and security systems, computers, restaurant equipments and lockers, for our proposed amusement park, Wonderla Hyderabad. The estimated capital expenditure for the purchase of furniture, fixtures, vehicles, communication and security systems, computers, restaurant equipments and lockers are based on quotations received from various suppliers and the certificates received from J&I Architects. However, we have not entered into any definitive

agreements with any of these suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply office furniture, fixtures, vehicles, communication and security systems, computers, restaurant equipments and lockers for our amusement park, Wonderla Hyderabad. If we engage someone other than the identified suppliers, such suppliers' estimates and actual costs may differ from the current estimates. For further details, see "***Risk Factors – We have not entered into any definitive arrangement to utilize certain portions of the Net Proceeds of the Issue which may mean that we do not achieve the economic benefits expected and could have an adverse effect on our business, financial condition and results of operations***" on page 24 of this Red Herring Prospectus.

The particulars of office furniture, fixtures, vehicles, communication and security systems, computers, restaurant equipments and lockers, the break up of the cost involved and details of the quotations received from suppliers are as follows:

Sl. No.	Particulars	Cost (in ₹ lakhs)*	Date of Quotation	Name of Supplier
Vehicles				
1.	Tractor	7.06	January 20, 2014	Durga Automotives
2.	Ambulance	17.04	January 20, 2014	Anshu Force
3.	JCB 3DX Excavator Loader	25.96	January 21, 2014	MGB Motor and Auto Agencies Private Limited
4.	Toyota Innova (2 Nos.)	29.75	January 21, 2014	Harsha Automotive Private Limited
5.	Maruti Suzuki Ritz (2 Nos.)	13.55	January 20, 2014	Varun Motors Private Limited
6.	Maruti Suzuki Omni	3.11	January 20, 2014	Varun Motors Private Limited
7.	Two wheeler (H.F. Dawn)	0.49	January 20, 2014	Phoenix Motors (M/C Division) Private Limited
8.	Tipper	9.99	January 20, 2014	Variety Automotives Private Limited
9.	Eicher Bus (5 Nos.)	68.34	January 20, 2014	Talwar Auto Garages Private Limited
10.	Crane	15.55	January 21, 2014	MGB Motor and Auto Agencies Private Limited
11.	Bolero pickup	6.02	January 20, 2014	Automotive Manufacturers Private Limited
12.	Maximo pickup	3.89	January 20, 2014	Automotive Manufacturers Private Limited
	Sub Total	**200.75**		
Furniture and Fixtures				
13.	Modular Work Station	19.46	January 28, 2014	Celebrity
14.	Office Chair	7.56	January 28, 2014	Celebrity
15.	Storage Unit	6.40	January 28, 2014	Celebrity
16.	Safe Locker	3.35	January 28, 2014	Mahaveer Marketing
17.	Chairs	44.88	January 29, 2014	Nilkamal Limited

Sl. No.	Particulars	Cost (in ₹ lakhs)*	Date of Quotation	Name of Supplier
18.	Restaurant Tables	30.00	-	-
19.	Dormitory Beds	15.00	-	-
20.	Other Furniture	25.00	-	-
21.	Slotted Angle Rack	15.30	February 1, 2014	Chelur Engineering Industries Private Limited
22.	Restaurant Storage Rack	6.00	-	-
	Sub Total	**172.95**		
Communication, Surveillance and Security Systems				
23.	Metal Detector	2.44	February 3, 2014	Esteem Security Agency
24.	Wireless Communication	3.09	January 31, 2014	Arya Omnitalk Wireless Solutions Private Limited
25.	Television	17.23	January 17, 2014	Ashok Combines
26.	CCTV Surveillance	39.91	January 25, 2014	SMART 5
27.	Public Address Systems	42.57	January 23, 2014	Audio Tech
28.	X Ray Baggage Scanner	14.46	September 23, 2013	Vision Mass Communications A P Private Limited
29.	Fire Fighting Equipments	31.49	January 24, 2014	Cease Fire Industries Limited
30.	EPABX	25.61	January 22, 2014	Veejay Technologies
	Sub Total	**176.80**		
Computers and Office Equipments				
31.	Hardware	82.04	January 20, 2014	Neural Networks Private Limited
32.	Software	19.86	January 20, 2014	Neural Networks Private Limited
33.	Networking	24.59	January 21, 2014	MVS Glob Soft Solutions Private Limited
	Sub Total	**126.49**		
Restaurant Equipments				
34.	Kitchen Equipments	158.38	January 19, 2014	U.K. Industries
35.	Kitchen Exhaust	50.95	January 19, 2014	Axhialo Industries
36.	Water Cooler	5.10	January 19, 2014	Dhruvathare Air-conditioning
37.	Gas Piping	8.94	January 20, 2014	SSMT Marketing
38.	AC Cold Room	1.78	January 17, 2014	Ashok Combines
39.	Storage Racks	10.57	January 21, 2014	PARI Steel Industries
	Sub Total	**235.72**		
Lockers				
40.	Lockers	227.64**	January 28, 2014	Shanghai Hu Nan Foreign Economic Corporation Limited, China

Sl. No.	Particulars	Cost (in ₹ lakhs)*	Date of Quotation	Name of Supplier
	Sub Total	**227.64**		
	Grand Total	**1,140.35**		

* *As per the certificates of J&I Architects dated February 1, 2014 and quotations/ proforma invoices received from suppliers, wherever applicable. The cost also includes service tax, sales tax or VAT, wherever applicable.*

** *As per the certificate of J&I Architects dated February 1, 2014 and proforma invoice dated January 28, 2014. The cost also includes import customs duty and transportation charges. (Conversion rate: 1 USD = 63.00 Rupees)*

e) Consultants fees

We have received quotations aggregating ₹ 235.45 lakhs towards payment of fees to various consultants/ architects. However, we have not entered into any definitive agreements with any of these consultants/ architects and there can be no assurance that the same consultants/ architects would be engaged to eventually provide such services at our amusement park, Wonderla Hyderabad. If we engage someone other than the identified consultants/ architects, such consultants/ architect's estimates and actual costs may differ from the current estimates. For further details, see "***Risk Factors – We have not entered into any definitive arrangement to utilize certain portions of the Net Proceeds of the Issue which may mean that we do not achieve the economic benefits expected and could have an adverse effect on our business, financial condition and results of operations***" on page 24 of this Red Herring Prospectus. The particulars of consultancy fees to be paid are as follows:

Sl. No.	Particulars	Cost (in ₹ lakhs)*	Date of Quotation	Name of Consultant
1.	Electrical	22.47	September 19, 2013	Rajan Babu Associates
2.	Mechanical	11.24	July 1, 2013	Associated Structural Consultants
3.	Water management	22.47	September 19, 2013	Dr. K. Balachandran, M.Sc., Ph. D
4.	Civil	28.09	July 1, 2013	Associated Structural Consultants
5.	Landscaping	22.47	January 16, 2014	Matrix Consultants
6.	Architect	113.71	October 1, 2012, January 2, 2013	J&I Architects Matrix Consultants
7.	Restaurant	15.00	February 1, 2014	J&I Architects
Sub Total		**235.45**		

* *As per the quotations/ work orders provided by the consultants. The cost also includes service tax, as applicable*

f) Pre-operative expenses

We have estimated ₹625.00 lakhs towards pre-operative expenses to be incurred by our Company during the development of our amusement park, Wonderla Hyderabad, during Fiscals 2014, 2015 and 2016, comprising primarily of salaries, other employee benefits, interest and finance charges.

g) Contingencies

We have estimated ₹378.30 lakhs towards contingency expenses at 1.50% of the estimated cost of our project, comprising of (a) land, land development and civil construction; (b) amusement rides; (c) machinery and equipments; (d) furnishing and vehicles; (e) consultants fees; and (f) pre-operative expenses, to be incurred by our Company during the development of our amusement park, Wonderla Hyderabad, during Fiscals 2014, 2015 and 2016.

Implementation Schedule

Sl. No.	Particulars	Estimated Date of Commencement	Estimated Date of Completion
a)	Land, land development and civil construction	In process	February 2016
b)	Amusement rides	In process	January 2016
c)	Machinery and equipments	In process	February 2016
d)	Furnishing and vehicles	In process	February 2016

2. *General Corporate Purposes*

Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, as may be approved by the Board of Directors or any duly authorised committee including, maintenance and expansion of amusement parks; brand building exercises; strengthening our marketing network and capability; repayment of loans; and for meeting other exigencies.

Issue Expenses

The estimated Issue related expenses are as follows:

Expenses	Estimated expenses *(₹ in lakhs)**	As a % of the total estimated Issue expenses	As a % of the total Issue size
Book Running Lead Managers (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs **	[●]	[●]	[●]
Brokerage and selling commission for Registered Brokers	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Other advisors to the Issue	[●]	[●]	[●]
Others	[●]	[●]	[●]
- Listing fees	**[●]**	**[●]**	**[●]**
- Printing and stationary	[●]	[●]	[●]
- Advertising and marketing expenses	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

* *To be completed after finalization of the Issue Price*

** *SCSBs would be entitled to a processing fee of ₹15 per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to SCSBs.*

Interim Use of Funds

Our management will have flexibility in deploying the Net Proceeds. Pending utilization for the purposes described above, we intend to temporarily invest the funds from the Net Proceeds in interest bearing instruments including investment in money market mutual funds, deposits with banks and other interest bearing securities for the necessary duration. Such investments will be approved by our Board or a committee thereof from time to time. Our Company confirms that pending utilization of the Net Proceeds, it shall not use the funds for any investment in equity or equity linked securities.

Bridge Loan

We have not raised any bridge loans which are required to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

As this is an Issue for less than ₹ 50,000 lakhs, there is no need for an appointment of a monitoring agency. Our Board will monitor the utilisation of the Net Proceeds through its Audit Committee.

Pursuant to Clause 49 of the Listing Agreement, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. We will disclose the utilization of the Net Proceeds under a separate head in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.

We will also, under a separate head in our balance sheet, provide details, if any, in relation to all such Net Proceeds that have not been utilized thereby also indicating investments, if any, of such unutilized Net Proceeds.

Further, in accordance with Clause 43A of the Listing Agreement, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Red Herring Prospectus.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Companies or Key Management Personnel.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry.

- Our operational experience in the amusement park industry for over a decade and our established brand equity;
- Our in-house manufacturing facility at Wonderla Kochi;
- Our high safety and hygiene standards;
- Our understanding of customer needs and ability to constantly innovate new attractions at our amusement parks; and
- Experience of our Promoters, our key management and our qualified staff.

For further details, see "Our Business - Our Competitive Strengths" on page 117 of this Red Herring Prospectus.

Quantitative Factors

The information presented below relating to our Company is based on the restated financial statements as of and for fiscal ended March 31, 2011, 2012 and 2013 and the nine months period ended December 31, 2013, prepared in accordance with Indian GAAP and the Companies Act 1956 and restated in accordance with the SEBI ICDR Regulations. For details, see "Financial Statements of our Company" on page 182 of this Red Herring Prospectus.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

- **Basic and Diluted Earnings Per Share ("EPS"), as adjusted for change in capital:**

  As per our restated financial statements:

Year Ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2011	7.51	1	7.51	1
March 31, 2012	7.11	2	7.11	2
March 31, 2013	7.97	3	7.97	3
Weighted Average	**7.61**		**7.61**	
Nine month period ended December 31, 2013[#]	7.38		7.38	

[#] *December 31, 2013 figures are not annualised*

Notes:

(1) The figures disclosed above are based on the restated summary statements of the Company.

(2) EPS calculation is in accordance with Accounting Standard 20 "Earnings per share" prescribed by the Companies (Accounting Standards) Rules, 2006.

(3) The face value of each Equity Share is ₹ 10.

(4) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Summary Statements as appearing in Annexure IV of "Financial Statements of our Company" on page 189 of this Red Herring Prospectus.

- **Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:**

a. P/E based on basic and diluted EPS at the lower end of the Price Band is [●]

b. P/E based on basic and diluted EPS at the higher end of the Price Band is [●]

As there are no listed companies in India that are directly comparable to the business carried on by the Company, no comparison with industry peers is being offered.

- **Return on Net Worth ("RoNW")**

As per our restated financial statements:

Year Ended	RoNW (%)	Weight
March 31, 2011	43.30	1
March 31, 2012	31.33	2
March 31, 2013	27.57	3
Weighted Average	**31.45**	
Nine month period ended December 31, 2013[#]	20.33	

[#] *December 31, 2013 figures are not annualised*

Note: Return on Net Worth has been computed as Net Profit after tax (as restated) divided by Net Worth at the end of the year.

- **Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2013**

a. Based on Basic EPS:

At the Floor Price – [●] based on the restated financial statements.

At the Cap Price – [●] based on the restated financial statements.

b. Based on Diluted EPS:

At the Floor Price – [●] based on the restated financial statements.

At the Cap Price – [●] based on the restated financial statements.

- **Net Asset Value per Equity Share**

Year Ended	(₹)
March 31, 2011	17.33
March 31, 2012	22.70
March 31, 2013	28.92
Nine month period ended December 31, 2013[#]	36.29
Issue price	[●]
After the Issue	[●]

[#] *December 31, 2013 figures are not annualized*

Note: Net Asset Value per Equity Share has been computed as net worth at the end of the period divided by total number of equity shares outstanding at the end of the period.

- **Comparison with Listed Industry Peers**

  There are no listed companies in India that engage in a business similar to that of our Company. Hence, it is not possible to provide an industry comparison in relation to our Company.

- **The Issue price will be [●] times of the face value of the Equity Shares.**

  The BRLMs believe that the Issue Price of ₹ [●] determined on the basis of demand from investors for Equity Shares through the Book Building Process, is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with "Risk Factors" and "Financial Statements of our Company" on pages 16 and 182 of this Red Herring Prospectus, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

Statement of possible tax benefits available to the Wonderla Holidays Limited and its shareholders

To

The Board of Directors
Wonderla Holidays Limited
28th KM
Mysore Road
Bangalore 562 109

Dear Sirs,

We hereby confirm that the enclosed Annexure, prepared by Wonderla Holidays Limited (‘*formerly known as Wonderla Holidays Private Limited’)* (‘the Company’), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - tax Act, 1961 (‘Act’), the Wealth Tax Act, 1957 and the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfill.

The Direct Tax Code (which consolidates the prevalent direct tax laws) was proposed to come into effect from April 1, 2013. However, it has not come into effect and it may undergo a few more changes by the time it is actually introduced and hence, at the moment, it is premature to analyse the effect the proposed Direct Tax Code on the Company and its investors.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We do not express and opine or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W

Zubin Shekary
Partner
Membership No. 048814

Bangalore
Date: February 28, 2014

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2013-14.

A. Special Tax Benefits available to the Company

No special tax benefit is available to the Company.

B. Benefits to the Company under the Act

1. General tax benefits

- Business income

  The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Unabsorbed Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 r.w.s 72 of the Act.

- MAT credit

  - As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after 1 April 2006. The amount of credit available shall be the difference between MAT paid under section 115JB of the Act and taxes payable on total income computed under other provisions of the Act. MAT credit shall be allowed for set-off for subsequent assessment years to the extent of difference between the tax payable as per the normal provisions of the Act and the taxes payable under Section 115JB of the Act for that assessment year.

  - MAT credit is eligible for carry forward and set-off for up to 10 years succeeding the assessment year in which the MAT credit arises.

- Capital gains

  (i) Computation of capital gains

  - Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than 12 months are considered to be long-term capital assets, capital gains arising from the transfer of which are termed as long-term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed 36 months to be considered as long-term capital assets.

  - Short-term capital gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bond, held by an assessee for 12 months or less.

  - In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.

  - LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.

  - Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.

  - As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full

value of consideration. Further, expenditure incurred wholly and exclusively with the transfer is also deductible.

- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- The tax rates mentioned above stands increased by surcharge, payable at the rate of 10% where the taxable income of a domestic company exceeds INR 100,000,000 and by 5% where the taxable income of a domestic company exceeds INR 10,000,000 but is less than INR 100,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- As per provisions of Section 71 read with Section 74 of the Act, short-term capital loss arising during a year is allowed to be set-off against short-term as well as long-term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long-term capital loss arising during a year is allowed to be set-off only against long-term capital gains. Balance loss, if any, shall be carried forward and set-off against long-term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income tax

- Under Section 54EC of the Act, capital gain arising from transfer of long-term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gains are invested within a period of six months from the date of transfer, in bonds redeemable after three years and issued by:
  - National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
  - Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long-term asset cannot exceed INR 5,000,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

- Securities Transaction Tax (STT)
  - As per provisions of Section 36(1) (xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or

profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

- Dividends
  - As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend. Credit in respect of dividend distribution tax paid by a subsidiary of the Company could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O(1A) of the Act, subject to fulfillment of prescribed conditions.
  - As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- As per provisions of Section 80G/80GGB of the Act, the Company is entitled to claim deduction of specified amount in respect of eligible donations and contribution to any political party, subject to the fulfillment of the conditions specified in that section.
- As per the provisions of Section 115BBD of the Act, dividend received by an Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess). No deduction in respect of any expenditure or allowance shall be allowed to the assessee under any provisions of the Act.

C. Benefits to the shareholders of the Company under the Act

(a) Dividends exempt under section 10(34) of the Act

- As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

(b) Capital gains

(i) Computation of capital gains

- Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than 12 months are considered to be long-term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed 36 months to be considered as long-term capital assets.
- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bond, held by an assessee for 12 months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.

- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration. Further, expenditure incurred wholly and exclusively with the transfer is also deductible.
- In respect of a non-resident share holder, as per the first proviso to section 48 of the Act, the capital gains arising from the transfer of a capital asset being shares or debentures in an Indian company, shall be computed by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with such transfer and the full value of consideration into the same foreign currency as was initially utilised in the purchase of the shares and the capital gains so computed shall be reconverted into Indian currency
- Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.

  Further, in respect of a non-resident shareholder, the amount of capital gains arising from transfer of unlisted securities shall be taxable at the rate of 10% without giving effect to first and second proviso to section 48.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising in any other case or arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%/40%, as applicable.
- The tax rates mentioned above stands increased by applicable surcharge depending on the status of the tax payer (i..e, resident or non-resident). Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- As per provisions of Section 71 read with Section 74 of the Act, short-term capital loss arising during a year is allowed to be set-off against short-term as well as long-term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long-term capital loss arising during a year is allowed to be set-off only against long-term capital gains. Balance loss, if any, shall be carried forward and set-off against long-term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains from income tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long-term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long-term asset cannot exceed INR 5,000,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.
- As per provisions of Section 56(2)(vii), (viia) of the Act and subject to exception provided in respective proviso therein, where an individual or HUF, a firm or company (not being a company in which public are substantially interested) receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'.
- As per section 10(34A) read with section 115QA of the Act, any income arising to a shareholder on account of buy back of shares (not being shares listed on a recognised stock exchange) shall be exempt.

As per section 115QA of the Act, the Company will be liable to tax on the distributed income at the rate of 20% plus a surcharge of 10% and education cess and secondary and higher education cess of 2% and 1% respectively. The term, distributed income has been defined to mean, the difference between the consideration paid on buy back of shares as reduced by the amount which was received for issue of such shares.

(c) Tax treaty benefits

- As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

(d) Non-resident Indian taxation

- Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:
    - NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
    - Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
    - As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
    - As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
    - As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
    - As per provisions of Section 115G of the Act, where the total income of a NRI consists only of investment income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.

- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.
- As per provisions of Section 115-I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

D. Benefits available to Foreign Institutional Investors ('FIIs') under the Act

(a) Dividends exempt under section 10(34) of the Act

- As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

(b) Long term capital gains exempt under section 10(38) of the Act

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act.
- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

(c) Capital gains

- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	**Rate of tax (%)**
LTCG on sale of equity shares not subjected to STT	10
STCG on sale of equity shares subjected to STT	15
STCG on sale of equity shares not subjected to STT	30

- For corporate FIIs, the tax rates mentioned above would have to be increased by applicable surcharge, payable at the rate of 5% where the taxable income company exceeds INR 100,000,000 and by 2% where the taxable income of INR 10,000,000 but is less than INR 100,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs. No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

(c) Others

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.

- Income in respect of interest referred in section 194LD is taxable at the rate of 5%.

(e) Securities Transaction Tax

- As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

(f) Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

E. Benefits available to Mutual Funds under the Act

(a) Dividend income

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

(b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

F. Wealth Tax Act, 1957

- Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.
- Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

G. Gift Tax Act, 1958

- Gift tax is not leviable in respect of any gifts made on or after October 1, 1998.

Note: All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. In particular we have relied on the industry report on "Amusement Park Industry" issued by CARE Research in January, 2013 (the "**CARE Report**"). The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.*

Overview of the Indian Economy

India, the world's largest democracy in terms of population had a GDP on a purchasing power parity basis of approximately USD 4.7 trillion for the calendar year 2012. This makes it the third largest economy in the world after the United States of America and China (*Source: CIA World Factbook, updated as of February 19, 2013*). The general health of the leisure and hospitality industry is affected by the performance of the Indian economy.

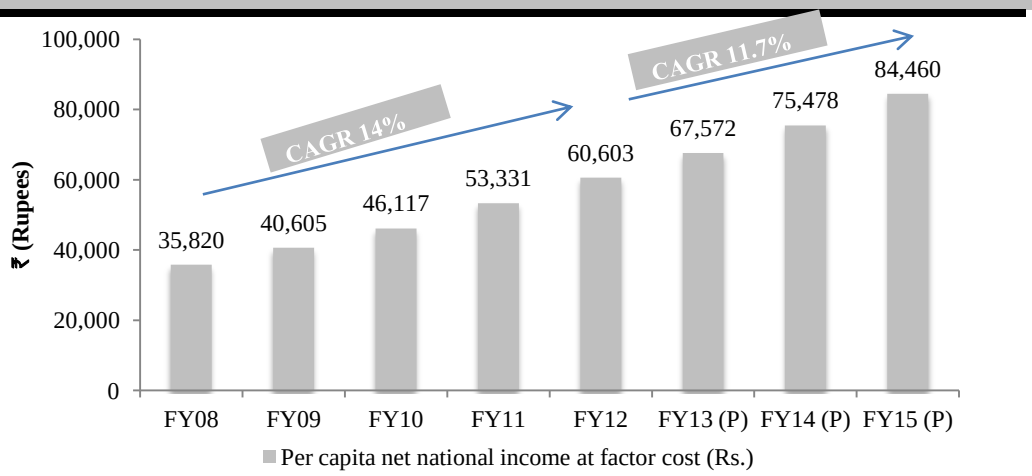
The economy has grown by 5.40% for the calendar year 2012 in real terms (adjusted for inflation) (*Source: CIA World Factbook, updated as of February 19, 2013*). The services sector share in our GDP is the highest at 65.00% for the calendar year 2011 (*Source: CIA World Factbook, updated as of February 19, 2013*) and is the key driver of growth of the economy.

The outlook of India's medium-term growth is positive due to a young population and corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. (*Source: CIA World Factbook, updated as of February 19, 2013*)

Growth in per Capita Income

According to Centre for Monitoring Indian Economy, India's per capita GDP (at constant prices) has grown from around ₹14,959 in 1991 at the time of liberalization to ₹46,555 for the Fiscal 2012. This increase in per capita GDP has built a thriving middle-class society with their rising disposable incomes. This has had a significant investment multiplier effect on the economy leading to increasing consumerism and wealth creation thus positively impacting savings. (*Source: CARE Report*)

Per capita net national income (current prices)



Source: MOSPI, CARE Economics Division

Tourism Inflow

Being a vast country with diversified traditions and a long history, India offers wide variety of avenues for domestic as well as international tourists. With the rapid economic growth in last few years, there is considerable rise in business tourists in India. (*Source: CARE Report*)

The tourism and hospitality sector's direct contribution to GDP in calendar year 2011 was USD 35.2 billion (*Source: India Brand Equity Forum*). It is one of the important industries in India also contributing to foreign exchange earnings and employs large number of people directly and indirectly through hospitality industry. During 2011, the number of domestic tourist visits to the states/ union territories of India was 851 million as compared to 748 million in 2010, growing at 13.80%. On the other hand, foreign tourist visits recorded a moderate growth of 9.00% to 19.5 million in 2011, compared to an impressive growth of 24.60% in 2010. (*Source: CARE Report*)

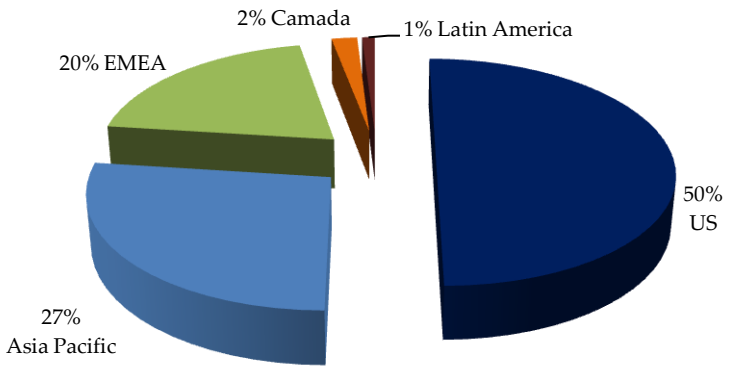
Global Amusement Park Industry

Evolution of Amusement Park Industry across the globe

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

Estimated Global Market Share

Revenue Market Share of Various Geographies (calendar year 2011)



Source: The International Association of Amusement Parks and Attractions (IAAPA) and CARE Research

Global Amusement Parks – Growth Trends

An amusement park is a place where the amusement facilities like rides are provided; whereas a theme park involves a theme like cartoon characters, animals, fictional characters, shooting sets, etc. The industry is now witnessing a good amount of addition to the themes into the parks, which essentially drives footfalls in the parks like Disney Land, Disney Animal Kingdom, Disney World, etc. Asia Pacific market is expected to witness good growth fuelled by economic growth, rising standard of living, rising income levels and an increase in spending on entertainment and leisure facilities. Major Asia Pacific economies are already boosting up as evident with crossing a 100 million visitor mark in 2011. *(Source: CARE Report)*

Other trends coming up in the global industry are:

- Second gate attractions (e.g. A separate park in the main park like an aquarium);
- Inclusion of hotel room to put the visitors into ease in case the park is too large to complete in a day;
- Adoption of simulation technologies and other techniques to replicate virtual reality to natural scenarios has also been a welcome move for the industry; and
- High-end visual imagery with sophisticated special effects is also being designed to optimize visitor experience. *(Source: CARE Report)*

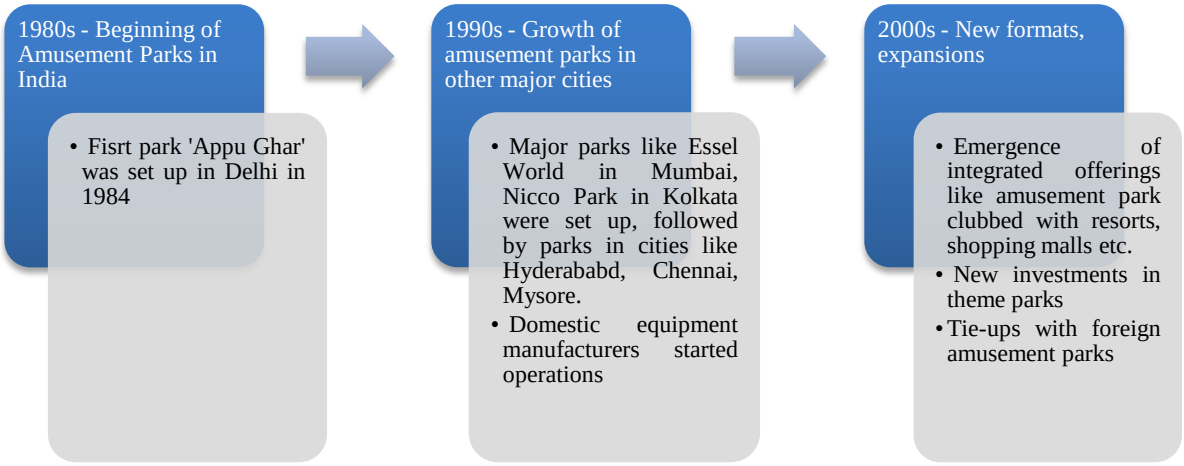
Despite the concerns over the European debt crisis, the footfall in European parks continues to hold up. The Euro depreciation has seen a positive impact on the tourism in Europe due to the rise in Asian middle class tourists visiting there. Another reason for the growth of footfall in European parks also traces to the top parks in Europe like Disney, Tivoli Gardens, etc, with the theme park concept evolving all over Europe, and the entry of Disney in Europe. Although the top 10 parks chart includes most of the US, UK and Asian parks, there are a few parks in South Africa and Australia, which are major attractions for local and international tourists. *(Source: CARE Report)*

Global Amusement Parks – Growth Drivers

The global amusement/theme park industry is not anymore just about the amusement rides like giant wheels and roller coasters. The year 2011 saw 196.3 million footfall worldwide in the top 25 parks (3.80% increase over last year), mainly driven by: (1) American outperformers like Universal Islands of Adventure and SeaWorld San Diego, (2) Asia's attendance milestone of 103.3 million alone in 2011, and (3) a surge in unique creativity and business models in the Asian parks. The North American market grew by 2.90% in 2011, the Asian market grew by 7.50% and the European grew by 2.80% in 2011. (*Source: CARE Report*)

Indian Amusement Park Industry

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



Source: Industry and CARE Research

Industry Size

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

Average Footfall

In terms of footfall, Indian amusement parks industry is quite undersized as compared to some of large global amusement parks. The Indian amusement park industry witnesses an annual footfall of around 58-60 million. Footfall depends primarily upon the size, location and offerings of the parks. As India experiences hot climate almost 7-8 months in a year, water parks are a popular format. Most of the large parks situated near metros and Tier I cities attract large crowds ranging from 0.5 million going up to 1.2-1.5 million annually. As medium parks are situated in the satellite towns, in the outskirts of metros and Tier I or II cities, they achieve around 0.3 to 0.5 million of footfall. Smaller parks, catering to smaller catchment area as they are located in Tier I or Tier II cities or small towns, draw annual footfall of less than 0.3 million. (*Source: CARE Report*)

Key Products and Services

An amusement park may have different combination of dry and wet rides, snow parks, restaurants and eateries as primary offerings whereas few large amusement parks also have a resort with a restaurant and banquet hall, spa and recreational facilities, golf course, gift/souvenir store etc. as secondary facilities. Some of these secondary facilities are offered complementary with amusement park entry or users of resort. (*Source: CARE Report*)

Amusement Parks - Products and Services		
Products/Services	**Constituents**	**Fees Structure**
Amusement Park - Dry Rides	Giant wheels	Primarily included in the entry fees, sometimes as pay-as-you-go
	Merry-go-round	
	Toy trains	
	Rides	
	Swings	
Virtual games and indoor activities	Video games	Primarily included in the entry fees, sometimes as pay-as-you-go
	Bowling	
	Car race	
	air-hockey	
Snow park	Skiing	Separate entry fee, combined package or complementary with other rides
	Skating	
Water Park	Water rides	Separate entry fee, combined package or complementary with other rides. Generally separate rent is charged for swimming costumes.
	Waves pool	
	Swimming pool	
	Rain Dance floor	
Food and beverages	Restaurants and other eateries	Not included in entry fees
	Snacks	
	Beverages	
Spa and health club	Spa	Separate payment, sometimes complementary with amusement park or resort.
	Aromatherapy	
	Body massage	
	Other recreational Services	
Resort	Lodging	Separate payment
	Restaurant	
	Banquet Hall	
Golf course	Sports	Separate payment sometimes complementary with resort
	Tournaments	
Shopping Mall	General Merchandise	Separate payment
Gift store	Gifts	Separate payment
	Souvenirs	
Source: Industry & CARE Research		

Seasonality of the Business

With four months of monsoon and less extreme weather conditions, India offers very conducive environment for amusement parks. As kids are the major drivers of amusement parks, school vacations around Diwali, Christmas and summer attract major crowds to amusement parks. In terms of months, October to December and March to June are the peak seasons for amusement parks which also avoids rains and winter. (*Source: CARE Report*)

Revenue Stream

Revenue for amusement parks comes from various streams although ticket sales and food & beverages contribute more than 90.00% of the total revenue. Most of the upcoming parks are trying to diversify their revenue streams by providing hotel facilities, shopping malls, spas etc. Major revenue streams and their contributions are as below:

- **Entry Fees/Ticket Sales**: As most of the amusement parks in India deploy 'single ticket for entry', entry fee has a considerable contribution of 75.00-80.00% in the total revenue. Some amusement parks charge separate entry fees for other key attractions like water park, live shows etc.

- **Food & Beverages**: As most of the amusement park visits are day long, food and beverages consumption is considerable, contributing 15.00-20.00% of the total revenue. Amusement parks offer various kinds of eateries in the form of restaurant, cafe, bars, pizza chains etc. As food courts had always been crowd-pullers in India, some of the amusement parks are tying up with food retail chains via franchise model to enhance the revenue.

- **Gifts, Souvenirs and other retail items**: Amusement parks also offer retail items like clothes, caps, bags, goggles, cosmetics along with souvenirs especially for the outstation visitors. It contributes 3.00-4.00% of the total revenue.

- **Sponsorships and advertisement**: A small share of revenue (less than 1.00%) comes from selling the free space for advertising.

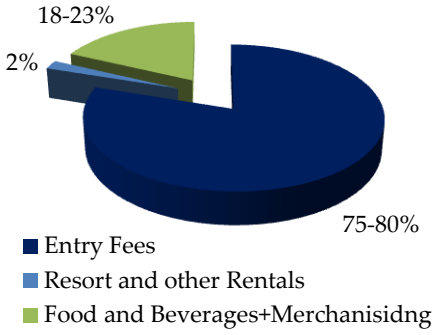
- **Resort, Banquets, Lawns etc**: Some of the large amusement parks in India are providing resorts for overnight stay as well as corporate events. As the share of amusement parks providing residential services is quite less, the share of the revenue from this in the total is less than 1.00%.

- **Miscellaneous Rentals**: Amusement parks receive rentals from various sources like photo and video shooting, concerts and live shows, wedding receptions and other events. Most of the water parks provide swimming costumes and locker facility for a charge. Overall rentals contribute a minuscule of less than 1.00% of overall revenue of amusement parks.

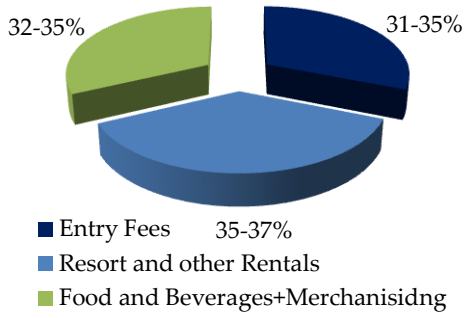
Revenue Composition – Comparison with Global Peers

In India, ticket sales contribute to a major chunk (75.00-80.00%) of the total revenues of amusement parks whereas contribution from food and beverages, merchandising is less than one fourth of total revenue. As very few parks have accommodation facility, the total contribution from accommodation related revenues is meagre (2.00%). On the contrary, globally, amusement park revenues are split equally among entry fees, accommodation and food & beverages.

Revenue Composition – India (2012)



Revenue Composition – Global (2012)



Source: Industry and CARE Research

Industry Segmentation

The amusement park industry is primarily divided amongst large, medium and small parks depending upon various parameters like capital investments, annual revenue, number of rides, land area, ticket price etc.

Industry Segmentation			
Parameters/ Classification	**Large parks**	**Medium parks**	**Small parks**
Capex	> ₹ 700 million	₹300-700 million	< ₹300 million
Area covered	>40 acres	10-40 acres	<10 acres
Average ticket price	>₹400	₹250-400	approx ₹250
Number of visitors/year	>0.5 million	0.3-0.5 million	< 0.3 million
Location	Metros and outskirts	Outskirts of Metros, Tier I cities	Tier II cities, small towns, outskirts of metro and Tier I cities
Examples	Essel World (Mumbai), Nicco Park (Kolkata), Wonderla (Kochi & Bangalore), Kishikinta (Chennai)	GRS Fantasy Park (Mysore), Ocean Park (Hyderabad)	Fun N Food Kingdom (Dehradun)
Number of Parks	16-18	40-45	85-95
Source: Industry and CARE Research			
Note: Capex does not include cost of land.			

In India, amusement parks and water parks dominate over theme parks. Among the amusement parks, large parks are considerably smaller in number compared to medium and small parks.

Key Players

Amusement parks across India offer varied experience to users ranging from dry rides, wet rides, snow parks, resorts, shopping malls etc, though most of the rides remain similar in nature. Large parks like Essel World in Mumbai and Nicco Park in Kolkata charge separately for their water parks whereas in others like Wonderla Bangalore and Kochi, Kishkinta in Chennai, dry and wet rides can be accessed on the same ticket. Ocean Park (Snow World) in Hyderabad and Essel World Freeze in Pune offer ice skating, skiing etc in their snow parks. (*Source: CARE Report*)

Following their global peers, some of the existing amusement parks like Wonderla and Ramoji Film City and most of the upcoming parks like Atlanta's park in Surat etc are coming out with a resort to provide facility for overnight stay. As India is waking up to the retail revolution in the country, parks like Entertainment City in Noida and Adventure Island in Rohini, Delhi have incorporated shopping malls and other retail formats to make the user experience a wholesome one. (*Source: CARE Report*)

Large parks in India have predominantly adopted 'pay one price' wherein the customer is entitled to unlimited use of rides after paying a single entry fees. Worlds of Wonder in Entertainment City, Noida provides both the options of 'pay-one-price' and 'pay-as-you-go'. (*Source: CARE Report*)

Competitive Landscape of Major Parks								
Parks	Location	Size in acres	Rides		Pricing		Avg. Annual Footfall (Mn)	Reven-ue mn (FY12)
			Dry	Wet	Pricing Strategy	Entry rate for adults (Rs. per person)		
Essel World & Water Kingdom	Mumbai	64	✓	✓	Separate entry fees for amusement park and water park	Rs. 590-690 (For either of amusement park or water park)	1.8	569.8#
Nicco Park	Kolkata	40	✓	✓	Separate entry fees for amusement park and water park	Dry Park Package - 340 Water Park Package - 290	1.7	311.1
Wonder La	Kochi	93	✓	✓	Single entry fees	Rs. 460 - 600	1.2	517.0
Wonder La	Bangalore	83	✓	✓	Single entry fees	Rs. 590 - 790	1.1	627.0
Ocean Park	Hyderabad	20	✓*	✓	Separate entry fees for water park, snow park	Rs. 300	N.A.	N.A.
Ramoji Film City**	Hyderabad	1,666			Single entry fees	Rs. 600	1.5	N.A.
Adventure Island & Metro Walk	Rohini	62	✓	✓	Single entry fees	Rs. 500	N.A.	N.A.
Entertainment City (including amusement park - Worlds of Wonder)	Noida	44##	✓	✓	Single entry as well as pay-as-you-go option available	Rs. 450	N.A.	N.A.
Kishkinta	Chennai	120	✓	✓	Single entry fees	Rs. 450	N.A.	N.A.
Queensland	Chennai	70	✓	✓	Single entry fees	Rs. 350	N.A.	N.A.
VGP Universal	Chennai	N.A.	✓	✓	Single entry fees	Rs. 200	N.A.	N.A.
MGM Dizzee World	Chennai	27	✓	✓	Single entry fees	Rs. 500	N.A.	N.A.
GRS Fantasy Park	Mysore	30	✓	✓	Single entry fees	Rs. 395	N.A.	N.A.
Mount Opera	Hyderabad	55	✓	✓	Single entry as well as pay-as-you-go option available	Rs. 360	N.A.	N.A.
Athisayam	Madurai	40	✓*	✓	Single entry fees	Rs. 500	N.A.	N.A.
Black Thunder	Mettupa-layam	65	✓*	✓	Single entry fees	Rs. 450	0.5	N.A.
Appu Ghar	Pune	N.A.	✓	-	Pay as you go	Approx. Rs. 30 per ride	N.A.	N.A.
Fun N Food Village*	New Delhi	10	✓	✓	Single entry fees	Rs. 300	0.5	N.A.

Source: Industry and CARE Research

**Ocean park, Black Thunder, Athisayam and Fun N Food Village are primarily water parks with a few dry rides.*

***Ramoji Film City is theme park.*

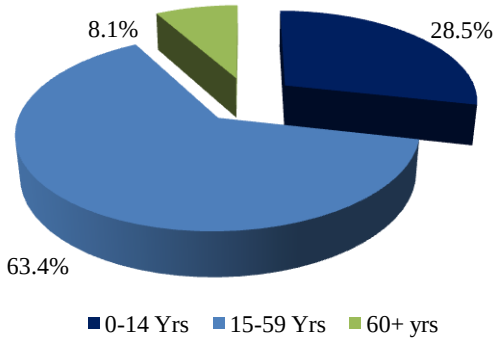
 # Revenue belong to FY11 ## In phase I, 44 acres have been developed out of planned 147 acres.

Demand Drivers

- **Demographic Advantages**

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

Age-wise Distribution – India (2011)

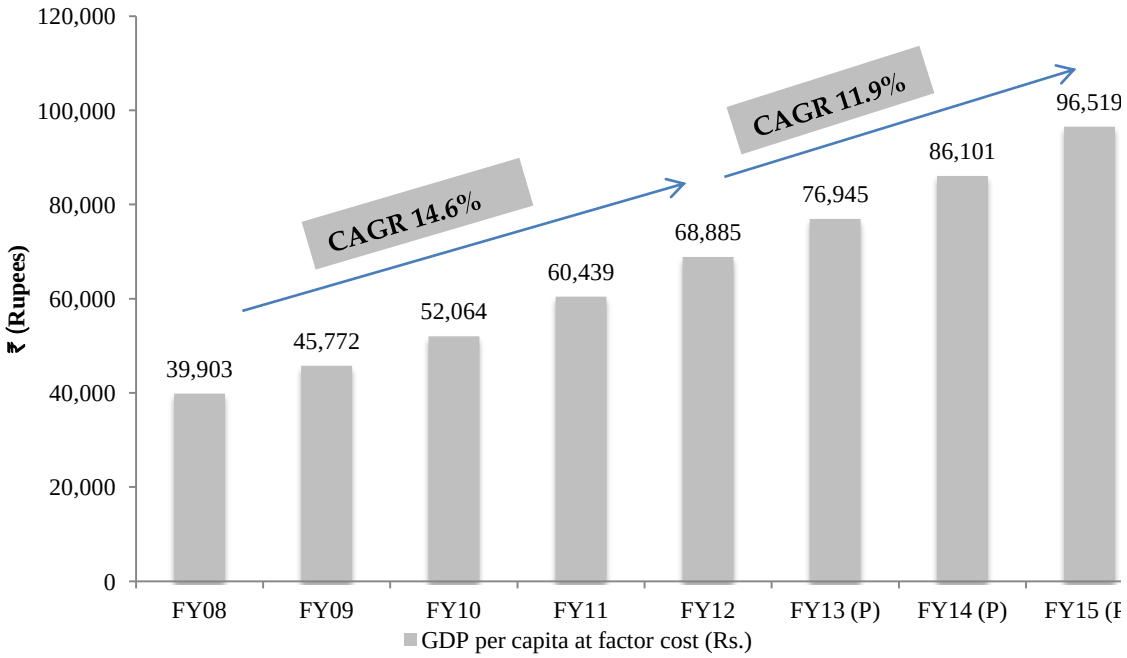


Source: National Commission on Population, CARE Report

- **Rising Income Levels**

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

Indian GDP per capita (at current prices)

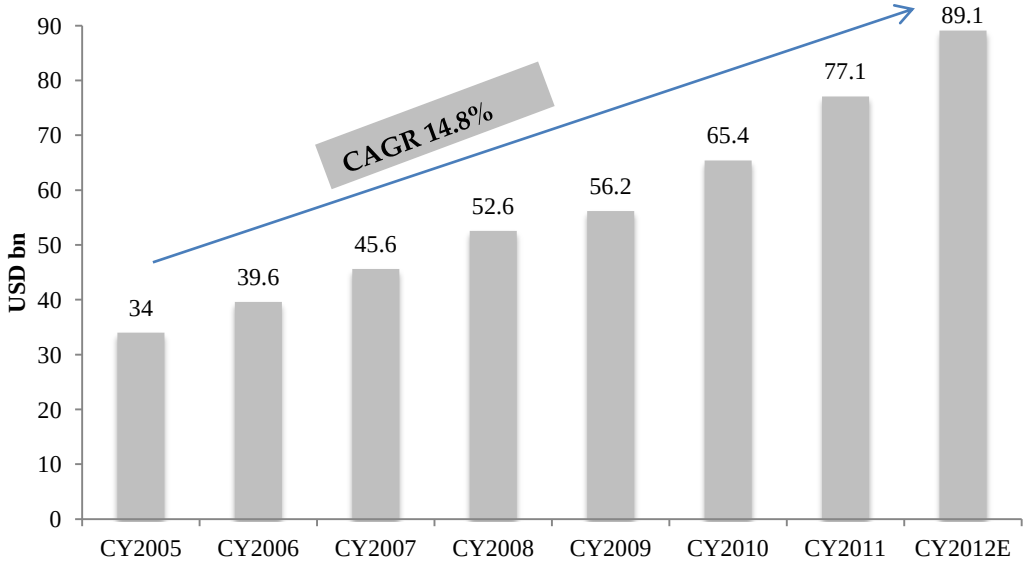


Source: MOSPI and CARE Economics Division, CARE Report

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

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

Domestic Spend on Tourism Sector (USD Billion)



Source: IBEF, Ministry of Tourism and CARE Research

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

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

- **Growth in tourism**

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

Barriers to Entry

Entry into the amusement park industry has certain barriers as follows:

- **Capital Intensive Business**

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

- **Competition from existing players**

  In the last couple of decades, metros and major Tier I cities have seen rise of amusement parks. It is very difficult to accommodate a large number of amusement parks in a metro or major city, making it a difficult proposal for the upcoming projects. Hence, most of the new projects are projecting themselves as 'Entertainment Hub' providing a wholesome entertainment experience by providing an amusement park

combined with other attractions like a resort, shopping mall, golf course etc. (*Source: CARE Report*)

- **Land Acquisition becoming critical**

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

  Other major challenges faced by the park operators are as below:

  Rising land costs: Often the park operators are constrained by the rising land costs, as the parks need to be set up in the metro cities or at the most at the outskirts of the major cities with a huge land area, so as to attract a healthy footfall. As land is becoming expensive, it is getting extremely difficult to acquire land for large projects and most of the amusement parks are coming up in the outskirts of large cities or on major highways. (*Source: CARE Report*)

  Purchase of land in parts: The park operators may or may not be able to acquire the required land at one go. Announcement of some other infrastructure projects like airports, SEZs etc raises the land rates astronomically making the project unviable. (*Source: CARE Report*)

  Land use for city development: It becomes difficult to acquire land in the metro cities, especially when the park is planned to be located around the area where major developments like SEZs, stations, etc. are planned. This may pose a challenge to the parks having a lease agreement with any authority, especially if the agreement has not been renewed. The lease agreement usually is for 30-50 years, also 99 years in some cases, and even for smaller period like three years in some. The land of a park may have to be surrendered in case the agreement is not renewed and the land is urgently needed for any kind of city development. For instance, Appu Ghar, Delhi had to be shut down on the decision of the Supreme Court as the government needed the land on an urgent basis for the construction of Delhi's Metro Station. (*Source: CARE Report*)

  Rehabilitation: If the proposed park is planned to be built in some residential or slum area, the park owner needs to resettle all the people residing in that area. This will add to time, money and efforts. (*Source: CARE Report*)

  Commuting convenience: This is the most crucial part for attracting a healthy footfall and revenues. The park should be located at a place which has easy connectivity via road and major public transports, to ensure the ease of travelling for the visitors. This is again a challenge as the area connected to major transport routes is a busy area, hence higher capital investment in land follows. (*Source: CARE Report*)

Future Outlook

Expected Investments over the next 2-3 years

A total of ₹ 175 billion of investment pertaining to the 12 major projects (mentioned in the table below) is lined up over next 3-4 years. The amusement park in Surat is contributing around ₹ 95-100 billion of this amount. Some of these large projects may avail viability gap funding from the state governments.

Major Projects in the Amusement Parks (Completed and Ongoing)						
Project	**Location**	**Promoter/JV**	**Estimated Investment (Rs. Bn)**	**Year of Completion**	**Size (Acres)**	**Theme/attraction**
Sea World	Singhudurg, Konkan, Maharashtra	Proposed by GoM, to be undertaken on PPP basis, parties yet to be decided.	5 - 5.1	2015	150	Glass-enclosed underwater tunnels having 3,000 kinds of marine animals. Will replicate the Sea World park in USA. Will have attractions like dolphins, theme restaurants, school about animal life lessons, etc.
Theme Park	Nagpur, Maharashtra	Landmark Entertainment	15	Early stages of planning	300	Theme parks based on concepts like Jurassic Park, Terminator and Spiderman.
MGM Lavasa Hollywood Theme Park	Lavasa, Maharashtra	MGM - Lavasa	4.5	2014	75	India's first Hollywood theme park.
Spaceworld Theme Park	Lavasa, Maharashtra	Space Investment Company - Lavasa	4	2013	65	India's first edutainment theme park. Already under construction.
Adlabs Imagica	Khopoli, Maharashtra	Adlabs Entertainment	16	2013	297	A replica of Disneyland, phase I - 21 international standards rides including India's largest roller coaster and 4D stimulation rides, phase II and III - water park and a 3-star hotel. Phase I scheduled to open in the first half of 2013.
Wonderla	Hyderabad, Andhra Pradesh	Wonderla Holidays	2.3*	2015	46	Amusement park combined with a five star hotel.
Wonderla	Chennai, Tamil Nadu	Wonderla Holidays	N.A.	2015	N.A.	Embedded with water park
Appu Ghar	Gurgaon, Haryana	International Amusement Ltd	4	2013	58	Come back of India's first amusement park, will include amusement park, water park, FEC, themed retail complex, etc.
Surat Theme Park	Surat, Gujarat	Atlanta Ltd	95 - 100	2014-2016	3,200	One of Asia's largest theme parks and may be bigger than Disneyland in California, Paris and Tokyo.
Krishna Lila Theme Park	Bangalore, Karnataka	ISKCON (International Society for Krishna Consciousness)	3.5	2016-17	28	Will be set up to spread the awareness of vedic heroes (Ram, Krishna, Hanuman, etc). Contains two temples, a 4-D theatre, expos, puppetry workshops, story-telling for children and costume shows. Already under construction.
Jaipur Mega Tourism City	Jaipur, Rajasthan	International Amusement Ltd	25	Early stages of planning	300	A mega tourism city comprising of themed retail, golf course, water park, FEC, resorts, villas, etc. Already under construction.
Naya Raipur Amusement Park	Naya Raipur, Chhattisgarh	Proposed by NRDA, to be undertaken on PPP basis, parties yet to be decided.	0.23	Early stages of planning	40	A recreational cum amusement park having various amusement and water rides for kids and adults. Parties yet to be decided.
Adventure Island and Metro Walk	Rohini, Delhi	50:50 JV of International Amusement Ltd and Unitech	2 - 3	Completed	62	Amusement park spread over 24 acres, retail mall of 200,000 sq ft
Entertainment City Phase I	Noida, Delhi	50:50 JV of International Amusement Ltd and Unitech	10 - 11	Phase I completed, Phase II expected completion: 2013-14	147	A mega complex area having amusement park (Worlds of Wonder), retail space and health club, small water park, shopping mall with a 5-star hotel.
Source: Industry and CARE Research * This is the planned investment for Amusement Park only without the resort.						

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

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

OUR BUSINESS

Overview

We are one of the largest operators of amusement parks in India. We currently own and operate two amusement parks under the brand name *'Wonderla*', situated at Kochi and Bangalore and are in the process of setting up our third amusement park in Ranga Reddy District of Andhra Pradesh, Wonderla Hyderabad. We also own and operate a resort beside our amusement park in Bangalore under the brand name 'Wonderla Resort' which has been operational since March 2012.

Our amusement parks offer a wide range of water and land based attractions catering to all age groups. We have 22 water based attractions and 33 land based attractions at Wonderla Kochi, situated on 93.17 acres of land and 20 water based attractions and 35 land based attractions at Wonderla Bangalore, situated on 81.75 acres of land. We recorded total Footfalls of 23.40 lakhs in Fiscal 2013 and 17.50 lakhs in the nine month period ended December 31, 2013 across our two amusement parks in Kochi and Bangalore. Our total Footfalls across the two amusement parks have grown at a CAGR of 7.42% from Fiscal 2011 to Fiscal 2013. Our resort operated under the name, *Wonderla Resort*, is a 'Three Star' leisure resort located beside our amusement park in Bangalore comprising of 84 luxury rooms, with amenities including banquet halls, a board room, conference rooms, a multi-cuisine restaurant, a solar heated swimming pool, recreation area, kids' activity centre and a well equipped gym. Further, for setting up our proposed amusement park in Ranga Reddy District of Andhra Pradesh, we have acquired 49.57 acres of land.

Our Promoter, Kochouseph Chittilappilly in the year 1996 had incorporated V-Guard Industries Limited, our Group Company, which is listed on BSE and NSE since 2008. Our Promoters launched our first amusement park in Kochi in the year 2000, by the name '*Veegaland*' and our second amusement park in Bangalore in the year 2005, by the name '*Wonderla*'. Pursuant to a scheme of amalgamation the erstwhile 'Veega Holidays and Parks Private Limited' which owned and operated '*Veegaland*', merged with our Company with effect from April 1, 2008 and consequently both our amusement parks are being operated under the name '*Wonderla*'. For further details in relation to our corporate history and our scheme of amalgamation, see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

The following table depicts details of our business operations for Fiscals 2011, 2012, 2013 and for the nine month period ended December 31, 2013:

Sl. No.	Particulars	Fiscal 2011	Fiscal 2012	Fiscal 2013	Nine month period ended December 31, 2013
1.	**Footfalls** (in lakhs)				
	▪ Kochi	11.11	11.79	12.11	8.33
	▪ Bangalore	9.17	10.79	11.29	9.17
	Total	20.28	22.58	23.40	17.50
2.	**Revenue** (₹ in lakhs)				
	▪ Kochi	4,332.38	5,173.33	5,947.79	4,876.28
	▪ Bangalore	4,789.32	6,278.29	7,375.07	6,799.05
	▪ Wonderla Resort	-	0.67	594.57	477.24
	Total	9,121.70	11,452.29	13,917.43	12,152.57
3.	**Attractions**				
	❖ Land based attractions				
	▪ Kochi	32	34	34	33
	▪ Bangalore	32	33	33	35
	❖ Water based attractions				
	▪ Kochi	22	22	22	22
	▪ Bangalore	20	20	20	20
4.	**Area** (in acres)				
	▪ Kochi	91.20	91.20	91.20	93.17
	▪ Bangalore	81.75	81.75	81.75	81.75

We have won several awards and accolades for our amusement parks in Kochi and Bangalore. Our parks, Wonderla Kochi and Wonderla Bangalore have been certified by Bureau Veritas Certification (India) Private Limited for meeting the BS OHSAS 18001: 2007 safety standards and ISO 14001: 2004 environment protection standards, for the operation and maintenance of our land and water based attractions as well as for the related amenities that we provide to our customers. We have won several awards instituted by the Indian Association of Amusement Parks and Industries ("**IAAPI**"), including, among others, the IAAPI excellence award for the highest number and variety of innovative rides won by us four times, most recently for the year 2012-13, the IAAPI excellence award for the most innovative ride won by us three times, most recently in 2012-13 and the IAAPI excellence award for innovative promotional activity won by us three times, most recently for the year 2012-13. We have won the Kerala state tourism award for best tourism destination for the year 2010-11 and the Confederation of Indian Industry excellence award in the areas of environment, health and safety for the year 2010. For further details in relation to awards and accreditations see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

Our total income increased from ₹ 6,330.76 lakhs in Fiscal 2009 to ₹ 13,917.43 lakhs in Fiscal 2013 at a CAGR of 21.77%. Our net profit after tax increased from ₹ 1,103.08 lakhs in Fiscal 2009 to ₹ 3,348.08 lakhs in Fiscal 2013 at a CAGR of 31.99%. Our total income and profit after tax for the nine month period ended December 31, 2013 are ₹ 12,152.57 lakhs and ₹ 3,098.84 lakhs respectively.

Our Competitive Strengths

We believe the following strengths have contributed to our success.

Our operational experience in the amusement park industry for over a decade and our established brand equity

Our Promoters launched our first amusement park in Kochi in the year 2000, under the name and style of *'Veegaland'* and our second amusement park in Bangalore in the year 2005, under the name and style of '*Wonderla*'. In the year 2008, we amalgamated the company 'Veega Holidays and Parks Private Limited' that operated our amusement park at Kochi with our Company to operate both our amusement parks under the common brand name '*Wonderla*'.

As of Fiscals 2011, 2012 and 2013, we recorded Footfalls of 20.28 lakhs, 22.58 lakhs and 23.40 lakhs, respectively, at our amusement parks, recording a CAGR of 7.42%. Over the years we have been recognised by the Kerala State Tourism Department, the Confederation of Indian Industry and Indian Association of Amusement Parks and Industries, who have awarded us in various categories such as 'best tourism destination', 'excellence award in areas of environment, health and safety' and 'highest number and variety of innovative rides'. For further details in relation to awards and accreditations see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus. Our Promoters, having successfully operated the amusement parks for over 13 years, we believe we have built significant brand equity especially in southern India. We have further strengthened our brand portfolio with the launch of Wonderla Resort in Bangalore, with corporate tie-ups and various other offers aimed at different customer profiles, markets and price segments.

Our in-house manufacturing facility at Wonderla Kochi

We have developed our in-house manufacturing facility in Kochi to manufacture/ construct amusement rides and attractions, apart from the amusement rides procured from manufacturers within and outside India. Our experience in running amusement parks and understanding customer preferences enables us to conceptualize and develop innovative rides. We also send our key managerial staff to amusement parks across the world to learn more about the prevalent market trends. Such research enables us to conceptualise new attractions that would enhance the experience of our visitors. Our in-house manufacturing facility enables us to implement our ideas and manufacture/ construct innovative attractions for our visitors.

We have a team of qualified staff working at our assembly/ manufacturing facility. Our manufacturing facility has designed and executed several rides and attractions for our amusement parks in Kochi and Bangalore on the basis of our research and conceptualisation. Our in-house manufacturing facility also enables us to customize and modify the rides we purchase so as to suit the requirements of our amusement parks. We benefit from certain cost efficiencies when we manufacture/ construct amusement rides such as saving on import duties and other costs besides improving

the efficiency of maintenance of our rides. As of January 31, 2014 we have manufactured/ constructed 42 rides/ attractions at our amusement parks.

Our high safety and hygiene standards

We place considerable emphasis on ensuring that our amusement parks are maintained with high safety and hygiene standards. Wonderla Kochi and Wonderla Bangalore have been certified by Bureau Veritas Certification (India) Private Limited for meeting the BS OHSAS 18001: 2007 safety standards and ISO 14001: 2004 environment protection standards, in the operation and maintenance of our land and water based attractions as well as for the related amenities that we provide our visitors. For our water based attractions at Wonderla Bangalore we use reverse osmosis technology to ensure that the water is potable, clean and safe. At Wonderla Bangalore and Wonderla Kochi, we have set up extensive water filtering and recycling systems for each pool and a quality control laboratory for the purpose of carrying out quality checks on samples of water collected at regular intervals. We have installed lightning arrestors as a precautionary measure against lightning hazards. Further, we have generators with a combined capacity of 4.9MVA to ensure continuous supply of power. Apart from these specialised measures and installations, we also ensure that certain other basic safety measures are undertaken including harnesses for our rides and other attractions, availability of first-aid supplies and trained medical officers and life guards stationed at all our water based attractions in Wonderla Kochi and Wonderla Bangalore.

Our understanding of customer needs and ability to constantly innovate new attractions at our amusement parks

Having operated amusement parks for over a decade, we believe that we have gained in depth understanding of customer preferences and needs. This experience enables us to anticipate customer requirements and trends while conceptualising new and innovative rides. We also regularly monitor and study the usage of our rides and attractions by our visitors at our parks and conduct surveys so as to evaluate customer choices and preferences.

We endeavour to benchmark our rides and attractions against amusement parks in other parts of the world and thereby we constantly try to upgrade our rides or introduce new innovative rides. We have developed in-house manufacturing facility in Kochi to manufacture/ construct rides, apart from the rides procured from manufacturers within and outside India. Our team is constantly trying to innovate newer attractions based on concepts that are popular at our amusement parks. We have continuously endeavoured to improve our visitor experience and expand our business operations and have included newer and innovative attractions and amusement rides at our parks, which we believe have led to the consistent increase in Footfalls at our amusement parks in Kochi and Bangalore. In recognition of this, we have won the IAAPI excellence award for the highest number and variety of innovative rides four times, most recently for the year 2012-13 as well as the IAAPI excellence award for the most innovative ride won by us three times, most recently in 2012-13.

Experience of our Promoters, our key management and our qualified staff

Our Promoters, Kochouseph Chittilappilly and Arun Kochouseph Chittilappilly, have several years of experience in the amusement park industry, having set up and run two amusement parks, Wonderla Kochi and Wonderla Bangalore. Kochouseph Chittilappilly has over 14 years of experience in the amusement park industry. He launched the amusement park business in the year 1998 by establishing *'Veegaland'* in Kochi and later expanded our amusement park business by establishing *'Wonderla'* in Bangalore in the year 2005. He has won several awards including, among others, the 'Young Businessman of the Year 1995' by the business magazine 'Business Deepika', 'Businessman of the Year 2007' by the business magazine 'Dhanam', 'Tourism Man of the Year Award 2011' by the Association of Tourism Trade Organisations, India and 'Businessman of the Year 2011' by the Travancore Management Association Kottayam. He is also the Chairman of V-Guard Industries Limited and on the board of directors of several other companies. Arun Kochouseph Chittilappilly is the Managing Director of our Company. He has been actively involved in the day to day operations and management of our Company since 2003 and is involved in the conceptualizing and design of our amusement parks and also actively involved in technical and marketing functions of the Company. He has over 10 years of experience in the amusement park industry.

We also have a dedicated management team, who are responsible for the overall strategic planning and business development of our Company. Our key management has significant experience in the industry and has been instrumental in the consistent growth in our revenues and operations. Of the 685 employees on our rolls as on January 31, 2014, 260 are employees in our technical departments, who execute our projects, implement new

technology at our parks, conduct daily, weekly and shutdown maintenance work and ensure safe and breakdown free operations of the amusement rides, among other primary responsibilities. We believe that a motivated and dedicated employee base is the key to our success in managing our amusement parks and has enabled us to provide a safe and exciting experience to our visitors.

Our Strategy

The key elements of our business strategy are as follows:

Expand our business operations by setting up new amusement parks in other cities

We intend to continue to expand our business operations and further develop our brand *'Wonderla'* by setting up new amusement parks in other parts of India and thereby cater to a wider customer base. We intend to capitalize on our experience and expertise in the amusement park industry and leverage the existing goodwill associated with our brand to establish and expand amusement parks in newer geographies. Towards this objective, we have currently acquired 49.57 acres of land in Ranga Reddy District of Andhra Pradesh and we are in the process of identifying a suitable parcel of land in Chennai for setting up amusement parks.

Continue to expand and improvise our existing amusement parks to increase our Footfalls

We intend to leverage the goodwill associated with our brand *'Wonderla'* by continuing to expand and upgrade our existing amusement parks. We constantly monitor and study the usage of our rides and attractions by our visitors at our parks as well as conduct surveys to evaluate customer choices and preferences. Our technical department is constantly trying to innovate newer attractions based on concepts that are popular at our amusement parks. The preferences of our visitors play a critical role in our decision to introduce new rides and attractions. Further, we strive to benchmark our attractions against amusement parks in other parts of the world and even send some of our key employees to amusement parks outside India to study market trends. We constantly try to upgrade our rides or introduce new innovative attractions and rides to improve our visitor experience and expand our business operations, which we believe would result in consistent increase in Footfalls at our parks. We also intend to increase the operational capacity of our amusement parks by developing the undeveloped portions of our land at our existing amusement parks. We also propose to augment these efforts by increased marketing initiatives, innovative promotional campaigns and extensive advertising.

Widen our customer base and visitor experience through amusement parks integrated with resorts

We launched the Wonderla Resort beside Wonderla Bangalore in March, 2012. Wonderla Resort is a leisure resort having 84 luxury rooms and amenities including banquet halls, board room, conference rooms, multi-cuisine restaurant, solar heated swimming pool, recreation area, kids' activity centre and well equipped gym, and attracts corporate clients and also makes it suitable to host wedding receptions, parties and other corporate events and meetings. Wonderla Resort enables our visitors to enjoy our amusement park facility for a longer duration and thereby enhance customer spend at our park and at our resort. Similar to Wonderla Resort, situated beside our amusement park in Bangalore, we may consider expanding our existing and future amusement parks by integrating them with resorts and consequently enhancing our visitor experience and widening our customer base.

Further expansion of our in-house ride design and manufacturing capabilities

We have developed in-house manufacturing capabilities to manufacture/ construct amusement rides and attractions for our amusement parks. We introduce new rides and attractions based on our study and understanding of customer preferences, the popularity of our existing rides and attractions at our amusement parks as well as the research done by our key employees by visiting amusement parks in other parts of the world. We have a team of qualified staff working at out assembly/ manufacturing facility in Kochi. Our manufacturing facility has designed and executed several rides and attractions for our amusement parks in Kochi and Bangalore on the basis of our research and conceptualisation. As of January 31, 2014 we have manufactured/ constructed 42 rides and attractions that have been installed at our amusement parks. We intend to continue to invest in such manufacturing facilities at our upcoming parks as well.

Expansion of our revenue streams and innovative marketing initiatives to supplement our income from entry fees

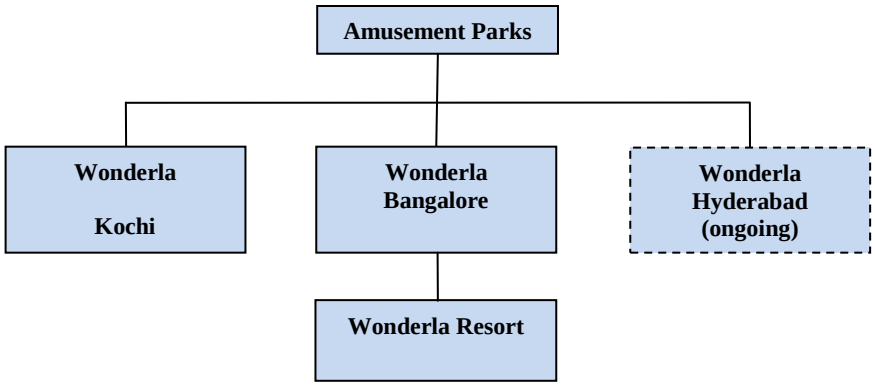
At our amusement parks, we follow a single-ticket-entry model whereby visitors are required to purchase a single entry ticket to enter our amusement park and to enjoy our amusement rides and other attractions. Additionally, we intend to bolster our revenues from entry tickets by offering 'fast track tickets', 'EZ Pay system' and so on whereby visitors are extended value added services. The 'Wonderla Privilege Card' is our customer loyalty program which gives the customers attractive discounts and incentives to visit our parks and Wonderla Resort multiple times. We have generated 81.06% and 79.81% of our income through such entry fees in Fiscal 2013 and the nine month period ending December 31, 2013, respectively.

We also generate income from our food and beverage operations as well as direct merchandising operations at our amusement parks, including on a revenue sharing basis and we intend to increase such income by expanding the food and beverages operations as well as merchandising operations at our amusement parks in line with the global amusement parks where, as per the CARE Report, entry fees constitutes only 31% to 35% of the total revenues of the amusement parks and resorts and other rentals contribute 35% to 37% and food, beverage and merchandising contribute 32% to 35% of the total revenue of the amusement parks. Further, the introduction of Wonderla Resort has also opened a new revenue stream for our Company.

Additionally, we intend to explore tie ups with reputed companies for introducing character and theme based attractions, aiming to increase footfall at our amusement parks. At Wonderla Kochi we have successfully included a ride based on the theme of 'Balarama' which has topical and regional significance in Kochi. We intend to introduce such well known themes of both national and international popularity and character based amusement rides and attractions at our parks, which we believe, would draw the attention of a larger customer base through our promotional schemes, marketing initiatives and advertising campaigns. We also intend to regularly come out with newer and more attractive campaigns through print and electronic media. The introduction of the 'Wonderla Green Awards' was one such campaign being a 'Corporate Social Responsibility' initiative which garnered considerable positive media interest. We also intend to provide our sales promotion agents and tour operators with campaign pamphlets and other material that highlight the new theme based attractions at our amusement parks. Additionally, we intend to broaden our network of sales promotion agents as well as tour operators, so as to reach out directly to a greater number of educational institutes and corporate organisations.

Our Operations

Our business operations can be broadly categorized as follows:



Our Amusement Parks

We operate our amusement parks under the brand name '*Wonderla*'. We currently own and operate two amusement parks, situated at Kochi and Bangalore, situated on 93.17 acres and 81.75 acres of land respectively. Further, we intend to set up a new amusement park at Ranga Reddy District of Andhra Pradesh by Fiscal 2015, for which we have acquired 49.57 acres of land.

The following table summarizes the amusement park business of our Company as on January 31, 2014:

Parameter	Wonderla Kochi	Wonderla Bangalore
Size (in acres)	93.17	81.75
Attractions:		
• Land based attractions	33	35
• Water based attractions	22	20
Employees	270	306
Restaurants	7	7

Wonderla Kochi

Our Promoters launched our first amusement park in Kochi in the year 2000, by the name '*Veegaland*' which was set up under a public limited company incorporated under the Companies Act on February 3, 1998 under the name and style of 'Veega Holidays and Parks Limited', and which was subsequently, converted into a private limited company on July 4, 2001 with the name 'Veega Holidays and Parks Private Limited'. Pursuant to a scheme of amalgamation the erstwhile 'Veega Holidays and Parks Private Limited' merged with our Company with effect from April 1, 2008 and consequently both our amusement parks are currently operated under the name '*Wonderla*'. For further details in relation to our corporate history and the scheme of amalgamation, see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

Size: Wonderla Kochi is situated on 93.17 acres of land, and currently 28.75 acres is being occupied for 55 land and water based attractions and other allied facilities.

Location: Wonderla Kochi is located in Pallikkara, 15 km from central Kochi.

Attractions: Wonderla Kochi has a total of 55 attractions, of which 10 are imported rides and attractions. Wonderla Kochi offers land based attractions, including, the "*Super Jumper*", the "*Thunder Fall*", the "*Twin Flip Monster*", and "*Sky Wheel*", and water based attractions, including, the "*Wave Pools",* the *"Play Pools",* the "*Rapid River*", the "*Water Coasters*" and the "*Water Pendulum*". Apart from these, Wonderla Kochi is also home to "*XD Max*", a 3-D virtual reality attraction combining film with physical effects inside a theatre, and an indoor musical fountain with a laser show.

Restaurants: We have seven restaurants operational at Wonderla Kochi which offer cuisines such as north Indian, south Indian, Chinese and continental. We have taken over operation of *Waves Restaurant* at Wonderla Kochi since April, 2013. All the other restaurants are managed by caterers on the basis of revenue sharing arrangements. We have also entered into arrangements with smaller vendors for food and beverages as well as merchandise and souvenirs, to set up kiosks across our amusement park.

Employees: As of January 31, 2014, we had 270 employees working at Wonderla Kochi.

Footfalls: As of Fiscals 2011, 2012 and 2013, we recorded Footfalls of 11.11 lakhs, 11.79 lakhs and 12.11 lakhs, respectively, at Wonderla Kochi, recording a CAGR of 4.40%. As of the nine month period ended December 31, 2013 we recorded Footfalls of 8.33 lakhs at Wonderla Kochi.

Wonderla Bangalore

We launched our amusement park in Bangalore in the year 2005, by the name "*Wonderla*". Our amusement park in Bangalore was set up under a private limited company incorporated under the Companies Act on November 18, 2002 under the name and style of 'Wonderla Holidays Private Limited'. For further details in relation to our corporate history, see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

Size: Wonderla Bangalore is situated on 81.75 acres of land, and currently 39.20 acres is being occupied for 55 land and water based attractions and other allied facilities.

Locations: Wonderla Bangalore is located off the Bangalore-Mysore highway, 28 km from central Bangalore.

Attractions: Wonderla Bangalore has a total of 55 attractions, of which 18 are imported rides and attractions. Wonderla Bangalore offers land based attractions, including, the "*Maverick*", the "*Y - Scream*", the "*Insanity*", the "*Drop Zone*", the "*Hurricane*", and "*Sky Wheel*" which stands at a total height of 80 meters, and water based attractions, including, two wave pools and the "*Water Pendulum*". Apart from these, Wonderla Bangalore is also home to the "*Rain Disco*", "*Cine Magic 3D*", which is a virtual reality ride and the *"Musical Fountain and Laser Show"*.

Restaurants: We have seven restaurants operational at Wonderla Bangalore which offer cuisines such as north Indian, south Indian, Chinese and continental. We have taken over operation of *Waves Restaurant* at Wonderla Bangalore since November, 2012. All the other restaurants are managed by caterers on the basis of revenue sharing arrangements. We have also entered into arrangements with smaller vendors for food and beverages as well as merchandise and souvenirs, to set up kiosks across our amusement park.

Employees: As January 31, 2014, we had 306 employees working at Wonderla Bangalore.

Footfalls: As of Fiscals 2011, 2012 and 2013, we recorded Footfalls of 9.17 lakhs, 10.79 lakhs and 11.29 lakhs, respectively, at Wonderla Bangalore, recording a CAGR of 10.96%. As of the nine month period ended December 31, 2013 we recorded Footfalls of 9.17 lakhs at Wonderla Bangalore.

Wonderla Resort: We launched our first leisure resort by the name '*Wonderla Resort*' beside our amusement park in Bangalore in March 2012. The Wonderla Resort comprises of 84 luxury rooms with amenities including banquet halls, a board room, conference rooms, a multi-cuisine restaurant, rest-o-bar, a solar heated swimming pool, recreation area, kids' activity centre and a well equipped gym. The rooms at Wonderla Resort also have other amenities such as, 24 hours in-room dining facility, LCD television, tea/coffee maker and Wi-Fi connectivity. The resort has four banquet/ conference halls totalling 8,900 sq. ft., with a capacity to accommodate up to 800 guests and also a well equipped board room, making it suitable to host wedding receptions, parties and other corporate events and meetings. We have recorded average occupancy rates of 34% and 27% at Wonderla Resort in Fiscal 2013 and in the nine month period ended December 31, 2013.

Wonderla Hyderabad

We are in the process of setting up an amusement park in Ranga Reddy District of Andhra Pradesh, which will be our third amusement park. For setting up our proposed amusement park in Andhra Pradesh, we have acquired 49.57 acres of land in Kongara Khurd 'A' Village, Maheswaram Mandal, Ranga Reddy District, Andhra Pradesh, approximately 27 kms from central Hyderabad, 33 kilometers from Secunderabad Railway Station and 12 kilometers from Hyderabad Airport and have mutated the same in the name of our Company and the relevant regulatory authority has approved the conversion of land use from agricultural to non-agricultural. However, as per the development plan approved by our Company, we intend to use only 27 acres of land for setting up our proposed amusement park, Wonderla Hyderabad, comprising of 24 land rides, 18 water rides and other allied facilities including power generation, water treatment and pollution control facilities. The remaining parcels of land have been purchased by our Company taking into consideration any future requirement that may arise as and when the Company plans to expand. Since Wonderla Hyderabad is an amusement park, availability of land in the adjoining area is important should the Company decide to expand in future, which may or may not be available at that point in time. Hence, the Company has already purchased the additional land.

The said development plan has also been certified by an independent architect, M/s. Matrix Consultants, through certificates dated October 16, 2013 and October 30, 2013 and our Company has acknowledged the same and confirmed the proposal to use only 27 acres of land for setting up the amusement park, Wonderla Hyderabad, *vide* our letter dated October 18, 2013. The 27 acres of land demarcated for Wonderla Hyderabad as per the development plan, is free from any kind of disputes/ litigations. The certificates issued by M/s. Matrix Consultants dated October 16, 2013 and October 30, 2013 and the letter issued by our Company dated October 18, 2013 , have been included in the section titled "Material Contracts and Documents for Inspection" on page 416 of this Red Herring Prospectus.

We have currently deputed some of our employees to obtain all the necessary approvals for setting up Wonderla Hyderabad and to get the development plan sanctioned. We have received quotations/ placed firm orders for setting up 10 imported land rides, 14 indigenous land rides and 18 indigenous water rides at Wonderla Hyderabad. For further details on the rides and attractions for Wonderla Hyderabad, see the section "Objects of the Issue" on page

79 of this Red Herring Prospectus. Our continuous source of water supply for our proposed amusement park is ground water. Further, we have taken an electricity connection for our present requirements and will upgrade the same as our requirements increase. Additionally, in order to ensure a constant supply of electricity at Wonderla Hyderabad, we intend to purchase generators and we have allocated issue proceeds in this regard. For further details in relation to our current electricity approval and the proceeds allocated towards purchase of generators, see the sections "Government Approvals" and "Objects of the Issue" on pages 283 and 79, respectively, of this Red Herring Prospectus. We also intend to set up a number of restaurants and kiosks, which would offer several cuisines as well as snacks for our visitors. As of January 31, 2014, we had 5 employees working at Wonderla Hyderabad.

In-house manufacturing facility

We have developed an in-house manufacturing facility in Kochi to manufacture/ construct amusement rides and attractions, apart from the amusement rides procured from manufacturers within and outside India. Our in-house manufacturing facility enables us to implement our ideas and manufacture/ construct innovative attractions for our visitors. We have a team of qualified staff working at out assembly/ manufacturing facility. We also send our key managerial staff to amusement parks across the world to learn more about the prevalent market trends. Such research enables us to conceptualize new attractions that would enhance the experience of our visitors.

For the manufacture/ construction of rides we domestically source the required raw materials such as steel, aluminium, ropes, pulleys, wires, and electrical equipments such as gear boxes, motors, compressors, control panels, welding and drilling machines. The staff at the manufacturing facility includes persons who are qualified to prepare the technical designs and plans for the rides to be manufactured/ constructed, engineers, electricians, technicians and labourers. We use state of the art technology that is both indigenous as well as foreign, in our manufacturing processes. The most significant part of the manufacturing process is our focus on the aspect of safety and testing of the rides. At every stage of manufacturing of the rides we conduct a number of tests and constantly monitor the implementation of safety procedures and norms. Once the ride is complete and installed we conduct weight tests and open the ride to the public only once sufficient testing has been done to ensure the complete safety of our visitors. The staff at our manufacturing facility also conducts regular servicing and routine repairs of the rides at our amusement parks.

Our manufacturing facility has designed and executed several rides and attractions for our amusement parks in Kochi and Bangalore on the basis of our research and conceptualization. Our facility also enables us to customize and modify the rides we purchase so as to suit the requirements of our amusement parks. We benefit from certain cost efficiencies when we manufacture/ construct amusement rides such as saving on import duties and other costs besides improving the efficiency of maintenance of our rides. As of January 31, 2014 we have manufactured/ constructed 42 of the rides/ attractions at our amusement parks such as 'Spinning Coaster', 'Thunder Fall', 'Hang Glider', 'Wave Pool' and 'Rain Disco'."

Maintenance of rides and attractions

At our amusement parks we have an internal mechanism in place for managing maintenance of all the rides and attractions including procedures for preventive, monthly and shut down maintenance as described below:

Preventive maintenance: Daily maintenance of our rides is carried out by our technicians as per a prescribed check list, before the rides are opened to public. Technical issues, if any, are communicated to the concerned supervisor/engineer and the same are attended to by them with the help of maintenance technicians. Three or more test rides are carried out prior to opening the ride to public. Technicians are assigned to monitor the rides during operational time and on finding any problems, the rides are temporarily closed until the problem is rectified.

Monthly maintenance: Monthly maintenance of our rides are carried out by a group of four or five technicians, with a minimum of two senior technicians, in the presence of a supervisor/engineer, as per a prescribed check list. The ride components are checked in detail and parameters are noted down. Alternatively, we may carry out shutdown maintenance if required.

Shutdown maintenance: Shutdown maintenance of our rides is carried out annually. Shutdown maintenance of rides is prioritized taking into consideration the complexity and frequency of operation of the shut down maintenance required. Our work group for shutdown maintenance include technicians, fabricators and riggers. Rides are

dismantled completely with heavy duty cranes and the parts are checked thoroughly. 'Non-destructive testing' is carried out to ensure strength of critical components such as shafts and pins. Fasteners, slew bearings, other bearings, wire ropes, chains etc. are checked thoroughly and replaced if required. Gearboxes, compressors, hydraulic actuators, rotary couplings, motors etc. are serviced and rusted/faded components are painted during this period. Oil change of dynamic equipments and replacement of components, such as, wire ropes, couplings, filters etc. are done periodically and a log sheet is maintained. The overhauling of small rides is done without affecting daily operation.

Safety features

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

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

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

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

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

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

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

analysis.

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

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

Environment friendly operations

We have incorporated certain processes in our day to day operations that are environment friendly in nature. We have been awarded the ISO 14001:2004 for protecting and conserving nature and natural resources. With respect to water conservation, we have sewage treatment plants to treat effluent water as per norms of Karnataka State Pollution Control Board. We use the treated water for gardening and plantation purposes and we have been categorised as a 'green' establishment by the Kerala State Pollution Control Board in the year 2008. Further, for the purpose of rainwater harvesting, we have also built special reservoirs where rain water is stored and efficiently used to meet a part of our sanitation and gardening needs. We have two artificial ponds for rain water harvesting with a combined capacity of 1.65 crores litres of water including two roof water collection tanks for rain water. We try to reduce our carbon foot print by conserving conventional energy resources and by using solar energy to heat water for all water based rides during winter. We have also instituted Wonderla Environment & Energy Conservation Award for educational institutions in Bangalore as part of our environment protection initiatives.

Human Resources

As of January 31, 2014 we had 685 employees, comprising 38 employees in our management division, 260 employees in our technical divisions, 152 employees in our administrative division, 147 employees as part of our amusement park staff and 88 employees as part of our resort operations. We believe that a motivated and dedicated employee base is the key to our success in managing our amusement parks and has allowed us to provide a safe and exciting experience for our visitors. As of January 31, 2014, we had 270 employees working at Wonderla Kochi, comprising 17 employees in our management division, 114 employees in our technical divisions, 62 employees in our administrative division and 77 employees as part of our amusement park staff. As of January 31, 2014, we had 306 employees working at Wonderla Bangalore, comprising 14 employees in our management division, 138 employees in our technical divisions, 85 employees in our administrative division and 69 employees as part of our amusement park staff. As of January 31, 2014, we also had 5 employees working at Wonderla Hyderabad, comprising 3 employees in our management division, 1 employee in our administrative division and 1 employee as part of our amusement park staff. As of January 31, 2014, we had 104 employees working at Wonderla Resort, comprising 4 employees in our management division, 8 employees in our technical divisions, 4 employees in our administrative division and 88 employees as part of our resort operations.

Marketing

We strategise our marketing initiatives to include both direct and indirect modes of marketing. Under the direct mode of marketing we have dedicated marketing teams which reach out to the potential customer base directly by conducting activities such as personal sales, college activation plans, kiosk activity plans at college fests and activities on reaching the general target audience through various exhibitions conducted at numerous locations.

Under the indirect mode of marketing we have engaged certain sales promotion agents and tour operators across southern India so as to widen our market reach beyond local limit. We appoint these sales promotion agents and tour

operators ("**Agents**") on a contract basis and renew their contracts annually. The Agents are required to directly canvass at the institutions like educational institutions, corporate offices, shops, banks, housing colonies, business establishments etc. through full time field executives that they employ and supervise. The Agents are paid commissions on the basis of turn over, subject to an eligibility criterion of a minimum persons requirement per group booking. We provide promotional materials such as pamphlets and regular training and guidance to the executives so as to monitor their activities. We appoint these Agents for specific territories in each region. However, we have non-exclusive contracts with each of them such that we may appoint more than one Agent for the same territory (if the need so arises) and require the Agents to cooperate with one another. The Agents are required to intimate us regarding bookings well in advance and record the same on order forms provided by us.

We have indentified three categories of visitors at our amusement parks, namely, educational institutions, corporate houses and general walk-in customers and have based our marketing strategies accordingly. We provide special schemes for bulk bookings made in advance by educational institutions and by corporate customers. For corporate houses, we also offer facilities such as accommodation at our resort in Bangalore and other requirements for conducting corporate events. We also promote special offers and schemes to general customers such as the 'Monsoon Offer', the 'Dasara Celebrations' etc. through travel agents, mass media campaigns, kiosk activities, and out door media such as billboards.

Food and Beverages

At both our amusement parks we have made provisions for full fledged restaurants as well as small food and beverage kiosks located all across the amusement parks. The restaurants offer various cuisines including south Indian, north Indian, Chinese and continental to cater to our visitors. We have seven restaurants operational at Wonderla Kochi and seven restaurants operational at Wonderla Bangalore. We generally follow a revenue sharing model with our contractors for the operation of these restaurants. We have taken over operation of *Waves Restaurant* at Wonderla Bangalore and Wonderla Kochi, since November, 2012 and April, 2013, respectively.

For the operation of the full fledged restaurants we engage caterers ("**Contractors**") on a contract basis, which we renew annually with a specific understanding in terms of revenue sharing. We provide our Contractors with basic amenities such as building, equipments, electricity connection, water connection, furniture and other mutually agreed requirements, and bear minimum costs for the same. We ensure that the premises is adequately insured, however, we do not take the responsibility for any loss or damage suffered by our Contractors in relation to theft, electrical problems and natural calamities on the premises. We retain the right to inspect the premises regularly to ensure quality and measure of food being served as well as to monitor sales and billing. The food prepared/cooked by our Contractors and the brands of the packaged food and beverages sold by our Contractors are pre-approved by us. Since the relationship between our Company and our Contractors is on a principal-to-principal basis, our Contractors have the responsibility to comply with applicable statutory requirements. Our Contractors are duty bound to conduct their activities in a hygienic manner as well as serve food in conformity with the standards as are prescribed under law and be free from adulteration.

For the operation of small food and beverage kiosks that sell beverages, sweet and savoury snacks we engage smaller service providers on similar terms and conditions. We have also entered into agreements with some leading vendors of packaged foods and bottled drinks that we may sell at our restaurants and shops within the premises of our amusement parks. These contracts are in the nature of bulk purchases delivered in parts on a regular basis. We allow these vendors branding and promotional space on our premises.

The table below enlists the restaurants at our amusement parks:

Sl. No.	Wonderla Kochi	Wonderla Bangalore
1.	Vintage Chimney Restaurant	Greens Restaurant
2.	Waves Restaurant	Chillies Restaurant
3.	Spice Garden Restaurant	Waves Restaurant
4.	Wood House Restaurant	Courtyard Restaurant
5.	Vintage Kitchen Restaurant	Parkview Restaurant
6.	Valley View Restaurant	Wonder Chick
7.	Park View Restaurant	Pizza Corner

Shops and Outlets

We have entered into agreements with vendors of curios, handicrafts, photographs and other such products for the operation of their shops on the premises of our amusement parks. The agreements may be of a revenue sharing nature at a rate that is mutually agreed upon, or we may require the vendors to make a monthly payment of a fixed sum for the use of the premises and certain basic amenities provided by us. The vendors are not allowed to use the premises for any other purposes than what is contractually agreed upon and are required to pay a deposit to us, which is repayable at the time of final settlement of the accounts at termination.

Competition

Our Company is subject to market trends and customer preferences in relation to discretionary spending. Visiting amusement parks is a part of discretionary spending and is perceived to be a leisure activity. Consequently, our business is sensitive to a number of factors that influence discretionary consumer spending. In addition, we compete with other tourism activities and recreation categories, such as heritage tours, cinemas, fine dining and travel involving consumers' discretionary expenditure. Therefore, the price of our entry ticket relative to other discretionary spending options available to the consumer influences the proportion of consumers' expenditure that is spent on visiting amusement parks. Adverse changes in factors affecting discretionary consumer spending could reduce consumer demand for our services, resulting in a reduction in our Footfalls.

According to the CARE Report, in the last couple of decades, metros and major Tier I cities have seen rise of amusement parks. However, going forward, we believe that there are significant barriers to entry into the business of amusement parks in India. Among the most important of these barriers is the need for significant capital expenditure to set up an amusement park, the difficulty to identify and purchase large and suitable parcels of land at commercially viable terms, the limited number of persons with the skills necessary to operate an amusement park and the importance of public recognition of an established brand name.

Intellectual Property Rights

We have received two trademark registrations for our brand "*Wonderla*". The first certificate of registration for the trademark "*Wonderla*" held by our Company is under Class 41 (Amusement parks, entertainment and sporting included in class 41) of the Trade Mark Rules, 2002. The second certificate of registration for the trademark "*Wonderla*" held by our Company is under Class 28 (games and play things related to amusement park like skating rinks, bowling alleys, rope ways, gymnastic and sporting articles) of the Trade Mark Rules, 2002. We have received a certificate of registration for the copyright in the "*Wonderla*" logo as an artistic work in the name of our Promoter, Kochouseph Chittilappilly. Further, we have been granted a patent for the invention 'vertical drop amusement ride mechanism with varying load counter weight brake' in the name of our Promoter, Kochouseph Chittilappilly. Pursuant to assignment agreement dated April 10, 2013, our Promoter, Kochouseph Chittilappilly, has assigned the aforesaid copyright and patent in favour of our Company for a total consideration of ₹ 2,000.

We have also made an application for registration of our mark "Wonderla Resort" under Class 43 (services for providing food and drink, temporary accommodation included in Class 43) of the Trade Mark Rules, 2002 before the Trade Marks Registry, Chennai.

Corporate Social Responsibility

As part of our corporate social responsibility initiatives, we regularly make donations to cultural societies, stage artists and workers, non governmental organisations working towards treatment of cancer patients, trusts for disabled people and children's homes. Further, we have initiated a project titled "*Education - Enriching Lives*", and as part of the said initiative, we distributed stationary, school bags and other materials to over 350 children of various educational institutions, for the academic year 2012-13. We have also instituted the 'Wonderla Green Awards' for schools within the Bruhat Bangalore Mahanagara Palike limits in Bangalore rewarding the schools which adopt innovative and comprehensive steps to conserve nature and natural resources. As part of our ongoing corporate social responsibility initiative we provide free medical consultation to the villagers who reside near Wonderla Bangalore from a doctor we have retained on a contractual basis.

Property

Our registered and corporate offices, situated at 28th KM, Mysore Road, Bangalore, Karnataka 562 109, is a freehold property of our Company, pursuant to a registered sale deed dated April 10, 2008 executed between our Company and Karnataka Industrial Areas Development Board.

Wonderla Bangalore, situated at 28th KM, Mysore Road, Bangalore, Karnataka 562 109 is spread across 81.75 acres of land, a freehold property of our Company pursuant to a registered sale deed dated April 10, 2008 executed between our Company and Karnataka Industrial Areas Development Board and Wonderla Kochi, situated at Kunnathnadu Taluk, Ernakulam District, Kerala is spread across 93.17 acres of land, a freehold property of our Company, purchased by our Company under several registered sale deeds. We have also acquired land admeasuring 49.57 acres at Kongara Khurd 'A' Village, Maheswaram Mandal, Ranga Reddy District, Andhra Pradesh, approximately 29 kms from Hyderabad town, for setting our amusement park in Ranga Reddy District of Andhra Pradesh, as part of our future expansion.

We have also executed a lease agreement for our marketing office situated at #1, 1st Cross, IV Main, Sampangi Ram Nagar, Bangalore 560 027, Karnataka valid for a period of 11 months from July 1, 2013. We have also executed a lease agreement dated May 15, 2012 for our office cum guesthouse situated at Plot no. 41, Shiva Ganga Colony, L.B. Nagar, Hyderabad 500 074 valid for a period of two years from the date of such agreement.

The details of the land admeasuring 49.57 acres acquired by our Company at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh, for the proposed amusement park, Wonderla Hyderabad, is as set out below:

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
1.	2764/ 2013 May 21, 2013	Wonderla Holidays Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri. Sivadas M., R/o H. No. 364, IV Main, III Cross, K.S. Town Bangalore, Karnataka.	Nimma Rajeshwar Reddy, R/o H.No. 4-111/A, Raviryal Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	14,62,500	Dry agricultural lands at survey Nos. 268 (01 gunta), 270 (07 guntas), 270/RU2 (02 guntas), 270/RU3 (02 guntas), 273/A (1 gunta) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	13 guntas (or 0.325 acres)	-	Registration fees: 7, 400 Stamp and transfer duty: 80, 500	**Date**: June 11, 2013 **Office of Registrar**: Sub-Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh
2.	2762/2013 May 21, 2013	Wonderla Holidays Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore	V. Venkat Reddy, R/o Plot No. 20, S. F. Colony, NGO's Colony, Hayathnagar, Ranga Reddy District , Andhra Pradesh; and V. Srinivas Reddy,	87,00,000	Dry agricultural lands at survey Nos. 273/A (18 guntas), 274/A (20 guntas), 273/RU2 (2.5 guntas), 274/RU2 (2.5 guntas), 273/RU3 2.5	1 acre 18 guntas (or 1.450 acres)	-	Registration fees: 43, 500 Stamp and transfer duty: 4,78,500	**Date**: June 11, 2013 **Registrar office**: Sub-Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Road, Ramanagara Taluk and District, Karnataka represented by Sri. Sivadas M., R/o H. No. 364, IV Main, III Cross, K.S. Town Bangalore, Karnataka	R/o 16-09-190, Malakpet, Hyderabad		guntas), 274/RU3 (2.5 guntas), 273/RU4 (2.5 guntas), 274/RU4 (2.5 guntas), 273/RU5 (2.5 guntas), 274/RU5 (2.5 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh				
3.	2763/2013, May 21, 2013	Wonderla Holidays Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri. Sivadas M., R/o H. No. 364, IV Main,	Nimma Ravinder Reddy, R/o H. No. 4-134/61, Raviryal a Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	39,00,000	Dry agricultural lands at survey Nos. 270/E (20 guntas), 270/RU4 (2.5 guntas), 270/RU5 (2.5 guntas), 270/RU2 (0.5 gunta), 270/RU3 (0.5 gunta) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	26 guntas (or 0.650 acres)	-	Registration fees – 19, 500 Stamp and transfer duty – 2,14,500	Date – June 11, 2013 Registrar office – Sub-Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		III Cross, K.S. Town Bangalore, Karnataka							
4.	2761/2013, May 21, 2013	Wonderla Holidays Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri. Sivadas M., R/o H. No. 364, IV Main, III Cross, K.S. Town Bangalore, Karnataka	V. Venkat Reddy, R/o Plot No. 20, S. F. Colony, NGO's Colony, Hayathnagar, Ranga Reddy District, Andhra Pradesh	58,50,000	Agricultural lands at survey Nos. 275/E (29 guntas), 275/RU2 (2.5 guntas), 275/RU5 (2.5 guntas), 275/RU3 (2.5 guntas), 275/RU4 (2.5 gunta) at Kongara Khurd A Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	39 guntas (or 0.975 acres)	-	Registration fees – 29,300 Stamp and transfer duty – 3,21,800	Date – June 11, 2013 Registrar office – Sub-Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh
5.	689/ 2012 February 24, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli	A Vijaya Kumar, R/o H. No. 8-3-669/10/2, Yellareddyguda, Ameerpet, Hyderabad through agreement of sale cum power of	89,72, 281	Dry lands at survey Nos. 214 (1 acre 14 guntas), and 215 (31 guntas) at Kongara Khurd 'A' Village, Maheshwaram	2 acres 5 guntas (or 2.125 acres)	-	Registration fees: 44,900 Stamp and transfer duty: 3,45,900	Date – February 24, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District,

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri. Arun K Chittilappilly, R/o No. 87, Flat A-2, Rusthumji Residency, Richmond Road, Bangalore, Karnataka	attorney holder D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad.		Mandal, Ranga Reddy District, Andhra Pradesh				Andhra Pradesh
6.	690/ 2012 February 24, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Arun K	A Vijaya Kumar, R/o H. No. 8-3-669/10/2, Yellareddyguda, Ameerpet, Hyderabad through agreement of sale cum power of attorney holder D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad.	1,42,50,094	Dry lands at survey Nos. 272 (1 acre 30 guntas), and 274 (1 acre 25 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	3 acres 15 guntas (or 3.375 acres)	-	Registration fees: 71,300 Stamp and transfer duty: 5,49,400	Date – February 24, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Chittilappilly, R/o No. 87, Flat A-2, Rusthumji Residency, Richmond Road, Bangalore, Karnataka							
7.	694/2012 February 24, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Arun K Chittilappilly, R/o No. 87, Flat A-2, Rusthumji Residency, Richmond Road, Bangalore, Karnataka	Nimma Ravinder Reddy, R/o H.No. 4-134/6, Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh through agreement of sale cum power of attorney holder Pratap Health and Food (India) Private Limited, having its registered office at 8-2-573, Road No. 7, Banjara Hills, Hyderabad.	47,50,031	Dry lands at survey Nos. 270/LUU (32 guntas), and 272/LU (13 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	1 acre 5 guntas (or 1.125 acres)	-	Registration fees: 23,800 Stamp and transfer duty: 1,47,500	Date – February 24, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
8.	695/2012 February 24, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Arun K Chittilappilly, R/o No. 87, Flat A-2, Rusthumji Residency, Richmond Road, Bangalore, Karnataka	A. Nageshwar Rao, R/o H. No. 5-43, Ravirala Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh through agreement of sale cum power of attorney holder M/s Pratap Health and Food (India) Private Limited, having its registered office at 8-2-573, Road No. 7, Banjara Hills, Hyderabad.	25,33,350	Dry land at survey No. 270 (24 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	24 guntas (or 0.600 acres)	-	Registration fees: 12,700 Stamp and transfer duty: 82,700	Date – February 24, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh
9.	693/2012 February 24, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli	N. Sudhakar Reddy, R/o H.No. 4-72, Kongara Khurd Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh through	25,33,350	Dry land at survey No. 270 (24 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	24 guntas (or 0.600 acres)	-	Registration fees: 12,700 Stamp and transfer duty: 82,700	Date – February 24, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District,

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Arun K Chittilappilly, R/o No. 87, Flat A-2, Rusthumji Residency, Richmond Road, Bangalore, Karnataka	agreement of sale cum power of attorney holder M/s Pratap Health and Food (India) Private Limited, having its registered office at 8-2-573, Road No. 7, Banjara Hills, Hyderabad.						Andhra Pradesh
10.	696/2012 February 24, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Arun K	J. Damodhar Reddy, R/o H.No. 1-189, Jillelaguda Village, Saroornagar Mandal, Ranga Reddy District, Andhra Pradesh through agreement of sale cum power of attorney holder M/s Pratap Health and Food (India) Private Limited, having its registered office at 8-2-573,	29,55,575	Dry land at survey No. 270 (28 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	28 guntas (or 0.700 acres)	-	Registration fees: 14,800 Stamp and transfer duty: 96,500	Date – February 24, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Chittilappilly, R/o No. 87, Flat A-2, Rusthumji Residency, Richmond Road, Bangalore, Karnataka	Road No. 7, Banjara Hills, Hyderabad.						
11.	691/2012 February 24, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Arun K Chittilappilly, R/o No. 87, Flat A-2, Rusthumji Residency, Richmond Road, Bangalore, Karnataka	Nimma Sujeevan Reddy R/o H.No. 4-134/6, Kongara Raviryala, Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh through agreement of sale cum power of attorney holder D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad	99,22,288	Dry land at survey No. 265 (2 acres 14 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	2 acres 14 guntas (or 2.350 acres)	Survey No. 265 (2 acres 14 guntas), disputed under O.S. 2202/ 2012	Registration fees: 49,600 Stamp and transfer duty: 4,17,800	Date – February 24, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
12.	692/2012 February 24, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Arun K Chittilappilly, R/o No. 87, Flat A-2, Rusthumji Residency, Richmond Road, Bangalore, Karnataka	Nimma Bhaskar Reddy, R/o H.No. 4-134/6, Kongara Khurd Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh through agreement of sale cum power of attorney holder D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad	25,33,350	Dry land at survey No. 275 (24 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	24 guntas (or 0.600 acres)	-	Registration fees: 12,700 Stamp and transfer duty: 1,06,700	Date – February 24, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh
13.	1454/2012 April 18, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli	M Sunanda Raj, R/o H.No. 11-9-85/2, Laxmi Nagar, Kothapet, Hyderabad through agreement of sale cum power of attorney holder	1,61,50,106	Dry lands at survey Nos. 265 (34 guntas); 270 (27 guntas); 272 (18 guntas); 273 (22 guntas); 274 (23 guntas);	3 acres 33 guntas (or 3.825 acres)	Survey No. 265 (34 guntas), disputed under O.S. 2202/ 2012	Registration fees: 80,800 Stamp and transfer duty: 6,32,200	Date – April 18, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S. Town Bangalore, Karnataka	D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad.		275 (29 guntas)at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh				Pradesh
14.	1455/2012 April 18, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S.	M Vijaya Laxmi, R/o H.No. 11-9-85/2, Laxmi Nagar, Kothapet, Hyderabad through agreement of sale cum power of attorney holder D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad.	1,61,50,106	Dry lands at survey Nos. 265 (34 guntas); 270 (27 guntas); 272 (18 guntas); 273 (22 guntas); 274 (23 guntas); 275 (29 guntas)at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	3 acres 33 guntas (or 3.825 acres)	Survey No. 265 (34 guntas), disputed under O.S. No. 2202/ 2012	Registration fees: 80,800 Stamp and transfer duty: 6,32,200	Date – April 18, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Town Bangalore, Karnataka							
15.	1638/2012 May 4, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S. Town Bangalore, Karnataka	A. Sarala Kumari, R/o H.No. 8-3-669/10/2, Yellareddyguda, Ameerpet, Hyderabad through agreement of sale cum power of attorney holder D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad.	2,37,50,156	Dry lands at survey Nos. 265 (1 acre, 10 guntas); 270 (1 acre 1 gunta); 272 (27 guntas); 273 (32 guntas); 274 (33 guntas); 275 (1 acre , 2 guntas)at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	5 acres 25 guntas (or 5.625 acres)	Survey Nos. 265 (1 acre, 10 guntas); 270 (1 acre 1 gunta); 272 (27 guntas); 273 (32 guntas); 274 (33 guntas); 275 (1 acre , 2 guntas), disputed under O.S. 498/2007 Survey No. 265 (1 acre, 10 guntas), is also disputed under O.S. 2202/2012	Registration fees: 1,18,800 Stamp and transfer duty: 9,15,700	Date – May 4, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh
16.	1637/2012 May 4, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli	A. Sarala Kumari, R/o H.No. 8-3-669/10/2, Yellareddyguda, Ameerpet, Hyderabad through agreement of sale	1,98,44,575	Dry lands at survey Nos. 265 (1 acre, 6 guntas); 273 (1 acre 19 gunta); 275 (2 acres 3 guntas) at Kongara Khurd 'A' Village,	4 acres 28 guntas (or 4.700 acres)	Survey No. 265 (1 acre, 6 guntas), disputed under O.S. 2202/ 2012	Registration fees: 99,300 Stamp and transfer duty: 7,65,100	Date – May 4, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S. Town Bangalore, Karnataka	cum power of attorney holder D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad.		Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh				Pradesh
17.	1636/2012 May 4, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S.	J. Thirupathi Reddy, R/o H.No. 4-62/9 Raviryal Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh through agreement of sale cum power of attorney holder M/s Pratap Health and Food (India) Private Limited, having its registered office at 8-2-573, Road No. 7, Banjara Hills, Hyderabad.	17,94,456	Dry lands at survey No. 270 (17 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	17 guntas (or 0.425 acres)	-	Registration fees: 9,000 Stamp and transfer duty: 58,600	Date – May 4, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Town Bangalore, Karnataka							
18.	1766/2012 May 16, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S. Town Bangalore, Karnataka	A. Sarala Kumari, R/o H.No. 8-3-669/10/2, Yellareddyguda, Ameerpet, Hyderabad through agreement of sale cum power of attorney holder D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad.	98,16,731	Dry lands at survey Nos. 267 (1 acre 4 guntas); 268 (1 acre 9 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	2 acres 13 guntas (or 2.325 acres)	Survey No. 267 (1 acre 4 guntas) and 268 (1 acre 9 guntas) disputed under O.S. 498/ 2007	Registration fees: 49,100 Stamp and transfer duty: 3,78,500	Date – May 16, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh
19.	1765/2012, May 16, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli	A Vijaya Kumar, R/o H. No. 8-3-669/10/2, Yellareddyguda, Ameerpet, Hyderabad through agreement of sale cum power of	1,05,55,625	Dry land at survey No. 267 (2 acre 20 guntas)at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District,	2 acres 20 guntas (or 2.500 acres)	-	Registration fees: 52,800 Stamp and transfer duty: 4,07,000	Date – May 16, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S. Town Bangalore, Karnataka	attorney holder D. Pratap Chander Reddy, R/o 8-2-573, Road No. 7, Banjara Hills Hyderabad.		Andhra Pradesh				Pradesh
20.	1825/2012 May 16, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S.	1) A Vijaya Kumar, R/o H. No. 8-3-669/10/2, Yellareddyguda, Ameerpet, Hyderabad; and 2) A. Sarala Kumari, R/o H.No. 8-3-669/10/2, Yellareddyguda, Ameerpet, Hyderabad through agreement of sale cum power of attorney holders i) B Madhava Reddy; ii) Ainavolu Muralidhar	4,02,90,000	Dry agricultural lands at survey No. 265 (1 acre 22 guntas); 268 (4 acres, 36 guntas); 273 (1 acre 23 guntas); 275 (2 acres 7 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	10 acres 8 guntas (or 10.200 acres)	Survey No. 265 (1 acre 22 guntas), disputed under O.S. 2202/ 2012	Registration fees: 2,01,500 Stamp and transfer duty: 32,23,200	Date – May 21, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Town Bangalore, Karnataka	Reddy; iii) Ainavolu Ram Gopal Reddy; iv) K Karunak Reddy; v) B Anji Reddy; vi) S. V. N. Ravi Kumar; vii) C. Sadanand Reddy; ix) C. Narasimha Reddy; x) G.N.V. Srinivasa Rao; and xi) Nayini Ahalya.						
21.	2076/2012 June 13, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S. Town	A. Bhaskar Reddy, R/o H.No. 20-1-264, Poorana Pool, Hyderabad through agreement of sale cum power of attorney holder S. Vijaya Bhaskar Reddy, R/o H.No. 24/1622, Dargamitta, Nellore.	13,72,231	Dry lands at survey No. 270/LUU (6 guntas); 272/LU (7 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	13 guntas (or 0.325 acres)	-	Registration fees: 6,900 Stamp and transfer duty: 65,100	Date – June 13, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

Sl. No.	Sale Deed No. and date of execution	Buyer	Seller	Consideration (in Rs.)	Description of Property	Total Area*	Area under dispute**	Registration fees and Stamp duty paid (in Rs.)	Date of registration and office of Registrar
		Bangalore, Karnataka							
22.	2075/2012 June 13, 2012	Wonderla Holidays Private Limited, having its registered office at 28th Kilometer, Jadenahalli Road, Hejjala P.O., Mysore Road, Ramanagara Taluk and District, Karnataka represented by Sri Sivadas M., R/o H.No. 364, IV Main, III Cross, K.S. Town Bangalore, Karnataka	1) Nimma Rajeshwar Reddy, R/o H. No. 4-111/A, Raviryal Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh; 2) Nimma Mahender Reddy, R/o H. No. 17-1-382/3/83, Bhanu Nagar, Hyderabad through agreement of sale cum power of attorney holder S. Vijaya Bhaskar Reddy, R/o H.No. 24/1622, Dargamitta, Nellore.	40,11,138	Dry lands at survey No. 270/LUU (18 guntas); 272/LU (20 guntas) at Kongara Khurd 'A' Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh	38 guntas (or 0.950 acres)	-	Registration fees: 20,100 Stamp and transfer duty: 1,90,100	Date – June 13, 2012 Registrar office – Sub Registrar Maheshwaram, Ranga Reddy District, Andhra Pradesh

* *1 Acre = 40 Guntas*

* * *Out of 49.57 acres of land acquired by our Company for Wonderla Hyderabad, 14.7 acres (12 acres 108 guntas) of land is under dispute*

Prior to acquiring the aforesaid land, we had obtained a valuation report for 54 acres of land situated at Kongara Khurd A Village, Maheswaram Mandal, Ranga Reddy District from G. Vishnu Vardhan Reddy, valuers, engineers and architects dated September 7, 2011. As per the said valuation report, the following valuation guidelines were provided:

Sl. No.	Valuation Criteria	Rate (per acre)
1.	Prevailing market rate of land	Rs. 55,00,000 to Rs. 45,00,000
2.	Guideline rate as per registrar's office	Rs. 11,00,000
3.	Estimated value of the land	Rs. 27,00,00,000 (for 54 acres)
4.	Assessed/adopted rate	Rs. 50,00,000

Our Company purchased 49.57 acres of land situated at Kongara Khurd 'A' Village, Maheswaram Mandal, Ranga Reddy District, Andhra Pradesh and paid a total consideration of Rs. 2,547.44 lakhs for the said land, that has been certified by M/s. Varma & Varma, Chartered Accountants, through a certificate dated February 28, 2014.

Insurance

We maintain the following insurance policies subject to specified limits: (a) standard fire and special perils policy to insure our stocks of all kinds including contents within the amusement park, buildings, residential complex with contents, sewage treatment plant, water treatment plant, power house, incinerator, furniture, wooden racks, restaurant equipments, mechanical and electrical items; (b) public liability policy to insure payment arising out of legal liabilities including claimant's costs, fees and expenses; (c) directors and officers liability policy to insure against loss arising from any claim made against directors or officers of our Company; (d) electronic equipment insurance policy to insure the electronic equipments of our Company against any damage; (e) special contingency insurance policy to insure our Company's properties against loss or damage caused due to identified contingencies; (f) group mediclaim to insure our employees and their dependants; and (g) personal accident policy for employees and their spouse and for guests to insure all our employees and guests against accident in our Company's premises. We also have money insurance policies to insure the money in the personal custody of the insured or the authorized employee of the insured whilst in transit between premises and bank or post office or vice versa. We have procured our insurance policies from United India Insurance Company Limited and Oriental Insurance Company Limited. There can be no assurance that our insurance coverage will be sufficient to cover the losses we may incur. For further details in relation to risks associated with insurance policies of the Company, see the section "Risk Factors" on page 16 of this Red Herring Prospectus.

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to us. The information detailed in this chapter has been obtained from various statutes, regulations and/or local legislations and the bye laws of the relevant authorities that are available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Foreign Investment Regime

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the Reserve Bank of India from time to time, and the policy prescribed by the Department of Industrial Policy and Promotion, which provides for whether or not approval of the FIPB is required for activities to be carried out by foreigners in India.

The RBI, in exercise of its power under the FEMA, has notified the FEMA Regulations to prohibit, restrict or regulate, transfer by or issue of security to a person resident outside India. As laid down by the FEMA Regulations, no prior consents and approvals are required from the RBI, for FDI under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI.

The Industrial Policy, 1991 prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy. The Government of India has since amended the Industrial Policy, 1991 from time to time in order to enable FDI in various sectors in a phased manner gradually allowing higher levels of foreign participation in Indian companies. The FEMA regulates the precise manner in which such investment may be made. Under the industrial policy and the RBI regulations, unless specifically restricted, foreign investment is freely permitted in almost all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the FIPB and the RBI.

Food Services Regulations

The Food Safety and Standards Act, 2006 (the "FSSA")

The FSSA was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (the "**Food Authority**") for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The Food Authority is required to provide scientific advice and technical support to the GoI and the state governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by 'Food Safety Appellate Tribunal'.

In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (the "**FSSR**") which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of 'commissioner of food safety', 'food safety officer' and 'food analyst' and procedures of taking extracts, seizure, sampling and analysis.

Labour Legislations

Industrial Disputes Act, 1947 (the "IDA")

The IDA provides a procedure and machinery for investigation and settlement of industrial disputes. The IDA applies to employees who would fall under the definition of "workmen" under the IDA. "Workman" means any person (including an apprentice) employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward but not acting in a managerial, administrative capacity and if acting in a supervisory capacity does not draw wages in excess of ₹10,000.

The IDA stipulates that no workman employed in any industry who has been in continuous service for not less than one year under an employer shall be retrenched by the employer until such workman has been given one month's notice in writing indicating the reasons for retrenchment and the period of notice has expired, or the workman has been paid in lieu of such notice, the wages for the period of such notice; and the workman has been paid at the time of retrenchment, compensation which is equivalent to 15 days' average pay for every completed year of continuous service or any part thereof in excess of six months.

The IDA defines lay off as the failure, refusal or inability of an employer on account of shortage of coal, power or raw materials or the accumulation of stocks or the breakdown of machinery or natural calamity or for any other such connected reason. Any workman who has completed continuous service of one year shall be paid 50.00% of his basic wages and dearness allowance for all days on which he is laid off, except the weekly holidays subject to a maximum of 45 days during a period of 12 months.

Where the ownership of an undertaking is transferred to a new employer, the workmen who have been in continuous service for one year are entitled to notice and compensation from the erstwhile employer as if retrenched, unless the workmen's employment is not interrupted, the terms of service under the new ownership are not less favourable than before or the new employer is liable to pay the same compensation on retrenchment on the basis that the workmen's service has been continuous.

An employer who intends to close down an undertaking must give 90 days prior notice of the intended closure to the appropriate government stating reasons for closure. In case of closure, workmen who have been in continuous service for not less than one year are entitled to notice and compensation as if retrenched, however, if the undertaking is closed down on account of unavoidable circumstances beyond the employer's control, the compensation need not exceed the workman's average pay for three months.

***Factories Act, 1948* (the "*Factories Act*")**

The Factories Act seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. It applies to industries in which (i) 10 or more than 10 workers are employed on any day of the preceding 12 months and are engaged in the manufacturing process being carried out with the aid of power, or (ii) 20 or more than 20 workers are employed in the manufacturing process being carried out without the aid of power. Each State Government has enacted rules in respect of the prior submission of plans and their approval for the establishment, registration and licensing of factories. The Factories Act provides that the occupier of a factory *i.e.* the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. The Factories Act also provides for fines to be paid and imprisonment of the manager of the factory in case of any contravention of the provisions of the Factories Act.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the EPF Act")

The EPF Act is a legislation providing for social security and welfare of employees and is applicable *interalia* to establishments employing 20 or more persons. EPF Act provides for the institution of provident fund, pension fund and deposit linked insurance fund for employees in the establishments covered within its scope.

Under the provisions of the employee provident fund scheme framed under the EPF Act, the employer is required to make a contribution to the provident fund at the rate of 10.00% of the employee's salary, as the case may be. The employee should also make a contribution equivalent to that of the employer. The salary of the employee includes the basic wages, dearness allowance and retaining allowance, if any, payable to him by the employer. The benefits under the employee provident fund scheme are however, restricted only to those employees whose salary does not exceed ₹ 6,500.

Under the EPF Act, employee has to subscribe to the employees' pension scheme. The employer has to make a contribution of 8.33% to the pension fund. The employer is also required to make contributions amounting to not more than 1.00% of the basic pay to the deposit linked insurance fund as per the deposit linked insurance scheme framed under the EPF Act.

Payment of Gratuity Act, 1972 (the "Gratuity Act")

The Gratuity Act provides for payment of gratuity, to an employee, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years: (a) on his/her superannuation; (b) on his/her retirement or resignation; (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in establishments in which 10 or more persons are employed or were employed on any day of the preceding 12 months; and in such other establishments in which 10 or more persons are employed or were employed on any day of the preceding 12 months, as GoI may, by notification, specify. Our Company provides for payment of gratuity and superannuation to all our permanent employees.

Employees' State Insurance Act, 1948 (the "ESI Act")

The ESI Act applies to all factories, unless seasonal in nature, which employ 10 or more persons and has in any part of which a manufacturing process being carried on with aid of power. The ESI Act puts the onus of registering the factory with the employer. All employees including casual, temporary or contract employees drawing wages less than ₹ 15,000 per month are covered under the provisions of the ESI Act. The workers covered under the scheme have to pay a monthly contribution. The ESI Act provides for the provision of benefits to employees in case of sickness, maternity and employment injury. Under the ESI Act, employees receive medical relief, cash benefits, maternity benefits, pension to dependents of deceased workers and compensation for fatal or other injuries and diseases. Where a workman is covered under the ESI scheme, (a) compensation under the Employee's Compensation Act, 1923 cannot be claimed in respect of employment injury and (b) benefits under the Maternity Benefits Act, 1961 cannot be claimed.

Payment of Bonus Act, 1965 (the "Bonus Act")

The Bonus Act provides for payment of bonus on the basis of profit or productivity to people employed in factories and establishments employing 20 or more persons on any day during an accounting year. The Bonus Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer has made a profit or a loss in the accounting year in which the bonus is payable. Under the Bonus Act, every employer is bound to pay to every employee employed on a salary or wage not exceeding ₹ 10,000 per mensem, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹ 100, whichever is higher.

Payment of Wages Act, 1936 (the "Wages Act")

The Wages Act aims at ensuring payment of wages in a particular form at regular intervals without unauthorized deductions. It regulates the payment of wages to certain classes of employed persons and provides for the imposition of fines and deductions and lays down wage periods and time and mode of payment of wages. Persons whose wages are ₹ 6,500 or more per month are outside the ambit of the Wages Act.

Contract Labour (Regulation and Abolition) Act, 1970 (the "CLRA")

The CLRA requires establishments that employ or have employed on any day in the previous 12 months, 20 or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour. The CLRA places an obligation on the principal employer of an establishment to which the CLRA applies to make an application for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

To ensure the welfare and health of contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities, provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. A person in contravention of the provisions of the CLRA may be punished with a fine or imprisonment, or both.

Industrial Employment (Standing Orders) Act, 1946 (the "IESO Act")

The IESO Act applies to every industrial establishment where 100 or more workmen are/were employed on any day of the preceding 12 months. It applies to every worker employed in an industrial establishment but excludes workers employed in a managerial or administrative capacity and workers employed in a supervisory capacity and drawing wages more than ₹ 10,000 per month.

Under the IESO Act, standing orders are to be framed in order to standardize the service conditions of the workmen in industrial establishments. The standing orders are to be displayed prominently in the establishment in English and the language understood by the workmen near the entrance of the establishment and all departments.

Employee's Compensation Act, 1923 (the "Compensation Act")

The Compensation Act provides for payment of compensation to workmen and their dependents in case of injury and accident (including certain occupational disease) arising out of and in the course of employment and resulting in disablement or death. The Compensation Act applies to persons employed in any such capacity as is specified in Schedule II of the Compensation Act. Schedule II includes persons employed in the construction, maintenance or repair of any road, bridge, dam etc.

Environment Regulations

Our parks require approvals under the following environmental legislations. This is because the operation of our parks might have an impact on the environment where they are situated in.

Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act provides for the constitution of a Central Pollution Control Board ("**Central Board**") and State Pollution Control Boards ("**State Board**"). The Water Act debars any person from establishing any industry, operation or process or any treatment and disposal system, which is likely to discharge trade effluent into a stream, well or sewer without taking prior consent of the State and Central Boards.

Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")

The Air Act mandates that no person can, without the previous consent of the State Board, establish or operate any industrial plant in an air pollution control area. The Central and State Boards constituted under the Water Act are also to perform functions as per the Air Act for the prevention and control of air pollution.

Environment Protection Act, 1986 (the "EPA")

The EPA has been enacted for the protection and improvement of the environment. The EPA empowers GoI to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and so on. GoI may make rules

for regulating environmental pollution.

Hazardous Waste (Management and Handling) Rules, 1989 (the "HWMH Rules")

The issue of management, storage and disposal of hazardous waste is regulated by the HWMH Rules made under the EPA. The HWMH Rules, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant State Board for collecting, storing and treating the hazardous waste.

Public Liability Insurance Act, 1991(the "Public Liability Act")

The Public Liability Act, as amended imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of 'hazardous substances' covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

Tax Legislations

Sales Tax (Value Added Tax) / Central Sales Tax

Sales tax is levied on the sale of movable property in goods. In India, sales tax is levied both at the federal level under the Central Sales Tax Act, 1956 as well as the state level under the respective state legislation.

Goods sold within the jurisdiction of a state are charged to VAT in accordance with the VAT statute of that state. All the states have in force a separate VAT statute which prescribes the rates at which VAT will be levied on taxable goods sold within that state. VAT is usually payable by a 'dealer' of goods (*i.e.* a person who carries on the business of selling or purchasing goods within a state) on its sales turnover. Depending on the schedule in which a good is categorized, VAT would be either exempt or levied at the rate of 1.00%, 4.00%, 12.50% or such other rate as the State Government notifies from time to time.

Central Sales Tax ("**CST**") is levied in accordance with the Central Sales Tax Act, 1956 on movable goods sold in the course of inter-state trade or commerce. CST is payable by a dealer (*i.e.* a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate. However, a dealer is entitled to a concessional rate of 2.00% CST on goods which are sold to another registered dealer who intends to further re-sell them or use them in the manufacture or processing for further sale or for certain other specified purposes, subject to the condition that the purchasing dealer issues a statutory form "C" to the selling dealer.

Miscellaneous Legislations

Trade Marks Act, 1999 (the "Trade Marks Act")

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Application for trademark registry has to be made to Controller-General of Patents, Designs and Trade Marks who is the Registrar of Trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

Copyright Act, 1957 (the "Copyright Act")

The Copyright Act protects literary and dramatic works, musical works, artistic works including maps and technical drawings, photographs and audiovisual works (cinematograph films and video). The Copyright Act specifies that for the purposes of public performance of Indian or international music a public performance license must be obtained

else it will invite criminal action. All those who play pre-recorded music in the form of gramophone records, music cassettes or compact discs in public places have to obtain permission for sound recordings.

Shops and Establishments legislations in various states

The provisions of various Shops and Establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Legal Metrology Act, 2009 (the "Legal Metrology Act")

Legal Metrology Act has come into effect after its publication in the Official Gazette on January 14, 2010 and has been operative since March 1, 2011. The Legal Metrology Act replaces the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The key features of the Legal Metrology Act are:

- Appointment of Government approved test centres for verification of weights and measures;
- Allowing the companies to nominate a person who will be held responsible for breach of provisions of the Act; and
- Simplified definition of packaged commodity and more stringent punishment for violation of provisions.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as a private limited company in Bangalore, Karnataka under the Companies Act 1956 on November 18, 2002 under the name and style of 'Wonderla Holidays Private Limited'. Our amusement park in Kochi was set up under a public limited company incorporated under the Companies Act 1956 on February 3, 1998 under the name and style of 'Veega Holidays and Parks Limited', which was subsequently converted into a private limited company on July 4, 2001 under the name and style of 'Veega Holidays and Parks Private Limited'. Pursuant to a scheme of amalgamation the erstwhile 'Veega Holidays and Parks Private Limited' was merged with our Company with effect from April 1, 2008. Pursuant to a resolution passed by our shareholders on January 3, 2013, our Company was converted into a public limited company on January 11, 2013 under the name and style of 'Wonderla Holidays Limited' and a fresh certificate of incorporation was issued on January 11, 2013 allotting our Company a fresh corporate identity number U55101KA2002PLC031224. The Registered Office and Corporate Office of our Company is situated at 28th KM, Mysore Road, Bangalore, Karnataka 562 109.

For information on our Company's activities, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers and customers, see the sections "Our Management", "Our Business" and "Industry Overview" on pages 158, 116 and 103 of this Red Herring Prospectus, respectively.

Scheme of Arrangement

Scheme of arrangement for the amalgamation of Veega Holidays and Parks Private Limited ("Veega Holidays") with our Company

As part of our restructuring, our Company along with Veega Holidays had filed a scheme of amalgamation under the Companies Act 1956 before the High Court of Karnataka and the High Court of Kerala ("**Scheme of Amalgamation**"). The Scheme of Amalgamation was approved by our Board and the board of directors of Veega Holidays, through resolutions dated March 2, 2009 and February 28, 2009, respectively. The rationale for the merger of Veega Holidays with our Company was that they were engaged in the same line of business and were closely held private limited companies wherein 99.99% of the equity shares of Veega Holidays were held by our Promoter, our Promoter Group and business associates and 86.67% of the Equity Shares of our Company were held by our Promoter, our Promoter Group and business associates and the remaining 13.33% held by Veega Holidays. The amalgamation of Veega Holidays with our Company was to help consolidate the assets and liabilities of the two companies and to facilitate synergy in operations.

The Scheme of Amalgamation was approved by the High Court of Karnataka and the High Court of Kerala through orders dated September 11, 2009 and September 25, 2009, respectively. Certified true copies of the orders were filed with the respective registrars of companies. Our Company filed a certified true copy of the decree of the High Court of Karnataka, dated January 31, 2011 with the RoC on February 22, 2011. Pursuant to this, Veega Holidays was merged with our Company with effect from April 1, 2008. With the successful implementation of the Scheme of Amalgamation, the entire undertaking of Veega Holidays comprising all of its assets and liabilities have transferred and vested in our Company. Pursuant to the approval of the scheme (i) all the properties, rights and powers of Veega Holidays were transferred to and vested in our Company pursuant to Section 394(2) of the Companies Act 1956; (ii) all liabilities and duties of Veega Holidays were transferred to our Company pursuant to Section 394(2) of the Companies Act 1956; (iii) all proceedings pending by or against Veega Holidays were to be continued by or against our Company; and (iv) our Company was required to allot two Equity Shares of ₹ 10 each for every one equity share of ₹ 10 held by the shareholders of Veega Holidays. For further details in relation to the allotment of Equity Shares to the members of Veega Holidays, see the section "Capital Structure" on page 68 of this Red Herring Prospectus.

Changes in Registered Office

The details of changes in the Registered Office are set forth below:

From	To	Shareholders' Resolution	With effect from	Reason
648/B, Binnamangala I	28th KM, Mysore Road,	December 28,	April 1, 2010	The change

From	To	Shareholders' Resolution	With effect from	Reason
Phase, Indira Nagar, 1st Stage, Banagalore, 560 038	Bangalore, 562 109	2009		was made for better operational convenience.

The Main Objects of our Company

The main objects as contained in our Memorandum of Association are as follows:

> *"To purchase, construct erect, acquire, take on lease, equip, operate, manage, deal in hotels, motels, resorts, restaurants, food bazaars, commercial shopping complexes, cinema theatres, marriage halls, convention centres, lodging houses, dormitories, inns, tourist accommodation, beach resorts, forest resorts, holiday camps of every kind and sort including conveniences, amenities facilities, equipments and machineries required/adjacent thereto, entertainment parks, amusement parks, theme parks, water parks, science parks, museums, planetariums, art galleries, souvenir shops, boutiques, sports complex including water sports, health spas, swimming pools, golf courses, zoos, skating rinks, bowling alleys, rope ways, cable cars, minitrains, acquarium and to carry on business of running and managing restaurants, cafes, cyber cafes, refreshment rooms, clubs, casinos of every sort and kind, act as milk and snacks bars proprietors, manufacturers and merchants, bakers, confectioners, licensed victuallers, wine and spirit merchants, blenders and bottlers in India or in any part of the world and to carry on all business whatsoever which may encourage promote, increase, aid and facilitate the tourist trade and to render technical consultancy services in connection with any of the above business"*

The main object as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out as well as the business proposed to be carried out and the activities proposed to be undertaken pursuant to the objects of the Issue. For further details, see the section "Objects of the Issue" on page 79 of this Red Herring Prospectus.

Amendments to the Memorandum of Association

Since incorporation, the following changes have been made to the Memorandum of Association:

Date of Shareholders Resolution	Details
June 9, 2005	Amendment of Clause V to reflect increase in authorised share capital from ₹ 100,000,000 divided into 10,000,000 Equity Shares of ₹ 10 each to ₹ 120,000,000 divided into 12,000,000 Equity Shares of ₹ 10 each.
March 21, 2006	Amendment of Clause V to reflect increase in authorised share capital from ₹ 120,000,000 divided into 12,000,000 Equity Shares of ₹ 10 each to ₹ 150,000,000 divided into 15,000,000 Equity Shares of ₹ 10 each.
December 14, 2007	Amendment of Clause V to reflect increase in authorised share capital from ₹ 150,000,000 divided into 15,000,000 Equity Shares of ₹ 10 each to ₹ 300,000,000 divided into 30,000,000 Equity Shares of ₹ 10 each.
September 10, 2009	Amendment of Clause V to reflect increase in authorised share capital from ₹ 300,000,000 divided into 30,000,000 Equity Shares of ₹ 10 each to ₹ 450,000,000 divided into 45,000,000 Equity Shares of ₹ 10 each.
January 3, 2013	Amendment of Clause V to reflect increase in authorised share capital from ₹ 450,000,000 divided into 45,000,000 Equity Shares of ₹ 10 each to ₹ 600,000,000 divided into 60,000,000 Equity Shares of ₹ 10 each.

Our Shareholders

For details regarding our Shareholders, see the section "Capital Structure" on page 68 of this Red Herring Prospectus.

Awards and Accreditations

Our amusement parks have been given the following awards and accreditations:

Awarded for	Awards and Accreditations
2001-02	Wonderla Kochi was awarded the Kerala State Tourism Award by the Kerala State Tourism Department in the category of *Award for Excellence in Tourism for the Individual/Agency who has implemented the Most Eco-Friendly Tourism Project.*
2001	Wonderla Kochi secured the *First Place* and was awarded the Certificate of Merit by Kerala State Pollution Control Board in the category *Medium Scale Industries* for making a substantial and sustained effort in pollution control in the year 2001.
2003-04	Wonderla Kochi secured the *First Position* and was awarded the Certificate of Merit by the Kerala State Productivity Council among *Service Organizations* in the *FACT-M.K.K. Nayar Memorial Productivity Competition*.
2004-05	Wonderla Kochi secured the *Second Position* and awarded the Certificate of Merit by the Kerala State Productivity Council among *Service Organizations* in the *FACT-M.K.K. Nayar Memorial Productivity Competition.*
2008	Wonderla Kochi was awarded the National Award for Excellence by Indian Association of Amusement Parks & Industries in the categories: 1. *Best Product Manufactured* for the Dry Rides; and 2. *Promotional Activity in Electronic Media*.
2008-09	(A) Wonderla Bangalore was named *Winner* and awarded the National Award Certificate for Excellence by Indian Association of Amusement Parks & Industries in the following categories: *1.* *Manufacturer - Innovative New Product* for the 'Hang Glider'; 2. *Park Operators - Big City - Most Innovative Ride* for the 'Hang Glider'; 3. *Park Operators - Big City - Innovative Promotional Activity Through Media*; and 4. *Park Operators - Big City - Total Number And Variety Of Rides.* (B) Wonderla Kochi was awarded the *Kerala State Energy Conservation Commendation Certificate* by the Energy Management Centre – Kerala for commendable achievement towards energy conservation and management in the category of *Large Scale Energy Consumers.*
2009	Wonderla Kochi was named *Winner* and awarded the National Award for Excellence by the Indian Association of Amusement Parks & Industries in the category of *Park Operators – Small City - Most Innovative Ride* for 'Spinning'.
2009-10	Wonderla Bangalore was named *Winner* and awarded the National Awards for Excellence by Indian Association of Amusement Parks & Industries in the category of *Total Number And Variety Of Rides*.
2010	Wonderla Bangalore secured the *First Place* and was awarded the Certificate of Excellence by the Confederation of Indian Industry in the *Small Scale* category in *CII Southern Region Excellence*

Awarded for	Awards and Accreditations
	Award in Environment, Health and Safety.
2010-11	Wonderla Kochi was awarded the State Tourism Award by the Department of Tourism, Government of Kerala in the category of *Best Tourist Destination in Kerala*.
2011	Our Company was awarded the National Awards for Excellence by Indian Association of Amusement Parks & Industries in the following categories: 1. *Winner* in the category of *Total Number And Variety Of Rides*; and 2. *Innovative Promotional Activity* for its Radio Ad.
2011-12	(A) Our Company was awarded the National Award for Excellence by Indian Association of Amusement Parks & Industries in the category of *Wet Rides* for 'Rain Disco'. (B) Wonderla Kochi was awarded the State Tourism Award by the Department of Tourism, Government of Kerala in the category of *Most Innovative use of Information Technology in the Field of Tourism.*
2012	Wonderla Kochi secured the *Third Place* and was awarded the Certificate of Merit by Kerala State Pollution Control Board in the category *Other Institutions* for making a substantial and sustained effort in pollution control in the year 2012.
2012-13	(A) Wonderla Bangalore was awarded the National Awards for Excellence by Indian Association of Amusement Parks & Industries in the following categories: 1. *Winner* in the category of *Total Number And Variety Of Rides*; and 2. *Winner* in the category of *Special Award for Energy Saving by Using Solar Photo Voltaic Cells*. (B) Wonderla Kochi was named *Winner* and awarded the National Award for Excellence by the Indian Association of Amusement Parks & Industries in the category of *Most Innovative Ride and Attractions.* (C) Our Company was named *Winner* and awarded the National Awards for Excellence by Indian Association of Amusement Parks & Industries in the category of *Electronic Media, TV and Radio (Park Operators – Large Cities).* (D) Wonderla Kochi was awarded the State Tourism Award by the Department of Tourism, Government of Kerala in the category of *Best Tourist Destination in Kerala.*
2013-14	(A) Wonderla Kochi was named *Winner* and awarded the National Award for Excellence by the Indian Association of Amusement Parks & Industries in the category of *Total number and variety of rides.* (B) Wonderla Kochi was named *Runner Up* and awarded the National Award for Excellence by the Indian Association of Amusement Parks & Industries in the category of *Print Media.* (C) Wonderla Bangalore was named *Winner* and awarded the National Awards for Excellence by Indian Association of Amusement Parks & Industries in the following categories: 1. *Most Innovative Ride & attractions*;

Awarded for	Awards and Accreditations
	2. *Dry Ride;* and 3. *Electronic Media TV Channel.*

Major Events of our Company

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Event
2005	Our amusement park by the name '*Wonderla*' began commercial operations in Bangalore, Karnataka
2008	Wonderla Kochi and Wonderla Bangalore were certified by the Bureau Veritas Certification (India) Private Limited for meeting the ISO 14001:2004 standards and the BS OHSAS 18001:2007 standards for the operation and maintenance of land and water based rides/attractions including related amenities
2009	Pursuant to a scheme of amalgamation approved by the High Court of Karnataka and the High Court of Kerala through orders dated September 11, 2009 and September 25, 2009, respectively, the erstwhile 'Veega Holidays and Parks Private Limited' which owned and operated 'Veegaland', merged with our Company with effect from April 1, 2008 and consequently both our amusement parks are being operated under the name '*Wonderla*'.
2012	Wonderla Resort was set up in Bangalore and began commercial operations
2013	We completed acquisition of 49.57 acres of land in Ranga Reddy District of Andhra Pradesh to set up Wonderla Hyderabad

Other Details Regarding our Company

For details regarding the description of our activities, the growth of our Company, capacity/facility creation, location of our amusement parks, marketing and competition, see the sections "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" on pages 116 and 231 of this Red Herring Prospectus, respectively.

For details regarding our management and its managerial competence, see the section "Our Management" on page 158 of this Red Herring Prospectus.

Capital raising activities through equity and debt

Except as mentioned in the section "Capital Structure" on page 68 of this Red Herring Prospectus, our Company has not raised capital through equity.

For details on our debt facilities of our Company, see the section "Financial Indebtedness" on page 252 of this Red Herring Prospectus.

Defaults or rescheduling of borrowings with financial institutions/ banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions in respect of our current borrowings from lenders. Further, none of our loans have been converted into equity.

Lock outs and strikes

There have been no lock outs or strikes at any time in our Company.

Time and cost overruns

Except the change in the schedule of implementation of Wonderla Hyderabad from the Draft Red Herring Prospectus to the Red Herring Prospectus, there have been no time and cost overruns that have affected our Company.

Changes in the activities of our Company during the last five years

Except as disclosed in this Red Herring Prospectus, there has been no change in the activities of our Company during the last five years which may have had a material effect on the profit/loss account of our Company including discontinuance of line of business, loss of agencies or markets and similar factors.

Injunction or restraining order, if any, with possible implications

Our Company is not operating under any injunction or restraining order.

Summary of Key Agreements

Our Company has not entered into any shareholders' agreements, investment agreements, technology transfer agreements or such other key agreements as of the date of filing this Red Herring Prospectus.

Financial and Strategic Partners

Our Company has no financial and strategic partners as of the date of filing this Red Herring Prospectus.

Holding Company and Subsidiaries

Our Company has no holding company and subsidiaries as of the date of filing this Red Herring Prospectus.

Competition

For details of the competition faced by our Company, see "Our Business – Competition" on page 127 of this Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors

As per the Articles of Association of our Company we are required to have not less than three Directors and not more than 12 Directors. As on the date of this Red Herring Prospectus, our Board comprises of five Directors, including three Non-Executive Directors of which two are Independent Directors.

The following table sets forth details of our Board as of the date of filing this Red Herring Prospectus:

Sl. No.	Name, Designation, Address, Nationality, Term, Occupation and DIN	Age (years)	Other Directorships/Partnerships/Trusteeships
1.	*George Joseph* **Designation:** Chairman, Non-Executive Director (Independent) **Address:** Melazhakath House 1/362 Alanickal Estate Road Arakulam Idukki District 685 591 Kerala, India **Occupation:** Professional **Nationality:** Indian **Term:** Liable to retire by rotation **DIN:** 00253754	64	*Other Directorships:* 1. Muthoot Finance Limited *Partnerships:* Nil *Trusts:* Nil
2.	*Kochouseph Chittilappilly* **Designation:** Vice Chairman, Whole Time Director **Address:** Chittilappilly House Byepass Road, Vennala PO Kochi 682 028 Kerala, India **Occupation:** Business **Nationality:** Indian **Term:** Three years with effect from	63	*Other Directorships:* 1. V-Guard Industries Limited; 2. Veegaland Developers Private Limited; 3. Pearl Spot Resorts Limited; 4. Vindico Properties Private Limited; 5. Formose Properties Private Limited; 6. Eventus Properties Private Limited; and 7. K Chittilappilly Foundation. *Partnerships:* Nil

Sl. No.	Name, Designation, Address, Nationality, Term, Occupation and DIN	Age (years)	Other Directorships/Partnerships/Trusteeships
	March 1, 2013 **DIN:** 00020512		*Trusts:* 1. Thomas Chittilappilly Trust
3.	*Arun Kochouseph Chittilappilly* **Designation:** Managing Director **Address:** No. 87, Flat A2 Rusthumji Residency Richmond Road Bangalore 560 025 Karnataka, India **Occupation:** Business **Nationality:** Indian **Term:** Three years with effect from March 1, 2013 **DIN:** 00036185	35	*Other Directorships:* 1. Eventus Properties Private Limited *Partnerships:* Nil *Trusts:* Nil
4.	*Ramachandran Panjan Moothedath* **Designation:** Non-Executive Director (Independent) **Address:** 403, Shagun Towers, Wing A A. K. Vaidya Marg, Yashodham Goregaon (East) Mumbai 400 063 Maharashtra, India **Occupation:** Professional **Nationality:** Indian **Term:** Liable to retire by rotation **DIN:** 00553406	67	*Other Directorships:* *Domestic Companies* 1. Jyothy Laboratories Limited; 2. Sivasakhti Ayurvedic Research Centre Limited; 3. Jyothy Fabricare Services Limited; 4. Jyothy Consumer Products Marketing Limited; and 5. Sahyadri Agencies Limited. *Foreign Companies* 1. Jyothy Kallol Bangladesh Limited *Partnerships:* Nil *Trusts:*

Sl. No.	Name, Designation, Address, Nationality, Term, Occupation and DIN	Age (years)	Other Directorships/Partnerships/Trusteeships
			1. Jyothy Laboratories Limited Employees Group Gratuity Assurance Scheme 2. Jyothy Laboratories Limited – Superannuation Scheme
5.	*Priya Sarah Cheeran Joseph* **Designation:** Non-Executive Director **Address:** No. 87, Flat A2 Rusthumji Residency Richmond Road Bangalore 560 025 Karnataka, India **Occupation:** Professional **Nationality:** Indian **Term:** Liable to retire by rotation **DIN:** 00027560	35	*Other Directorships:* Nil *Partnerships:* Nil *Trusts:* Nil

Relationship between our Directors

Except for Kochouseph Chittilappilly and Arun Kochouseph Chittilappilly, son of Kochouseph Chittilappilly, and Priya Sarah Cheeran Joseph, wife of Arun Kochouseph Chittilappilly none of our Directors are related to each other.

Arrangements and understanding with major Shareholders, customers, suppliers or any other entities

There are no arrangements or understandings with major Shareholders, customers, suppliers or any other entities, pursuant to which any of our Directors or Key Management Personnel were selected as a Director or member of the senior management.

Brief Biographies

George Joseph is the Chairman and non-executive Independent Director. He was appointed as an additional Director of our Company on June 27, 2011 and as our Director and Chairman on September 12, 2011. He holds a bachelor's degree in commerce from Kerala University. He is a Certified Associate of the Indian Institute of Bankers and an Associate of the Institute of Bankers, London. Prior to being appointed on our Board he has acted as chairman and managing director of Syndicate Bank and worked in Canara Bank for over 37 years in various capacities from 1969 to 2006. He is also the non-executive independent director of Muthoot Finance Limited.

Kochouseph Chittilappilly is the Vice-Chairman and Whole Time Director of our Company. He is one of our Promoters and has been a Director since incorporation. He holds a post graduate degree in physics from Calicut

University. He has 15 years of experience in the amusement park industry. He entered into the amusement park business in the year 1998 by establishing Veega Holidays and Parks Limited in Kochi, Kerala and later expanded the amusement park business by establishing our Company in Bangalore, Karnataka in the year 2002. He has won several awards including Young Businessman of the Year 1995 by Business Deepika, Businessman of the Year 2007 by the business magazine 'Dhanam', Tourism Man of the Year Award 2011 by the Association of Tourism Trade Organisations, India and Businessman of the Year 2011 by the Travancore Management Association Kottayam. He is also the chairman of V-Guard Industries Limited and director on the board of several other companies.

Arun Kochouseph Chittilappilly is the Managing Director of our Company. He was appointed as an additional Director of our Company on January 27, 2003 and as our Director on December 22, 2003. He has been the Managing Director of our Company since April 1, 2012. He holds a masters degree in industrial engineering from Swinburne University of Technology, Victoria, Australia. He has been actively involved in the day to day operations and management of our Company since 2003. He has over 11 years of experience in the amusement park industry.

Ramachandran Panjan Moothedath is a non-executive Independent Director of our Company. He was appointed as an additional Director of our Company on November 24, 2011 and as our Director on August 9, 2012. He holds a diploma in financial management from University of Mumbai. He had set up Jyothy Laboratories in the year 1983 as a sole proprietorship firm and is currently the chairman and managing director of Jyothy Laboratories Limited, the managing director of Jyothy Fabricare Services Limited and director on the board of four other companies. He has over 31 years of experience.

Priya Sarah Cheeran Joseph is a non-executive Director of our Company. She was appointed as an additional Director of our Company on January 27, 2003 and as our Director on December 22, 2003. She was appointed as a non-executive director of our Company with effect from March 01, 2013. She holds a post graduate degree in public health from University of Melbourne, Australia. She has been involved in the operations of the food and beverages and human resource departments of our Company since 2005, when our Company started commercial operation. She is also actively involved with the corporate social responsibility related initiatives of our Company. She has over 11 years of experience in the amusement park industry.

Further Confirmations

Except Ramachandran Panjan Moothedath, none of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company, as set forth below:

S.No	Name of the company	Name of the stock exchange(s) on which the company was listed	Date of suspension on stock exchanges	Whether suspended for more than three months	Reasons for suspension and period of suspension, if the suspension has been for more than three months	Whether the suspension has been revoked	Date of revocation of suspension, if suspension has been revoked	Term of directorship (along with relevant dates) in the company
1.	Jyothy Consumer Products Limited	BSE Limited	January 16, 2013	No	N.A.	Yes	January 22, 2013	May 31, 2011 until amalgamation of Jyothy Consumer Products Limited with Jyothy Laboratories

								Limited
2.	Jyothy Consumer Products Limited	BSE Limited	May 27, 2013	No	N.A.	Yes	August 8, 2013	May 31, 2011 until amalgamation of Jyothy Consumer Products Limited with Jyothy Laboratories Limited

Further, none of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.

There are no proceedings initiated by SEBI, Stock Exchanges or RoC against our Directors except as disclosed in the section titled "Outstanding Litigation and Material Developments" on page 261 of this Red Herring Prospectus.

Remuneration to our Directors

(₹ in lakhs)

Name of Director	Remuneration (including sitting fees) paid in Fiscal 2013
Executive Directors	
Kochouseph Chittilappilly	80.77
Arun Kochouseph Chittilappilly	58.33
Non-Executive Directors	
George Joseph	10.60
Ramachandran Panjan Moothedath	1.30
Priya Sarah Cheeran Joseph	44.41

Terms and conditions of appointment of Executive Directors

Kochouseph Chittilappilly

Pursuant to a resolution passed by our Board on February 22, 2013, Kochouseph Chittilappilly was appointed as the executive Director and Vice Chairman of our Company for a period of three years with effect from March 1, 2013. The terms and conditions governing his appointment as stipulated in the resolution of our Board dated February 22, 2013 and agreement dated March 27, 2013 executed between our Company and Kochouseph Chittilappilly are as set forth below:

Remuneration

Particulars	Remuneration
Basic Salary	₹ 4.02 lakhs per month with an annual increase not exceeding 20.00% of the last drawn salary
Commission	0.75% of the net profits of our Company calculated in accordance with the provisions of Section 349 and 350 of the Companies Act 1956
House rent allowance	Nil
Other allowance and Benefits	Nil

Arun Kochouseph Chittilappilly

Pursuant to a resolution passed by our Board on February 22, 2013, Arun Kochouseph Chittilappilly was appointed as the Managing Director of our Company for a period of three years with effect from March 1, 2013. The terms and conditions governing his appointment as stipulated in the resolution of our Board dated February 22, 2013 and agreement dated March 27, 2013 executed between our Company and Arun Kochouseph Chittilappilly are as set forth below:

Remuneration

Particulars	Remuneration
Basic Salary	₹ 2.59 lakhs per month, with a maximum annual rate of increment of 20.00%
Commission	0.50% of the net profits of our Company calculated in accordance with Section 349 and 350 of the Companies Act 1956
House rent allowance	15.00% of the basic salary per month or rent free furnished accommodation with free gas, electricity and water as per our Company's policy
Other allowances and Benefits	▪ Leave travel allowance to the extent of one month basic salary per annum for self and family; ▪ Reimbursement of medical expenses for self and family on actual basis; ▪ Club fees subject to a maximum of two clubs, not including admission and life membership fees; and ▪ Personal accident insurance with premium not exceeding 2.00% of the salary per annum.

Remuneration to our Non-Executive Directors

Pursuant to a Board resolution dated February 22, 2013, with effect from March 1, 2013 George Joseph is entitled to a commission of 0.25% on the net profits of our Company calculated in accordance with the provisions of Section 349 and 350 of the Companies Act 1956, subject to a maximum limit of ₹ 9.00 lakhs per annum. Further, as per the Articles of Association, he is also entitled to a sitting fees of ₹ 0.20 lakhs for attending meetings of our Board and ₹ 0.10 lakhs for attending meetings of any of the committees thereof.

As per the Articles of Association, Ramachandran Panjan Moothedath is entitled to a sitting fees of ₹ 0.20 lakhs for attending meetings of our Board and ₹ 0.10 lakhs for attending meetings of any of the committees thereof.

Pursuant to a Board resolution dated February 22, 2013, with effect from March 1, 2013 Priya Sarah Cheeran Joseph is entitled to a commission of 0.75% on the net profits of our Company calculated in accordance with the provisions of Section 349 and Section 350 of the Companies Act 1956. Further, as per the Articles of Association, she is also entitled to a sitting fees of ₹ 0.20 lakhs for attending meetings of our Board and ₹ 0.10 lakhs for attending meetings of any of the committees thereof.

Shareholding of Directors

Except as provided hereunder, no other Directors hold any shares in the share capital of our Company.

In terms of our Articles of Association, our Directors are not required to hold any qualification shares.

The shareholding of our Directors as of the date of this Red Herring Prospectus, are as set forth in the table below.

Sl. No.	Name	No. of Equity Shares	Pre-Issue Percentage Equity Share Capital (%)	Post-Issue Percentage Equity Share Capital (%)

Sl. No.	Name	No. of Equity Shares	Pre-Issue Percentage Equity Share Capital (%)	Post-Issue Percentage Equity Share Capital (%)
1.	Kochouseph Chittilappilly	17,375,792	41.37	30.75
2.	Arun Kochouseph Chittilappilly	7,910,200	18.83	14.00
3.	Priya Sarah Cheeran Joseph	1,500,000	3.57	2.65

There are no outstanding vested options granted to our Directors.

Borrowing Powers of our Board

Our Articles of Association, subject to Sections 58A, 292 of the Companies Act 1956 and Section 180 of the Companies Act 2013 authorise our Board, to raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. Pursuant to a resolution passed at the extraordinary general meeting dated January 3, 2013, our Shareholders have authorized our Board to borrow, from time to time, such sums of money as may be required, provided that such amount shall not exceed ₹ 50,000 lakhs.

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares of our Company with the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance, including the Listing Agreement to be entered into with the Stock Exchanges and the SEBI Regulations, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective, independent Board, separation of the supervisory role of our Board from the executive management team and constitution of our Board and committees thereof, as required under law.

We have a Board constituted in compliance with the Companies Act and the Listing Agreement with the Stock Exchanges. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently our Board has five Directors and the Chairman is a non-executive Director. In compliance with the requirements of Clause 49 of the Listing Agreement, we have three non-executive Directors of which two are Independent Directors, on our Board.

Committees of our Board

Audit Committee

Our Audit Committee was originally constituted pursuant to a resolution of our Board at its meeting held on March 21, 2011, and last reconstituted pursuant to a resolution passed by our Board on December 17, 2012. The present constitution of our Audit Committee comprises:

(i) George Joseph (Chairman);

(ii) Arun Kochouseph Chittilappilly; and

(iii) Ramachandran Panjan Moothedath.

The terms of reference of our Audit Committee have been formulated in accordance with the relevant provisions of the Companies Act and Clause 49 of the Listing Agreement and its terms of reference include:

1. Oversight of our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommending to our Board the appointment, re-appointment and replacement of the statutory auditor and the fixation of audit fee;

3. Approval of payment to statutory auditors for any other services rendered by them;

4. Reviewing, with the management, the annual financial statements before submission to our Board for approval, with particular reference to:

   a. Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act 1956;

   b. Changes, if any, in accounting policies and practices and reasons for the same;

   c. Major accounting entries involving estimates based on the exercise of judgment by management;

   d. Significant adjustments made in the financial statements arising out of audit findings;

   e. Compliance with listing and other legal requirements relating to financial statements;

   f. Disclosure of any related party transactions; and

   g. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the initial public offer of our Company;

7. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

8. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

9. Discussion with internal auditors on any significant findings and follow up there on;

10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non payment of declared dividends) and creditors;

13. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;

14. Approval of appointment of chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and

15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Shareholders'/Investors' Grievances Committee

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

1. Ramachandran Panjan Moothedath (Chairman);

2. Priya Sarah Cheeran Joseph;

3. George Joseph; and

4. Arun Kochouseph Chittilappilly.

The terms of reference of our Shareholders'/Investors' Grievances Committee include the following:

1. Power to approve share transfers;

2. Power to approve share transmission;

3. Power to issue duplicate share certificates;

4. Power to approve and issue fresh share certificates by way of split of the existing certificates or in any other manner;

5. To monitor the resolution of all types of shareholders'/investors' grievances;

6. Power to allot shares, partly or fully paid up, convertible debentures or other financial instruments convertible into equity shares at a later stage; and

7. Any other powers specifically assigned by the Board of Directors on the Company from time to time by way of resolution by it in a duly conducted meeting.

Compensation Committee

The Compensation Committee of our Board was constituted pursuant to a resolution passed by our Board at its meeting held on December 17, 2012. The present constitution of our Compensation Committee comprises:

1. George Joseph (Chairman);

2. Kochouseph Chittilappilly;

3. Arun Kochouseph Chittilappilly; and

4. Ramachandran Panjan Moothedath.

The terms of reference of our Compensation Committee include the following:

1. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India, including:

    a. The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or

    b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.

2. To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/Deputy Managing/Whole Time/Executive Directors, including all elements of remenuration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fee etc.);

3. To be authorised at its duly constituted meeting, to determine on behalf of the Board of Directors and on behalf of the Shareholders with agreed terms of reference, our Company's policy on specific remuneration packages for our Company's Managing/Deputy Managing/Whole Time/Executive Directors including pension rights and any compensation payment;

4. Perform such functions as are required to be performed by the Compensation Committee under the employee stock option plan guidelines, in particular, those stated in Clause 5 of the employee stock option plan guidelines;

5. To implement, supervise and administer any share or stock option scheme of our Company;

6. To attend to any other responsibility as may be entrusted by the Board with the terms of reference; and

7. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended by such committee.

Interest of Directors

Our Company has not entered into any service contracts with our Directors providing for benefits upon termination of their employment with our Company. Our Directors may be interested to the extent of fees, commission and remuneration payable to them by our Company, any reimbursement of expenses payable to them and/or the sitting fees payable to them for attending meetings of our Board or committees thereof.

Our Directors may also be regarded as interested to the extent of their shareholding in our Company. Further, Directors may also be regarded as interested in the Equity Shares, if any, that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to the Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any.

No amount or benefit has been paid within the two preceding years or is intended to be paid or given to any of our Directors. None of the beneficiaries of loans, advances and sundry debtors are related to our Directors. No loans have been availed by our Directors from our Company.

Except Kochouseph Chittilappilly and Arun Kochouseph Chittilapplilly, who are Promoters of our Company, none of our Directors have any interest in the promotion of our Company. None of our Directors have any interest in any property acquired by our Company within the preceding two years from the date of this Red Herring Prospectus.

Except as stated in "Financial Statements of our Company – Disclosures of significant transactions with related parties" on page 220 of this Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

Changes in our Board

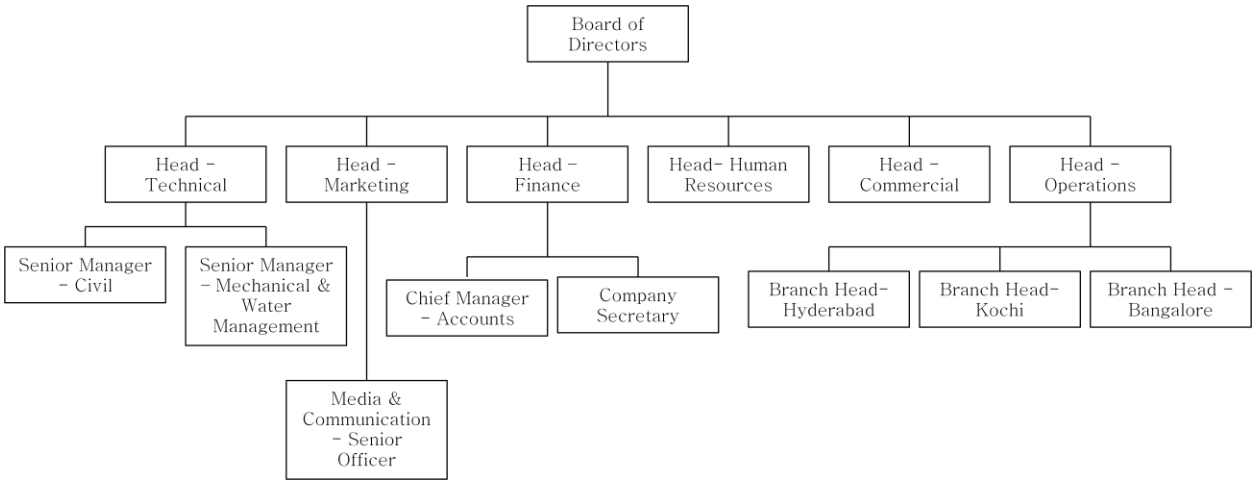
The following table details the changes in the composition of our Board in the three years preceding the date of this Red Herring Prospectus.

Name of Director	Date of Change	Nature of Change/ Reason
George Joseph	June 27, 2011	Appointment as an additional Director
R.S. Raghavan	August 16, 2011	Resignation
Ramachandran Panjan Moothedath	November 24, 2011	Appointment as an additional Director

Employees Stock Option Plan

Our Company does not have any employee stock option plan.

Management Organisation Chart



Key Management Personnel

The details of our Key Management Personnel, as of the date of this Red Herring Prospectus, are as follows:

Nandakumar T., age 44 years and an Indian national, is the Vice President - Finance of our Company. He joined our Company on December 26, 2011. He is a qualified chartered accountant. He is currently responsible for overseeing the corporate finance activities of our Company, including, developing financial operating reports, preparing financial materials, building relationships with investors and analysts, monitoring and analysing monthly operating results against the budget. He has 17 years of experience in the field of accounts and finance, including four years with our Group Company, V-Guard Industries Limited as the chief financial officer. Prior to joining our Company he has also worked in various capacities with Dhanalakshmi Bank Limited from April, 1997 to April, 2006. During the Fiscal 2013, he was paid a gross compensation of ₹ 40.51 lakhs by our Company.

Sivadas M., age 48 years and an Indian national, is the Senior General Manager - Operations of our Company. He joined our Company on August 1, 2003. He holds a bachelor's degree in physics from the University of Calicut. He is currently responsible for the preparation of overall budget, developing strategies to control cost, standardizing operating procedures across both amusement parks, monitoring the collection and accounting of income from various sources such as license fee from restaurants and suppliers, rent from hoardings within the amusement parks and other income. He has 26 years of experience in the field of technical and general administration. Prior to joining our Company he has also worked with our Group Company, V-Guard Industries Limited from November, 1987 to May, 2000 and erstwhile Veega Holidays and Parks Private Limited from May, 2000 to July, 2003. During the Fiscal 2013, he was paid a gross compensation of ₹ 17.49 lakhs by our Company.

Ajikrishnan A.G., age 39 years and an Indian national, is the Deputy General Manager (Technical) of our Company. He joined Veega Holidays and Parks Private Limited on April 1, 2006 and shifted to the rolls of our Company pursuant to the merger of Veega Holidays and Parks Private Limited with our Company, with effect from April 1, 2008. He holds a bachelor's degree in engineering from University of Calicut, a master's degree in business administration from Madurai Kamraj University and is an energy manager and energy auditor certified by the National Productivity Council. He is currently responsible for managing the technical aspects of our Company, including developing of new plans for various projects, managing and undertaking civil/construction, mechanical and electrical works. He has 17 years of work experience in the field of engineering, including six years with our Group Company, V-Guard Industries Limited. Prior to joining our Company he has also worked with the Vikram Sarabhai Space Centre from March, 1997 to November, 1997. During the Fiscal 2013, he was paid a gross compensation of ₹ 12.71 lakhs by our Company.

Santosh Kumar Barik, age 33 years and an India national, is the Company Secretary of our Company. He joined our Company on January 1, 2011. He holds a master's degree in commerce from Utkal University and is a qualified company secretary. He is currently responsible for the financial and legal compliances of our Company, including

reporting on company procedures and developments, organizing and preparing agendas for and taking minutes of meetings of our Board and Shareholders, maintaining statutory books, and liaising with external regulators and advisers. He has eight years of work experience, including three years with our Company. Prior to joining our Company he has also worked with Indian Charge Chrome Limited from April, 2006 to July, 2007, Nypro Forbes Products Private Limited from September, 2007 to March, 2008 and Wendt India Limited from March 2008 to December, 2010. During the Fiscal 2013, he was paid a gross compensation of ₹ 8.86 lakhs by our Company.

Ramanakumar V.B., age 41 years and an Indian national, is the Chief Manager (Marketing) of our Company. He joined our Company on January 1, 2006. He holds a bachelor's degree in science from Bangalore University, a post graduate degree in marketing management from St. Joseph's College of Business Administration, Bangalore and a master's degree in business administration from Karnataka State Open University. He is currently responsible for the marketing activities of our Company, managing the marketing team, planning incentive schemes, customer retention strategies and conducting periodical market surveys. He has 20 years of experience in the field of sales and marketing, including around 12 years with our Group Company, V-Guard Industries Limited. Prior to joining our Company he has worked with V-Guard Industries from April, 1993 to December, 2005. During the Fiscal 2013, he was paid a gross compensation of ₹ 10.38 lakhs by our Company.

Mahesh M.B., age 44 years and an Indian national, is the Assistant General Manager (Commercial) of our Company. He joined Veega Holidays and Parks Private Limited on May 1, 2000 and shifted to the rolls of our Company pursuant to the merger of Veega Holidays and Parks Private Limited with our Company, with effect from April 1, 2008. He holds a bachelor's degree in science from University of Calicut and a master's degree in business administration with a specialization in international business from Annamalai University. He is currently responsible for the planning, coordination and implemention of all food and beverage activities inside our amusement parks in consultation with our top management, suggesting menus, ensuring quality and acceptability of food served and liaising with suppliers and organizing food fests in association with our restaurants. He has 20 years of experience in the field of marketing, including 6 years with our Group Company, V-Guard Industries Limited. During the Fiscal 2013, he was paid a gross compensation of ₹ 11.97 lakhs by our Company.

Jayaprakash, age 33 years and an Indian national, is the Deputy Manager (Human Resources) of our Company. He joined our Company on September 1, 2005. He holds a bachelor's degree in arts from Mangalore University, a master's degree in social work from Mangalore University and a master's degree in business administration from Karnataka State Open University. He is currently responsible for coordinating the recruitment and selection process, salary and benefit plans for the employees, planning and execution of training programs, formulating human resource policies and administration of statutory/non-statutory welfare schemes for the employees of our Company. He has 9 years of experience in the field of human resource development, including eight years with our Company. Prior to joining our Company he has also worked with Central Park Hotel from May, 2004 to August, 2005. During the Fiscal 2013, he was paid a gross compensation of ₹ 7.41 lakhs by our Company.

Unni P.R., age 38 years and an Indian national, is the Chief Manager (Finance and Accounts) of our Company. He joined our Company on June 2, 2004. He holds a bachelor's degree in commerce from University of Calicut and has completed his Chartered Accountancy (Intermediate) certified by the Institute of Chartered Accountants of India. He is currently responsible for finance management, maintenance of accounts and records of our Company, interacting with financial institutions, preparing and filing of applications and other documents and computation of tax. He has 14 years of experience in the field of finance and accounts, including 10 years with our Company. Prior to joining our Company he has also worked with PSN Automobiles Private Limited from December, 2000 to May, 2004. During the Fiscal 2013, he was paid a gross compensation of ₹ 9.76 lakhs by our Company.

Ravikumar M.A., age 48 years and an Indian national, is the General Manager – Administration of our Company. He joined Veega Holidays and Parks Private Limited on March 1, 2000 and shifted to the rolls of our Company pursuant to the merger of Veega Holidays and Parks Private Limited with our Company, with effect from April 1, 2008. He holds a bachelor's degree in commerce from the University of Calicut, a master's degree in science in Counselling and Psychotherapy from the Institute for Behavioral and Management Sciences, Chittor and a master's degree in public administration from the University of Kerala. He is currently responsible for coordinating amongst all departments and ensuring smooth operation of the amusement parks, periodic review of performance of all departments, interacting with and providing information to legal and other consultants to protect the interests of our Company. He has 27 years of experience in the field of accounts and general administration, including 13 years with

our Group Company, V-Guard Industries Limited. During the Fiscal 2013, he was paid a gross compensation of ₹ 13.75 lakhs by our Company.

Rudresh H.S., age 41 years and an Indian national, is the Deputy General Manager - Administration and Branch Head of our Company. He joined our Company on August 1, 2003. He holds a bachelor's degree in commerce from Bangalore University, a post graduate diploma in marketing management from Bangalore University, and a master's degree in business administration from Karnataka State Open University. He is currently responsible for coordinating amongst all departments and ensuring the smooth operation of the amusement park, providing need-based services to other group concerns and ensuring monthly performance reporting to the top management. He has 19 years of experience in the field of marketing, public relations and general administration, including nine years with our Group Company, V-Guard Industries Limited. Prior to joining our Company he has worked with V-Guard Industries Limited from February, 1994 to August, 2003. During the Fiscal 2013, he was paid a gross compensation of ₹ 12.70 lakhs by our Company.

Sudhir M.V., age 40 years and an Indian national, is the Senior Manager (Operations) of our Company. He joined our Company on July 16, 2007. He holds a bachelor's degree in arts from Kakatiya University. He is currently responsible for administering the operations of our resort, guest relations, food and beverages, event management, housekeeping, maintenance, security, staff development, developing sales strategies to achieve revenue targets and coordinating with all department managers to optimize the resort activities and business operations and resolving customer disputes. He has 22 years of experience in the field of human resources and administration, including six years with our Company. Prior to joining our Company he has also worked with the Indian Air Force from August, 1991 to February, 2007. During the Fiscal 2013, he was paid a gross compensation of ₹ 9.56 lakhs by our Company.

None of our Key Management Personnel are related to each other.

All our Key Management Personnel are permanent employees of our Company.

Shareholding of Key Management Personnel

Except as disclosed below, none of our Key Management Personnel hold any Equity Shares of our Company.

Sl. No.	Name of Key Management Personnel	Number of Equity Shares (Pre-Issue)	Percentage
1.	Sivadas M.	15,048	0.04
2.	Ravikumar M. A.	14,212	0.03
3.	Rudresh H. S.	10,450	0.02
4.	Mahesh M. B.	10,260	0.02
5.	Ajikrishnan A. G.	8,778	0.02
6.	Ramanakumar V. B.	8,208	0.02
7.	Unni P. R.	4,788	0.01
8.	Jayaprakash	3,648	0.01
9.	Sudhir M. V.	2,736	0.01
10.	Santosh Kumar Barik	684	0.00*

* *Rounded off to nil*

Bonus or profit sharing plan of our Key Management Personnel

Our Key Management Personnel are paid ex-gratia and performance linked incentive pay based on certain performance parameters. Except as stated above, our Company does not have bonus or profit sharing plan for our Key Management Personnel.

Loans availed by our Key Management Personnel

Our Company had sanctioned interest free loans aggregating ₹ 2.14 lakhs to two of our Key Management Personnel of which Rs. 0.23 lakhs is outstanding as of December 31, 2013.

Interests of our Key Management Personnel

Except as disclosed above, our Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business, to the extent of their shareholding in our Company and to the extent of the loans availed by our Key Management Personnel.

Changes in our Key Management Personnel

The changes in our Key Management Personnel in the last three years are as follows:

Sl. No.	Name	Date of Change	Reason
1.	Nandakumar T. (*Vice-President Finance*)	December 26, 2011	Appointment

Payment or Benefit to officers of our Company

Except as stated otherwise in this Red Herring Prospectus, no non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company's employees including our Key Management Personnel. Further, except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Key Management Personnel, is entitled to any benefits upon termination of employment.

OUR PROMOTERS AND GROUP COMPANIES

The Promoters of our Company are:

Kochouseph Chittilappilly

Driving license No.: 1/2119/1976

Voter's Identity: LNH2107803

Arun Kochouseph Chittilappilly

Driving license No.: E 7225/96

Voter's Identity: LNH2107837

Our Company confirms that the Permanent Account Numbers, Bank Account Numbers and Passport Numbers of our Promoters have been submitted to the BSE and the NSE, being the stock exchanges on which the Equity Shares are proposed to be listed, at the time of filing the Draft Red Herring Prospectus with them.

For details in relation to the profiles of our Promoters, see the section "Our Management" on page 158 of this Red Herring Prospectus.

Interests of Our Promoters

(a) ***In the promotion of our Company***

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company. For details pertaining to our Promoters' shareholding in our Company, see the section "Capital Structure" on page 68 of this Red Herring Prospectus. Our Promoters are also interested in our Company to the extent of them being Directors of our Company. Our Promoters may also be deemed to be interested to the extent of any dividend payable to them and incentives and other benefits arising out of the ownership of the said Equity Shares. Our Promoters who are Directors of our Company are also interested to the extent of any remuneration or reimbursement of expenses payable to them for attending meetings of our Board or a Committee thereof. For details pertaining to the remuneration paid to our Directors, see the section "Our Management" on page 158 of this Red Herring Prospectus.

Our Promoters may be deemed to be interested in our Company to the extent of their shareholding in our Group Companies with which our Company transacts during the course of its operations.

Our Promoters are further interested in the operations of our Company to the extent of the personal bank guarantees issued by them as security for some of our borrowings. For details, see the section "Financial Indebtedness" on page 252 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, our Promoters are not directly or indirectly interested in any contracts, agreements or arrangements entered into by our Company and no payments have been made or proposed to be made by our Promoters, in respect of such contracts, agreements or arrangements entered into by our Company.

(b) ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Red Herring Prospectus with the RoC.***

Our Promoters are not interested in the properties acquired or proposed to be acquired by our Company in the past two years before filing this Red Herring Prospectus with the RoC.

(c) ***In transactions for acquisition of land, construction of building or supply of machinery***

None of our Promoters are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

For further details on our Promoters, see the section "Our Management" on page 158 of this Red Herring Prospectus.

Common Pursuits

Our Promoters, Kochouseph Chittilappilly and Arun Kochouseph Chittilappilly, hold 25.00% and 1.06% equity shares in Pearl Spot Resorts Limited, respectively. Pearl Spot Resorts Limited owns and operates a resort in Kerala. Kochouseph Chittilappilly is also a director on the board of directors of Pearl Spot Resorts Limited.

Except as disclosed above, none of our Promoters have any common pursuits and are not involved in the same line of business as that of our Company. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise. For further details on the related party transactions, to the extent of which our Company is involved, see the section "Financial Statements of our Company – Disclosures of significant transactions with related parties" on page 220 of this Red Herring Prospectus.

Litigation involving our Promoters and Group Companies

For details of legal and regulatory proceedings involving our Promoters, see the section "Outstanding Litigation and Material Developments" on page 261 of this Red Herring Prospectus.

Other Confirmations

There are no proceedings initiated by SEBI, Stock Exchanges or RoC against our Promoters, except as disclosed in "Outstanding Litigation and Material Developments" on page 261 of this Red Herring Prospectus.

Further, our Promoters have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws (in India and overseas) committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Our Promoters and our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Further, none of our Promoters were or are promoters, directors or persons in control of any other company which is debarred from accessing the capital market under any order or directions made by SEBI.

Payment or Benefit to our Promoters or our Promoter Group

Except as stated in "Financial Statements of our Company" on page 182 of this Red Herring Prospectus, no amount or benefit has been paid or given to any Promoter or Promoter Group within the two years preceding the date of filing of this Red Herring Prospectus and no such amount or benefit is intended to be paid.

Related Party Transactions

For details of the related party transactions, see the section "Financial Statements of our Company – Disclosures of significant transactions with related parties" on page 220 of this Red Herring Prospectus.

Disassociation by our Promoters in the last three years

There has been no disassociation by our Promoters in the last three years.

Group Companies

Details of our Group Companies are provided below:

1. V-Guard Industries Limited;
2. V-Star Creations Private Limited;
3. Veegaland Developers Private Limited;
4. K Chittilappilly Foundation;
5. Formose Properties Private Limited;
6. Vindico Properties Private Limited;
7. Eventus Properties Private Limited; and
8. Thomas Chittilappilly Trust.

Three of our Group Companies, namely, Formose Properties Private Limited, Vindico Properties Private Limited and Eventus Properties Private Limited are non-operating companies as of the date of this Red Herring Prospectus.

Except V-Guard Industries Limited, none of our Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

V-Guard Industries Limited

Corporate Information

V-Guard Industries Limited was incorporated as a public limited company under the Companies Act 1956, on February 12, 1996. V-Guard Industries Limited was then converted into a private limited company by the name and style of 'V-Guard Industries Private Limited' and was issued a fresh certificate of incorporation by the registrar of companies, Kochi on November 15, 2001. Further, V-Guard Industries Private Limited was converted into a public limited company by the name and style of 'V-Guard Industries Limited' and was issued a fresh certificate of incorporation by the registrar of companies, Kochi on August 1, 2007.

The registered office of V-Guard Industries Limited is situated at 33/2905 F, Vennala High School Road, Vennala, Ernakulam 682 028, Kerala, India.

V-Guard Industries Limited is currently engaged in the business of manufacture of products, including, stabilizers, water heaters and insulated cables.

Pursuant to a public issue, the equity shares of V-Guard Industries Limited are listed on NSE and BSE, since March 13, 2008.

The authorised share capital of V-Guard Industries Limited is ₹350,000,000 divided into 35,000,000 equity shares of ₹10 each and the issued, subscribed and paid-up capital of V-Guard Industries Limited is ₹ 298,475,200 divided into 29,847,520 equity shares of ₹10 each.

Our Promoters collectively hold 37.98% of the total issued and paid-up equity share capital of V-Guard Industries Limited, comprising 11,336,215 equity shares.

Financial Information

(₹ in lakhs except per share data)

		For the year ended	
	March 31, 2013	**March 31, 2012**	**March 31, 2011**
Equity capital	2,984.75	2,984.75	2,984.75
Sales and other income	136,383.66	96,698.83	72,833.05
Profit/Loss after tax	6,291.51	5,080.10	4,263.67
Reserves (excluding revalution reserves) and Surplus	23,148.31	18,079.00	14,213.03
Earnings per share	21.08	17.02	14.28
Diluted earning per share	21.08	17.02	14.28
Net Asset Value per share	87.56	70.57	57.62

Share Price Information

The monthly high and low of the market price of the equity shares of V-Guard Industries Limited of face value of ₹ 10 each on the BSE for the last six months are as follows:

Month and Year	High (₹)	Low (₹)
September 2013	535.00	480.00
October 2013	532.05	457.00
November 2013	498.50	468.00
December 2013	499.40	467.00
January 2014	483.95	421.00
February 2014	434.55	417.20

Source*: Website of the BSE*

The monthly high and low of the market price of the equity shares of V-Guard Industries Limited of face value of ₹ 10 each on the NSE for the last six months are as follows:

Month	High (₹)	Low (₹)
September 2013	534.90	482.00
October 2013	534.95	464.00
November 2013	495.10	460.00
December 2013	494.00	457.00
January 2014	486.00	425.00
February 2014	435.25	418.95

Source*: Website of the NSE*

The closing share prices of V-Guard Industries Limited as on March 28, 2014 on the BSE and the NSE were ₹ 465.10 and ₹ 464.80, respectively.

The market capitalization of V-Guard Industries Limited as on March 28, 2014 as per the closing price on the BSE and the NSE was ₹ 138,820.82 lakhs and ₹ 138,731.27 lakhs, respectively.

Public or Rights Issue in the last three years

V-Guard Industries Limited has not made any public or rights issue in the past three years.

Rates of Dividend

Rates of dividend declared by V-Guard Industries Limited for Fiscals 2013, 2012 and 2011 are 35.00%, 35.00% and 35.00%, respectively.

Promise v. performance

Except as disclosed under 'V-Guard Industries Limited – Corporate Information' V-Guard Industries Limited has not made any public or rights issue in the 10 years preceding the date of the Draft Red Herring Prospectus. Except as stated below, the proceeds from the said public issue were used in accordance with the objects of the public issue as stated in the offer document.

The objects, stated in the prospectus dated February 29, 2008 for which funds were raised through the public issue, aggregated to ₹ 6,560.00 lakhs and included setting up of an enameled copper wire factory in Coimbatore, at an estimated cost of ₹ 904.00 lakhs. However, the management decided that the company would not be benefitted by the setting up of the proposed factory on the basis of findings of the internal research and development department. The management abandoned the said proposal and the funds were set aside to be utilized for any other purpose under the head 'general corporate' in the prospectus. In furtherance of this, V-Guard Industries Limited passed a special resolution of its shareholders at the annual general meeting on July 14, 2008.

Mechanism for redressal of investor grievance

The board of directors of V-Guard Industries Limited has constituted a shareholders/investors grievance committee comprising C.J. George, Mithun K. Chittilappilly and Cherian N. Punnoose, in accordance with Clause 49 of the Listing Agreement entered into with the stock exchanges for redressal of complaints of investors such as transfers or credit of shares to demat accounts and non-receipt of dividend/annual reports. Jacob Kuruvilla, the chief finance officer of V-Guard Industries Limited, is the compliance officer. V-Guard Industries Limited seeks to redress any complaints received as expeditiously as possible.

As of January 31, 2014, there are no investor complaints pending against V-Guard Industries Limited.

V-Star Creations Private Limited

Corporate Information

V-Star Creations Private Limited was incorporated as a private limited company on May 16, 1996 under the Companies Act 1956. It is engaged in the manufacture and trade of readymade garments.

The authorised share capital of V-Star Creations Private Limited is ₹50,000,000 divided into 5,000,000 equity shares of ₹10 each and the issued, subscribed and paid-up capital of V-Star Creations Private Limited is ₹ 30,000,000 divided into 3,000,000 equity shares of ₹10 each.

Our Promoters collectively hold 26.37% of the issued and paid up capital of V-Star Creations Private Limited. The remaining equity shares of V-Star Creations Private Limited are held by Sheela Kochouseph Chittilappilly and Mithun K. Chittilappilly.

Financial Information

(₹ in lakhs, except per share data)

		For the year ended	
	March 31, 2013	**March 31, 2012**	**March 31, 2011**
Equity capital	300.00	300.00	300.00
Sales and other income	5,852.13	4,783.85	3,822.01
Profit/Loss after tax	462.20	289.99	180.73
Reserves (excluding revalution reserves) and Surplus	1,326.13	863.93	573.94
Earnings per share	15.41	9.67	6.02
Diluted earning per share	15.41	9.67	6.02
Net Asset Value per share	54.20	38.80	29.13

Veegaland Developers Private Limited

Corporate Information

Veegaland Developers Private Limited was originally incorporated as a private limited company on August 10, 2007 under the name and style of Vintes Solutions Private Limited under the Companies Act 1956. The name was changed to Vintes Developers Private Limited on October 22, 2010. The name was further changed to Veegaland Developers Private Limited on August 11, 2011. It is engaged in the business of real estate development including building of residential houses, commercial buildings and commissioning of projects.

The authorised share capital of Veegaland Developers Private Limited is ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each and the issued, subscribed and paid-up capital of Veegaland Developers Private Limited is ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each.

Our Promoters collectively hold 80.00% of the issued and paid up capital of Veegaland Developers Private Limited. The remaining equity shares of Veegaland Developers Private Limited are held by Sheela Kochouseph Chittilappilly and Mithun K. Chittilappilly.

Financial Information

(₹ in lakhs, except per share data)

		For the year ended	
	March 31, 2013	**March 31, 2012**	**March 31, 2011**
Equity capital	500.00	500.00	500.00
Sales and other income	2.50	0.05	0.11
Profit/Loss after tax	(80.51)	(18.03)	(17.64)
Reserves (excluding revalution reserves) and Surplus	(144.41)	(63.90)	(45.87)
Earnings per share	(1.61)	(0.36)	(2.87)
Diluted earning per share	(1.61)	(0.36)	(2.87)
Net Asset Value per share	7.11	8.72	9.08

K Chittilappilly Foundation

Corporate Information

K Chittilappilly Foundation was incorporated under Section 25 of the Companies Act 1956 on May 8, 2012. It is engaged in charitable activities including relief to the poor, medical relief, promotion of education etc.

The authorised share capital of the K Chittilappilly Foundation is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and the issued, subscribed and paid-up capital of the K Chittilappilly Foundation is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

One of our Promoters, Kochouseph Chittilappilly holds 50.00% of the issued and paid up capital of the K Chittilappilly Foundation. The remaining equity shares of the K Chittilappilly Foundation are held by Sheela Kochouseph Chittilappilly.

Financial Information

(₹ in lakhs, except per share data)

	For the period ended
	March 31, 2013*
Equity capital	1.00
Sales and other income	0.00
Profit/Loss after tax	(53.28)
Reserves (excluding revalution reserves) and Surplus	(53.28)
Earnings per share	(532.78)

	For the period ended
	March 31, 2013*
Diluted earning per share	(532.78)
Net Asset Value per share	(522.78)

* *The financial information is for the period beginning May 8, 2012 till March 31, 2013.*

Formose Properties Private Limited

Corporate Information

Formose Properties Private Limited was incorporated as a private limited company on January 7, 2011 under the Companies Act 1956. It is engaged in the business of real estate development including purchase and sale of various types of freehold and lease hold land.

The authorised share capital of Formose Properties Private Limited is ₹ 30,000,000 divided into 3,000,000 equity shares of ₹ 10 each and the issued, subscribed and paid-up capital of Formose Properties Private Limited is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹10 each.

One of our Promoters, Kochouseph Chittilappilly holds 50.00% of the issued and paid up capital of Formose Properties Private Limited. The remaining equity shares of Formose Properties Private Limited are held by Mithun K. Chittilappilly.

Financial Information

(₹ in lakhs except per share data)

	For the year ended	For the period ended
	March 31, 2013	March 31, 2012*
Equity capital	100.00	100.00
Sales and other income	2.83	-
Profit/Loss after tax	2.52	(2.76)
Reserves (excluding revalution reserves) and Surplus	(0.24)	(2.76)
Earnings per share	0.25	(0.28)
Diluted earning per share	0.25	(0.28)
Net Asset Value per share	9.98	9.72

* *The financial information is for the period beginning January 7, 2011 till March 31, 2012.*

Vindico Properties Private Limited

Corporate Information

Vindico Properties Private Limited was incorporated as a private limited company on January 11, 2011 under the Companies Act 1956. It is engaged in the business of real estate and infrastructure development including construction of residential and commercial buildings.

The authorised share capital of Vindico Properties Private Limited is ₹30,000,000 divided into 3,000,000 equity shares of ₹10 each and the issued, subscribed and paid-up capital of Vindico Properties Private Limited is ₹10,000,000 divided into 1,000,000 equity shares of ₹10 each.

One of our Promoters, Kochouseph Chittilappilly holds 50.00% of the issued and paid up capital of Vindico Properties Private Limited. The remaining equity shares of Vindico Properties Private Limited are held by Sheela Kochouseph Chittilappilly.

Financial Information

(₹ in lakhs, except per share data)

	For the year ended March 31, 2013	For the period ended March 31, 2012*
Equity capital	100.00	100.00
Sales and other income	2.63	-
Profit/Loss after tax	2.33	(2.76)
Reserves (excluding revalution reserves) and Surplus	(0.43)	(2.76)
Earnings per share	0.23	(0.28)
Diluted earning per share	0.23	(0.28)
Net Asset Value per share	9.96	9.72

* *The financial information is for the period beginning January 11, 2011 till March 31, 2012.*

Eventus Properties Private Limited

Corporate Information

Eventus Properties Private Limited was incorporated as a private limited company on January 20, 2011 under the Companies Act 1956. It is engaged in the business of real estate activities, construction of residential and commercial buildings.

The authorised share capital of Eventus Properties Private Limited is ₹30,000,000 divided into 3,000,000 equity shares of ₹10 each and the issued, subscribed and paid-up capital of Eventus Properties Private Limited is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each.

Our Promoters collectively hold 100.00% of the issued and paid up capital of Eventus Properties Private Limited.

Financial Information

(₹ in lakhs, except per share data)

	For the year ended March 31, 2013	For the period ended March 31, 2012*
Equity capital	100.00	100.00
Sales and other income	2.84	-
Profit/Loss after tax	2.53	(2.76)
Reserves (excluding revalution reserves) and Surplus	(0.23)	(2.76)
Earnings per share	0.25	(0.28)
Diluted earning per share	0.25	(0.28)
Net Asset Value per share	9.98	9.72

* *The financial information is for the period beginning January 20, 2011 till March 31, 2012.*

Trusts

Thomas Chittilappilly Trust

Thomas Chittilappilly Trust is a public trust having its place of business at Door No. XI/150B 8, 3rd Floor, Mulakkampilly Complex, Kakkanadu, Ernakulam has been formed under the deed of declaration of trust dated January 28, 2004. The objects of this charitable trust include providing financial assistance to deserving persons for education, housing etc., to institutions such as orphanage, child welfare centres etc., to victims of natural calamities, to establishments that run public parks, rests houses etc., to promote, establish and support institutions for the promotion of science, literature, music etc, to provide scholarships, stipends to deserving persons, to establish, run and support educational institutions, libraries etc, to grant aid or render assistance to other public charitable trusts and to do all other lawful acts, deeds and things as may be necessary, incidental or conducive, to the attainment of its objects. Kochouseph Chittilappilly, Sheela Kochouseph Chittilappilly, K. Vijayan, Antony Sebastian K., B. Jayaraj, Surendranadhan T. V. D., and M. J. Vincent were the original trustees of the Thomas Chittilappilly Trust.

The current trustees are Kochouseph Chittilappilly (Founder), Sheela Kochouseph and B. Jayaraj.

Financial Information

(₹ in lakhs, unless stated otherwise)

		For the year ended	
	March 31, 2013	**March 31, 2012**	**March 31, 2011**
Initial Corpus (in ₹)	10,500	10,500	10,500
Surplus Transferred from Income & Expenditure A/c (Reserves & Surplus)	360.11	247.07	219.04
Total of Capital Fund	360.21	247.18	219.15
Total income	372.50	161.61	126.02
Excess of income over expenditure	113.04	28.03	19.85

Other Confirmations

Except as disclosed in "Outstanding Litigation and Material Developments" on page 261 of this Red Herring Prospectus, there are no proceedings initiated by SEBI, Stock Exchanges or RoC against our Group Companies.

Our Group Companies have further confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Additionally, none of our Group Companies have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

Except as disclosed in "Financial Statements of our Company" on page 182 of this Red Herring Prospectus, none of our Group Companies have any business interests in our Company.

Litigation

For details relating to the material legal proceeding involving our Group Companies, see the section "Outstanding Litigation and Material Developments" on page 261 of this Red Herring Prospectus.

Common Pursuits

None of our Group Companies have any common pursuits and are not involved in the same line of business as that of our Company. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise. For further details on the related party transactions, to the extent of which our Company is involved, see the section "Financial Statements of our Company – Disclosures of significant transactions with related parties" on page 220 of this Red Herring Prospectus.

Sick Company

None of our Group Companies have become sick companies under the Sick Industrial Companies (Special Provisions) Act, 1985 and no winding up proceedings have been initiated against them. Further no application has been made, in respect of any of our Group Companies, to the RoC for striking off their names. Additionally, none of our Group Companies have become defunct in the five years preceding the filing of the Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividends, if any, will depend on a number of factors, including, but not limited to, our profits, capital requirements, contractual requirements, restrictive covenants under our loan and financing arrangements and overall financial position of our Company. Our Company has no formal dividend policy. Our Board of Directors may also, from time to time, pay interim dividends.

The Board has declared interim dividend for the last three Fiscals as set forth below:

For the year	Face value per Equity Share (₹)	Dividend declared per Equity Share (₹)	Rate of dividend (%)
2010-11	10	1.50	15.00
2011-12	10	1.50	15.00
2012-13	10	1.50	15.00

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS OF OUR COMPANY

Auditors' report on the financial information of Wonderla Holidays Limited, as restated, for the period ended December 31, 2013 and years ended March 31, 2013, 2012, 2011, 2010 and 2009 in relation to this Red Herring Prospectus.

The Board of Directors
Wonderla Holidays Limited
Jadenahalli, Hejjala P.O.
28th K.M, Mysore Road
Bangalore-562109

Dear Sirs

We have examined the attached restated financial information of Wonderla Holidays Limited ("the Company") *(formerly known as Wonderla Holidays Private Limited)* as approved by the Board of Directors of the Company, prepared in terms of the requirements of Paragraph B, Part II of Schedule II to the Companies Act, 1956, as amended ('the Act'), read with the general circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the 'SEBI Regulations'), the Guidance note on "Reports in Company's Prospectus (Revised)" issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable ('Guidance Note') and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 03 February 2014 in connection with the proposed issue of Equity Shares of the Company.

These information have been extracted by the Management from the financial statements for the years ended 31 March 2009, 2010, 2011, 2012 and 2013 and the nine months period ended 31 December 2013. Audit for the financial statements for the years ended 31 March 2009, 31 March 2010, 31 March 2011 and 31 March 2012 was conducted by M/s Varma and Varma, and reliance has been placed on the financial statements audited by them. The financial report included for these years i.e., for the years 31 March 2009, 2010, 2011 and 2012 are based solely on the report submitted by them. The financial statements for the year ended 31 March 2013 and for nine months period ended 31 December 2013 have been audited by us.

1 In accordance with the requirements of Paragraph B, Part II of Schedule II to the Act, the SEBI Regulations and the terms of our engagement agreed with you, we further report that:

a) The Restated Balance Sheet as at 31 March 2009, 2010, 2011, 2012 and 2013 and 31 December 2013, examined by us, as set out in Annexure I to this report read with the significant accounting policies in Annexure IV (1) are after making such adjustments and regrouping as in our opinion were appropriate and more fully described in the Notes to the Restated Financial Statements enclosed as Annexure IV (2) and (3) to this report.

b) The Restated Statement of Profit and Loss of the Company for the years ended 31 March 2009, 2010, 2011, 2012 and 2013 and for the nine months period ended 31 December 2013 are as set out in Annexure II to this report read with the significant accounting policies in Annexure IV (1) are after making such adjustments and regrouping as in our opinion were appropriate and more fully described in the Notes to the Restated Standalone Financial Statements enclosed as Annexure IV (2) and (3) to this report.

c) The Restated Statement of Cash Flows of the Company for the years ended 31 March 2009, 2010, 2011, 2012 and 2013 and for the nine months period ended 31 December 2013 are as set out in Annexure III to this report read with the significant accounting policies in Annexure IV (1) are after making such adjustments and regrouping as in our opinion were appropriate and more fully described in the Notes to the Restated Standalone Financial Statements enclosed as Annexure IV (2) and (3) to this report.

2 Based on the above, and based on the reliance placed on the financial statements audited by M/s Varma and Varma, for the years as mentioned above, we are of the opinion that the Restated Standalone Financial Statements:

i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years / period to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods;

ii) have been made after incorporating adjustments for prior period and other material amounts in the respective financial years / period to which they relate; and

iii) do not contain any extra-ordinary items that need to be disclosed separately other than those presented in the Restated Standalone Financial Statements and do not contain any qualifications requiring adjustments.

3 We have also examined the following financial information as set out in the Annexures prepared by the management and approved by the Board of Directors relating to the Company for the years ended 31 March 2009, 2010, 2011, 2012, 2013 and for the nine months period ended 31 December 2013.

i) Statement containing details of current investments, as restated, included in Annexure V

ii) Statement of inventories, as restated included in Annexure VA

iii) Statement of trade receivables, as restated, included in Annexure VI

iv) Statement of fixed assets, as restated, included in Annexure VII(A)

v) Statement of capital work in progress, as restated, included in Annexure VII(B)

vi) Statement containing details of long-term and short-term loans and advances and other non-current and current assets, as restated, included in Annexure VIII

vii) Statement containing details of long-term and short-term borrowings, as restated, included in Annexures IX and IX(A)

viii) Statement of current and non-current liabilities and long-term and short-term provisions, as restated, included in Annexure X

ix) Statement of share capital, as restated, included in Annexure XI

x) Statement of reserves and surplus, as restated, included in Annexure XII

xi) Statement containing details of other income, as restated, included in Annexure XIII

xii) Statement of dividends paid, included in Annexure XIV

xiii) Statement containing details of related party transactions and balances outstanding with related parties included in Annexure XV

xiv) Capitalization statement as at 31 December 2013, included in Annexure XVI

xv) Statement of accounting ratios, as restated, included in Annexure XVII

xvi) Statement of tax shelter, as restated, included in Annexure XVIII

xvii) Statement containing other information pertaining to transactions in foreign currency, as restated included in Annexure XIX

xviii) Note on scheme of amalgamation included in Annexure XX.

4 The report should not in any way be construed as a re-issuance or re-dating of the previous audit report issued by us.

5 We have no responsibility to update our report for events and circumstances occurring after the date of the report.

6 In our opinion, the above financial information contained in Annexures I to XX of this report read along with the significant accounting policies (Refer Annexure IV (1)) and Notes to the Restated Standalone Financial Statements (Refer Annexure IV (2) to IV (6)) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Paragraph B, Part II of Schedule II of the Act and the SEBI Regulations.

7 Our report is intended solely for use of the management and for inclusion in the offer document in connection with the proposed issue of Equity Shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our consent in writing.

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W

Zubin Shekary
Partner
Membership No.: 048814

Bangalore
Date: February 25, 2014

Wonderla Holidays Limited
(formerly Wonderla Holidays Private Limited)

Annexure-I

Balance Sheet, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Non-current assets						
Fixed assets						
Tangible assets	11,340.65	10,464.87	9,234.98	12,035.04	14,347.56	14,558.92
Intangible assets	95.31	83.98	71.97	66.65	47.40	51.54
Capital work-in-progress	6.30	131.60	767.88	436.90	572.08	2,025.45
Long-term loans and advances	319.65	234.49	355.53	911.28	832.37	263.77
Other non-current assets	17.50	12.25	10.38	10.99	12.77	19.65
Total	**11,779.41**	**10,927.19**	**10,440.74**	**13,460.86**	**15,812.18**	**16,919.33**
Current assets						
Current investments	-	-	-	-	-	1,391.98
Inventories	111.16	133.75	144.66	181.50	280.55	361.72
Trade receivables	10.93	16.42	26.00	20.20	48.62	56.50
Cash and bank balances	29.94	111.13	31.69	248.41	287.32	95.93
Short-term loans and advances	143.66	201.37	81.30	136.16	168.85	125.06
Other current assets	5.39	8.65	9.35	9.05	87.56	229.15
Total	**301.08**	**471.32**	**293.00**	**595.32**	**872.90**	**2,260.34**
Non-current liabilities						
Long-term borrowings	3,482.25	2,043.71	806.66	1,609.84	1,243.39	1,702.97
Deferred tax liability (net)	26.35	314.20	357.32	334.32	369.06	344.36
Long-term provisions	19.75	32.94	35.67	45.68	152.05	130.15
Total	**3,528.35**	**2,390.85**	**1,199.65**	**1,989.84**	**1,764.50**	**2,177.48**
Current liabilities						
Short-term borrowings	2,145.00	1,652.57	99.88	53.80	615.63	143.86
Trade payables	67.26	154.49	206.77	369.27	401.74	588.88
Other current liabilities	1,362.91	1,329.53	1,113.09	1,178.76	695.60	742.02
Short-term provisions	565.99	1,011.77	835.10	930.73	1,062.82	283.80
Total	**4,141.16**	**4,148.36**	**2,254.84**	**2,532.56**	**2,775.79**	**1,758.56**
Net worth	**4,410.98**	**4,859.30**	**7,279.25**	**9,533.78**	**12,144.79**	**15,243.63**
Net worth represented by						
Share capital	2,600.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00
Share capital suspense account - fully paid up shares to be allotted as per the scheme of amalgamation	1,600.00	-	-	-	-	-
Reserves and surplus	210.98	659.30	3,079.25	5,333.78	7,944.79	11,043.63
Net worth	**4,410.98**	**4,859.30**	**7,279.25**	**9,533.78**	**12,144.79**	**15,243.63**

Wonderla Holidays Limited
(formerly Wonderla Holidays Private Limited)

Annexure-II

Statement of Profit and Loss, as restated

(Amounts in lacs)

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
Income						
Income from services	5,717.19	6,299.86	8,244.94	10,467.20	12,481.12	10,546.89
Sale of products	518.80	586.65	719.46	846.29	1,303.93	1,422.10
Other income	94.77	88.66	157.30	138.80	132.38	183.58
Total	**6,330.76**	**6,975.17**	**9,121.70**	**11,452.29**	**13,917.43**	**12,152.57**
Expenditure						
Direct Operating Expenses	1,040.45	1,145.41	1,238.67	1,695.97	2,072.91	1,812.73
Purchase of Stock in Trade	319.11	371.15	406.35	484.65	734.22	754.17
Change in Inventory of Stock in Trade	(1.70)	(7.51)	10.82	(10.13)	(12.10)	(25.95)
Employee benefits	988.13	1,120.72	1,380.57	2,074.81	2,742.05	1,931.45
Other expenses	1,118.62	1,134.14	1,334.34	1,518.28	1,964.11	1,878.23
Finance charges	763.57	578.26	389.95	113.29	222.51	119.77
Depreciation/ amortisation	1,172.73	1,182.84	1,182.74	1,155.74	1,184.51	1,012.27
Total	**5,400.91**	**5,525.01**	**5,943.44**	**7,032.61**	**8,908.21**	**7,482.67**
Profit / (loss) before extraordinary items and tax	**929.85**	**1,450.16**	**3,178.26**	**4,419.68**	**5,009.22**	**4,669.90**
Extraordinary items	-	-	1,079.96	-	-	-
Net profit / (loss) before tax	**929.85**	**1,450.16**	**4,258.22**	**4,419.68**	**5,009.22**	**4,669.90**
Less: Provision for tax						
Current tax / minimum alternate tax	(71.12)	(246.16)	(1,062.95)	(1,455.95)	(1,626.40)	(1,595.76)
Less : MAT credit entitlement	71.12	21.93	-	-	-	
Fringe benefit tax	(8.80)	-	-	-	-	-
Deferred tax (charge) / benefit	182.03	(287.85)	(43.12)	23.00	(34.74)	24.70
Total provision for tax	**173.23**	**(512.08)**	**(1,106.07)**	**(1,432.95)**	**(1,661.14)**	**(1,571.06)**
Net profit after tax, as restated	**1,103.08**	**938.08**	**3,152.15**	**2,986.73**	**3,348.08**	**3,098.84**

Wonderla Holidays Limited
(formerly Wonderla Holidays Private Limited)

Annexure III

Statement of cash flows, as restated

(Amounts in lacs)

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
Cash flow from operating activities						
Net profit before tax	929.85	1,450.16	4,258.22	4,419.68	5,009.22	4,669.90
Adjustments:						
Finance charges	763.57	578.26	389.95	113.29	222.51	119.77
Depreciation and amortisation	1,172.73	1,182.84	1,182.74	1,155.74	1,184.51	1,012.27
Interest income	(6.88)	(9.09)	(4.65)	(4.18)	(1.76)	(20.41)
Loss on sale of current investments in mutual funds (net)	3.97	-		-	-	-
(Profit)/loss on sale of fixed assets	1.33	2.63	(1,079.96)	0.18	(2.21)	3.90
Fixed assets written off	-	-	-	-	8.43	5.79
Dividend income from mutual funds	(15.44)	(1.23)	(61.09)	(36.37)	(26.89)	(60.50)
Operating cash flow before working capital changes	**2,849.13**	**3,203.57**	**4,685.21**	**5,648.34**	**6,393.81**	**5,730.72**
Adjustments for changes in working capital						
(Increase)/decrease in inventories	2.73	(22.59)	(10.91)	(36.84)	(99.05)	(81.17)
(Increase)/decrease in trade receivables	3.54	(5.49)	(9.58)	5.80	(28.42)	(7.88)
(Increase)/decrease inloans and advances	(31.41)	59.02	10.51	(55.81)	(115.22)	(114.92)
Increase/(decrease) in liabilities	(136.08)	159.21	(320.58)	296.27	217.76	255.20
Cash generated from operations	**2,687.91**	**3,393.72**	**4,354.65**	**5,857.76**	**6,368.88**	**5,781.95**
Income taxes paid	(111.23)	(201.75)	(1,076.15)	(1,384.96)	(1,511.96)	(1,554.92)
Fringe benefit tax paid	(8.80)	-	-	-	-	
Net cash generated by operating activities (A)	**2,567.88**	**3,191.97**	**3,278.50**	**4,472.80**	**4,856.92**	**4,227.03**
Cash flow from investing activities						
Purchase of fixed assets	(323.28)	(435.96)	(1,307.12)	(3,934.12)	(3,744.73)	(2,222.39)
Proceeds from sale of fixed	4.85	30.33	1,805.60	10.49	4.78	53.33

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
assets						
Loss on sale of Investments in mutual funds (net)	(3.97)	-	-	-	-	-
Dividend income from mutual funds	15.44	1.23	61.09	36.37	26.89	60.50
Interest received	6.71	8.40	4.39	4.28	1.73	20.16
Purchases of short-term investments	-	-	-	-	-	(1,391.98)
Net cash (used in) / generated by investing activities (B)	**(300.25)**	**(396.00)**	**563.96**	**(3,882.98)**	**(3,711.33)**	**(3,480.38)**
Cash flow from financing activities						
Proceeds from/(repayment of) term and vehicle loans from banks	(1,673.09)	(1,328.90)	(885.62)	510.11	(811.59)	308.86
Proceeds from/(repayment of) corporate loans from banks	332.00	(168.00)	(164.00)	-	700.00	(431.70)
Proceeds from/(repayment of) cash credit and working capital loans	(121.73)	(176.42)	67.36	(46.08)	(38.17)	128.23
Increase/(Decrease) in Unsecured Loans	113.71	(316.01)	(2,043.25)	-	-	
Issue of Share Capital (Including Securities Premium)	-	-	-	-	-	
Dividend paid including taxes	(187.19)	(140.39)	(489.76)	(732.20)	(732.20)	(737.07)
Finance cost paid	(726.03)	(585.06)	(406.63)	(104.93)	(224.72)	(206.36)
Net cash used in financing activities (C)	**(2,262.33)**	**(2,714.78)**	**(3,921.90)**	**(373.10)**	**(1,106.68)**	**(938.04)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**5.30**	**81.19**	**(79.44)**	**216.72**	**38.91**	**(191.39)**
Cash and cash equivalents at the beginning of the period	24.64	29.94	111.13	31.69	248.41	287.32
Cash and cash equivalents at the end of the period	29.94	111.13	31.69	248.41	287.32	95.93

Wonderla Holidays Limited
(formerly Wonderla Holidays Private Limited)

Annexure IV

1. Significant accounting policies and notes to accounts

Company overview

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

The registered office of the Company is situated in Bangalore. The Company changed its name to Wonderla Holidays Limited effective from 11 January 2013.

i. Basis of preparation of financial statements

The restated financial statements are prepared by applying necessary adjustments to the financial statements of the Company. The accompanying financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles ('GAAP') under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"), read with the general circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013, other pronouncements of the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Companies Act 1956, to the extent applicable. The accounting policies have been consistently applied by the Company for all the years presented and are consistent with those used for the purpose of preparation of financial statements as at and for the nine months ended 31 December 2013. The financial statements are presented in Indian rupees and rounded off to nearest lacs.

ii. Use of estimates

The preparation of interim financial statements in conformity with the GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

iii. Current–non-current classification

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

Assets

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

(a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realized within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

All other assets are classified as non-current.

Liabilities

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

(a) it is expected to be settled in the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within 12 months after the reporting date; or

(d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

All other liabilities are classified as non-current.

Operating cycle

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

iv. Inventories

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

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

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

v. Cash flow statement

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

vi. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. The revenue recognition policy followed by the Company is:

- Entry charges are recognized at the time when entry tickets are issued to visitors for entry into the park.
- Sale of traded items are recognized when the title to goods are transferred to the customers. Sales are recorded net of discounts and value added tax.

- Share of revenue from restaurants is recognized as per the terms of the agreement with the restaurant operator.

- Income from rooms, restaurants and other services comprise of room rentals, sales of food and beverages and other allied services relating to resort operations. Revenue is recognized upon rendering of the service.

- Dividend is recognized when declared and interest income is recognized on time proportion basis taking into account the amount outstanding and applicable rate of interest.

- Other income is recognized on accrual basis except when there are significant uncertainties.

vii. Fixed assets and depreciation

a. Tangible assets

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

b. Intangible assets

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

c. Capital work in progress

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

d. Depreciation

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

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

Particulars	Rate of depreciation (%)
Film rights	50.00
Computer software	16.21

Freehold land is not depreciated. Individual assets costing less than Rs 5,000 are depreciated in full in the year of purchase/ installation. Depreciation on assets acquired/ disposed off during the year is provided for from/ upto the month of such addition/ deletion.

viii. Borrowing cost

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

ix. Impairment

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

x. Investments

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

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

xi. Leases

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

xii. Foreign exchange transactions

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

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

xiii. Employee benefits

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

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

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

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

xiv. Earnings per share

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

xv. Taxation

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

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

In accordance with the provisions of Section 115JAA of the Income-tax Act, 1961, the Company is allowed to avail credit equal to the excess of Minimum Alternate Tax (MAT) over normal income tax for the assessment year for which MAT is paid. MAT credit so determined can be carried forward for set-off for

ten succeeding assessment years from the year in which such credit becomes allowable. MAT credit can be set-off only in the year in which the Company is liable to pay tax as per the normal provisions of the Income-tax Act, 1961 and such tax is in excess of MAT for that year. Accordingly, MAT credit entitlement is recognized only to the extent there is convincing evidence that the Company will pay normal tax during the specified period.

xvi. Provisions and contingent liabilities

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

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

2. Impact of material adjustments

(Amounts in lacs)

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
Net profit after tax as per audited statement of profit and loss	1,337.54	818.39	2,985.08	2,949.72	3,358.93	3,274.17
	-	-	-	-	-	-
Adjustments on account of: (refer Note 3 A)						
a) Capital advances written-off	-	102.74	-	-	-	-
b) Depreciation	(5.04)	72.44	-	-	-	-
c) Provision for tax of earlier years	(20.89)	5.82	175.66	-	-	(175.33)
d) Provision for service tax	(9.25)	(16.16)	(20.32)	20.28	25.45	-
e) Advances received written-back	-	0.26	6.59	12.62	(19.47)	-
f) Deferred tax	(213.39)	-	-	-	-	-
Total impact of the adjustments	(248.57)	165.10	161.93	32.90	5.98	(175.33)
g)Tax impact on adjustments	14.11	(45.41)	5.14	4.11	(16.83)	-
Total adjustments	**(234.46)**	**119.69**	**167.07**	**37.01**	**(10.85)**	**(175.33)**
Net profit after tax, as restated	**1,103.08**	**938.08**	**3,152.15**	**2,986.73**	**3,348.08**	**3,098.84**

3. Notes on adjustments to the restated unconsolidated summary statements and other disclosures

A) Other material adjustments

(a) Capital advances written-off : During the year ended 31 March 2010, the Company wrote off capital advances paid in earlier years. For the purpose of Restated Financial Statements this has been debited to the statement of profit and loss in the years when such advance was paid and

accordingly, the reserves as at 1 April 2008 have been restated.

(b) **Depreciation:** During the year ended 31 March 2010, the Company has revised the estimated useful life for certain assets. For the purpose of the Restated Financial Statements, the arrears in depreciation provided during the year ended 31 March 2010 has been debited to the statement of profit and loss of those years to which depreciation was pertaining to and reserves as at 1 April 2008 have been restated for the depreciation pertaining to periods prior to the same.

(c) **Provision for tax of earlier years:** During the years ended 31 March 2009, 2010, 2011 and for the period ended 31 December 2013, the Company had provided or written back income tax pertaining to earlier years. For the purpose of the Restated Financial Statements, these amounts has been adjusted to the statement of profit and loss in those years for which the provision actually pertains to and profit brought forward as at 1 April 2008 from Veega Holidays and Parks Private Limited have been restated for the provision for tax of earliers years pertaining to it.

(d) **Provision for service tax:** During the year ended 31 March 2012 and 31 March 2013, the Company had made a provision for service tax based on the notices received by it during the aforesaid period. For the purpose of the Restated Financial Statements, these amounts have been adjusted to the statement of profit and loss in the years in which such provision actually pertains to.

(e) **Advances received written-off:** During the year ended 31 March 2013, the Company has written-back advances received by it in the earlier years. For the purpose of the Restated Financial Statements, these amounts have been adjusted to the statement of profit and loss of the years in which these advances were actually received.

(f) **Deferred tax:** During the year ended 31 March 2008, deferred tax asset on unabsorbed depreciation and carried forward business loss was not created to the extent of deferred tax liability in the books of account. For the purpose of the Restated Fiancial Statement, deferred tax asset has beeen created.

(g) **Tax impact of the adjustments:** Tax impact on adjustments relating to the adjustments made in respect of restatement of the financial statements have been adjusted in the respective years. The current taxes provided in the years ended 31 March 2009, 2010, 2011, 2012, 2013 for the period ended 31 December 2013 are on an estimated basis.

B) **Regrouping**

Figures have been regrouped / recasted for the consistency of presentation.

C) **Regrouping**

During the year ended 31 March 2012, the revised Schedule VI to the Companies Act, 1956, became applicable to the Company for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosure made in the financial statements. Accordingly, the reclassifications have been made in the financial statements for the year ended 31 March 2011; 31 March 2010 and 31 March 2009 to comply with the requirements of the revised Schedule VI. Since it does not have any impact on the recognition and measurement of the figures, these have not heen included as a part of differences above.

4. Contingent liabilities, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Disputed special entry tax demand pending appeal	5.35	5.35	5.35	5.35	5.35	5.35
Disputed entertainment tax	438.62	213.04	9.89	9.89	9.89	9.89
Claims for compensation	17.28	17.28	17.28	17.28	17.28	17.28
Income tax demand pending appeal	84.86	84.86	99.55	99.55	99.55	99.55
Interest on water cess	-	-	-	1.67	1.67	1.67
Service tax demand pending appeal	-	-	-	99.62	178.53	211.11
Bank guarantees	17.33	11.63	10.38	10.38	11.14	11.14

5. Gratuity, as restated

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on completion of service/leaving the Company, at 15 days salary (last drawn basic salary and dearness allowance) for each completed year of service or part thereof in excess of six months. These benefits are funded.

Particulars	As at and for the year ended 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Obligations at beginning of the year/period	22.59	39.06	53.18	74.22	79.46	167.21
Current service cost	10.08	10.35	23.05	15.06	92.77	40.23
Past Service Cost	-	10.84	-	-	-	-
Interest cost on defined benefit obligation	1.67	3.00	4.03	6.11	5.95	10.55
Benefits paid	(4.15)	(3.15)	(5.60)	(4.65)	(14.72)	(19.38)
Net actuarial (gain) / loss for the year/period	8.87	(6.92)	(0.44)	(11.28)	3.75	(2.68)
Obligations at end of the year/period	**39.06**	**53.18**	**74.22**	**79.46**	**167.21**	**195.93**
Plan assets at year/period beginning, at fair value	27.56	38.14	42.94	55.35	88.27	84.16
Expected return on plan assets (estimated)	2.23	3.05	4.53	5.52	6.61	6.87
Actuarial gain / (loss)	0.22	(0.36)	0.30	0.05	0.66	0.43
Contributions	12.28	5.26	13.18	32.00	3.34	80.00
Benefits settled	(4.15)	(3.15)	(5.60)	(4.65)	(14.72)	(19.38)
Plan assets at year/period end, at fair value	**38.14**	**42.94**	**55.35**	**88.27**	**84.16**	**152.08**
Reconciliation of present value of the obligation and the fair value of the plan assets:						
Closing obligations	39.06	53.18	74.22	79.46	167.21	195.93
Closing fair value of plan assets	(38.14)	(42.94)	(55.35)	(88.27)	(84.16)	(152.08)

Particulars	As at and for the year ended 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Surplus not recognized (related to amalgamated company)	2.65	-	-	-	-	-
Liability recognized in the balance sheet	**3.57**	**10.24**	**18.87**	**(8.81)**	**83.05**	**43.85**
Gratuity cost for the year/period						
Current service cost	10.08	10.35	23.05	15.06	92.77	40.23
Past Service Cost	-	10.84	-	-	-	-
Interest cost on defined benefit obligation	1.67	3.00	4.03	6.11	5.95	10.55
Expected return on plan assets	(2.23)	(3.05)	(4.53)	(5.52)	(6.61)	(6.87)
Net actuarial (gain) / loss for the year/period	8.65	(6.56)	(0.74)	(11.33)	3.09	(3.11)
Net gratuity cost	**18.17**	**14.58**	**21.81**	**4.32**	**95.20**	**40.80**
Assumptions						
Expected return of plan assets	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Discount rate	7.00%	8.00%	8.00%	8.50%	8.25%	8.93%
Salary increase	5.00%	3.00%	3.00%	3.00%	6.00%	6.00%
Attrition rate	1% - 3%	11.5%	11.5%	10%	12%	12%
Retirement age	58	58	58	58	58	58

6. Segment reporting, as restated

Business segments: The Company has organized its operations into three businesses: amusement parks, resort and others.

Geographic segments: The Company does not have any reportable geographical segment as all its operations are in India.

The accounting principles used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Other expenses are not specifically allocable to the individual segments as these expenses are common in nature. The Company therefore believes that it is not practicable to provide segment disclosure relating to such expenses and accordingly such expenses are separately disclosed as unallocated and directly charged against total income.

Certain segment assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, trade receivables and loans and advances. Segment liabilities include trade creditors, creditors for expenses and other operating liabilities and provisions. Certain assets and liabilities that are not specifically allocable to the individual segments have been separately disclosed as unallocated.

(Amounts in lacs)

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
Revenues						
Total revenue						
Amusement parks	5,717.19	6,299.86	8,244.94	10,466.70	12,092.66	10,278.13
Resort	-	-	-	0.67	583.90	468.57
Others	518.80	586.65	719.46	846.12	1,108.49	1,222.29
Other income						
Amusement parks	72.44	78.30	1,171.52	98.24	93.06	94.00
Resort	-	-	-	-	10.67	8.67
Others	-	-	-	-	-	-
Segment revenue	**6,308.43**	**6,964.81**	**10,135.92**	**11,411.73**	**13,888.78**	**12,071.66**
Results						
Amusement parks	1,675.65	2,038.27	4,543.27	4,691.47	5,309.99	4,411.04
Resort	-	-	-	(145.60)	(500.23)	(206.27)
Others	168.84	178.92	254.32	290.59	419.71	508.82
Segment result	**1,844.49**	**2,217.19**	**4,797.59**	**4,836.46**	**5,229.47**	**4,713.59**
Other unallocable expenditure, net of unallocable income	(173.40)	(199.01)	(215.19)	(344.05)	(248.90)	(124.59)
Interest and dividend income	22.33	10.24	65.74	40.56	28.65	80.90
Finance cost	(763.57)	(578.26)	(389.94)	(113.29)	-	-
Taxation	173.23	(512.08)	(1,106.05)	(1,432.95)	(1,661.14)	(1,571.06)
Net profit / (loss), as restated	**1,103.08**	**938.08**	**3,152.15**	**2,986.73**	**3,348.08**	**3,098.84**
Segment assets						
Amusement parks	11,875.40	11,150.53	10,523.19	11,086.02	13,646.44	14,767.63
Resort	-	-	-	2,738.05	2,716.64	2,627.76
Others	48.57	56.08	45.25	52.73	60.86	82.60
Corporate - unallocated	157.20	191.76	165.28	179.73	261.49	1,702.02
Total assets	**12,081.17**	**11,398.37**	**10,733.72**	**14,056.53**	**16,685.43**	**19,180.01**
Segment liabilities						
Amusement parks	7,265.49	5,586.45	2,203.55	1,677.60	2,480.53	1,953.78
Resort	-	-	-	1,572.51	1,390.87	1,222.95
Others	22.03	48.84	33.59	38.15	56.75	95.07
Corporate - unallocated	382.24	903.87	1,217.40	1,234.18	612.15	664.26
Total liabilities	**7,669.76**	**6,539.16**	**3,454.54**	**4,522.44**	**4,540.30**	**3,936.06**
Capital expenditure						
Amusement parks	326.95	454.28	1,302.57	1,976.70	3,534.15	2,739.26
Resort	-	-	-	1,961.74	90.96	6.69
Others	-	-	-	-	-	-
Total	**326.95**	**454.28**	**1,302.57**	**3,938.44**	**3,625.11**	**2,745.95**
Depreciation						
Amusement parks	1,172.68	1,182.79	1,182.65	1,101.90	1,054.48	914.08

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
Resort	-	-	-	53.83	130.00	98.18
Others	-	-	-	-	-	-
Total	**1,172.68**	**1,182.79**	**1,182.65**	**1,155.73**	**1,184.48**	**1,012.26**
Non-cash expenses other than depreciation						
Foreign exchange gain/(loss)	(5.00)	0.50	-	0.06	1.69	1.89

Wonderla Holidays Limited
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Annexure V

Details of current investments, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Current investments						
Non trade, quoted - at cost						
Investment in mutual funds	-	-	-	-	-	1,391.98
Total	**-**	**-**	**-**	**-**	**-**	**1,391.98**

Wonderla Holidays Limited
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Annexure VA

Details of inventories, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Inventories						
Stock in trade	48.59	56.08	45.25	55.38	67.48	93.43
Stores and spares						
- in hand	58.09	74.29	94.34	119.02	206.95	255.43
- in transit	-	-	-	0.89	-	-
Others - fuel	4.48	3.38	5.07	6.21	6.12	12.86
Total	**111.16**	**133.75**	**144.66**	**181.50**	**280.55**	**361.72**

Wonderla Holidays Limited
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Annexure VI

Statement of trade receivables, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Unsecured, considered good						
Debts outstanding for a period exceeding six months from the date they became due for payment						
- Promoters/promoter group/relative of directors/related toissuer	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total (A)	**-**	**-**	**-**	**-**	**-**	**-**
Other debts from						
- Promoters/promoter group/relative of directors/related toissuer	-	-	-	-	-	-
- Others	10.93	16.42	26.00	20.20	48.62	56.50
Total (B)	**10.93**	**16.42**	**26.00**	**20.20**	**48.62**	**56.50**
TOTAL (A+B)	**10.93**	**16.42**	**26.00**	**20.20**	**48.62**	**56.50**

Wonderla Holidays Limited
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Annexure VII(A)

Statement of fixed assets, as restated

Particulars	Tangible Assets									Intangible Assets		
	Land	Buildings	Gardening and landscaping	Plant & equipments	Electrical equipments	Office equipments	Restaurant equipments	Vehicles	Furniture & fixtures	Technical know-how	Film rights	Computer software
Cost												
Balance as at 1 April 2008	1,941.14	3,204.75	21.32	8,574.15	1,069.85	146.65	114.94	211.98	196.24	140.54	8.98	4.75
Additions	202.18	110.23	-	772.73	12.17	7.85	1.44	-	0.43	-	-	-
Disposals	-	-	-	6.86	2.38	2.13	0.57	-	0.61	-	-	-
Balance as at 1 April 2009	2,143.32	3,314.98	21.32	9,340.02	1,079.64	152.37	115.81	211.98	196.06	140.54	8.98	4.75
Additions	42.68	1.38	-	183.78	10.40	16.32	0.71	67.07	3.67	-	1.50	1.46
Disposals	-	2.25	-	26.85	8.77	5.83	0.55	62.26	0.55	-	-	-
Balance as at 1 April 2010	2,186.00	3,314.11	21.32	9,496.95	1,081.27	162.86	115.97	216.79	199.18	140.54	10.48	6.21
Additions	34.36	87.48	-	448.86	15.93	15.68	7.56	46.99	4.79	-	4.14	0.42
Disposals	714.73	19.64	-	2.60	0.18	7.37	6.08	15.22	0.42	-	-	-
Balance as at 1 April 2011	1,505.63	3,381.95	21.32	9,943.21	1,097.02	171.17	117.45	248.56	203.55	140.54	14.62	6.63
Additions	506.22	2,054.54	-	781.05	81.41	50.71	74.40	116.41	284.40	-	3.75	8.23
Disposals	-	0.99	-	2.16	2.97	3.27	1.59	21.77	0.11	-	-	-
Balance as at 31 March 2012	2,011.85	5,435.50	21.32	10,722.10	1,175.46	218.61	190.26	343.20	487.84	140.54	18.37	14.86
Additions	2,375.37	445.83	-	309.31	121.99	63.05	31.72	75.67	66.47	-	-	0.54
Disposals	-	5.97	-	19.32	4.42	20.99	0.77	15.48	0.16	-	-	-
Balance as at 31 March 2013	4,387.22	5,875.36	21.32	11,012.09	1,293.03	260.67	221.21	403.39	554.15	140.54	18.37	15.40
Additions	288.07	235.05	-	327.49	203.03	49.78	11.28	150.07	9.69	-	14.05	4.05
Disposals	-	0.42	-	10.58	6.92	20.27	5.72	100.28	0.47	-	-	-
Balance as at 31 December 2013	4,675.29	6,109.99	21.32	11,329.00	1,489.14	290.18	226.77	453.18	563.37	140.54	32.42	19.45
Accumulated Depreciation												
Balance as at 1 April 2008	-	524.62	10.49	3,026.05	279.48	85.41	23.24	71.66	65.74	34.54	5.61	1.29
Depreciation for the year	-	117.82	4.09	905.85	69.15	19.89	5.53	21.39	11.49	13.39	3.36	0.77
Disposals	-	-	-	3.62	0.99	1.53	0.30	-	0.61	-	-	-
Balance as at 1 April 2009	-	642.44	14.58	3,928.28	347.64	103.77	28.47	93.05	76.62	47.93	8.97	2.06
Depreciation for the year	-	122.99	4.10	922.89	60.93	17.05	4.24	23.43	12.92	13.39	-	0.90
Disposals	-	0.81	-	26.06	5.78	5.67	0.28	34.67	0.55	-	-	-
Balance as at 1 April 2010	-	764.62	18.68	4,825.11	402.79	115.15	32.43	81.81	88.99	61.32	8.97	2.96
Depreciation for the year	-	132.72	1.71	895.79	70.11	21.56	5.99	22.84	15.45	13.39	2.11	1.07
Disposals	-	19.64	-	2.11	0.13	6.88	2.91	8.84	0.36	-	-	-
Balance as at 1 April 2011	-	877.70	20.39	5,718.79	472.77	129.83	35.51	95.81	104.08	74.71	11.08	4.03
Depreciation for the year	-	118.10	-	838.89	72.90	16.07	5.93	29.05	57.50	13.39	2.72	1.19
Disposals	-	0.26	-	2.07	1.66	3.16	0.82	14.14	0.11	-	-	-
Balance as at 31 March 2012	-	995.54	20.39	6,555.61	544.01	142.74	40.62	110.72	161.47	88.10	13.80	5.22

Particulars	Tangible Assets									Intangible Assets		
	Land	Buildings	Gardening and landscaping	Plant & equipments	Electrical equipments	Office equipments	Restaurant equipments	Vehicles	Furniture & fixtures	Technical know-how	Film rights	Computer software
Depreciation for the year	-	160.89	-	778.18	85.25	22.22	13.53	37.19	68.63	13.39	3.98	2.42
Disposals	-	0.64	-	16.21	3.84	19.87	0.36	15.08	0.11	-	-	-
Balance as at 31 March 2013	-	1,155.79	20.39	7,317.58	625.42	145.09	53.79	132.83	229.99	101.49	17.78	7.64
Depreciation for the period	-	131.52	-	617.86	108.29	26.24	21.14	34.77	60.25	10.01	1.72	2.23
Disposals	-	0.22	-	6.89	5.63	17.57	2.06	48.88	0.38	-	-	-
Balance as at 31 December 2013	-	1,287.09	20.39	7,928.55	728.08	153.76	72.87	118.72	289.86	111.50	19.50	9.87
Carrying amounts												
As at 31 March 2009	2,143.32	2,672.54	6.74	5,411.74	732.00	48.60	87.34	118.93	119.44	92.61	0.01	2.69
As at 31 March 2010	2,186.00	2,549.49	2.64	4,671.84	678.48	47.71	83.54	134.98	110.19	79.22	1.51	3.25
As at 31 March 2011	1,505.63	2,504.25	0.93	4,224.42	624.25	41.34	81.94	152.75	99.47	65.83	3.54	2.60
As at 31 March 2012	2,011.85	4,439.96	0.93	4,166.49	631.45	75.87	149.64	232.48	326.37	52.44	4.57	9.64
As at 31 March 2013	4,387.22	4,719.57	0.93	3,694.51	667.61	115.58	167.42	270.56	324.16	39.05	0.59	7.76
As at 31 December 2013	4,675.29	4,822.90	0.93	3,400.45	761.06	136.42	153.90	334.46	273.51	29.04	12.92	9.58

Wonderla Holidays Limited
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Annexure VII(B)

Statement of capital work-in-progress, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Capital work-in-progress						
Capital work-in-progress- Buildings	-	11.44	-	33.32	30.97	1.62
Capital work-in-progress- Plant and equipments	4.01	98.14	165.30	354.84	296.98	825.96
Capital work-in-progress- Electrical	-	-	-	39.62	169.03	-
Capital work-in-progress - Resort	-	19.06	597.81	-	-	-
Capital work-in-progress - Hyderabad	-	-	-	-	70.11	1,194.81
Capital work-in-progress - Land development	-	-	-	-	-	-
Construction materials	2.29	2.96	4.77	9.12	4.99	3.06
Total	**6.30**	**131.60**	**767.88**	**436.90**	**572.08**	**2,025.45**

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Annexure VIII

Statement of long-term and short-term loans and advances and other non-current and current assets, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Long-term loans and advances *(Unsecured, considered good)*						
Advances for capital goods	75.09	65.01	101.61	642.26	561.05	74.16
Security deposits	87.42	96.97	88.65	89.35	91.65	102.16
Advance tax and tax deducted at source (net of provision for tax)	86.03	72.51	165.27	179.67	179.67	87.45
MAT credit entitlement - F.Y. 08-09	71.11	-	-	-	-	-
Long-term loans and advances *(Unsecured, considered doubtful)*	-	-	-	-	-	-
Capital advances	127.03	127.03	127.03	127.03	127.03	98.88
Less: Provision for doubtful advance	(127.03)	(127.03)	(127.03)	(127.03)	(127.03)	(98.88)
Total (A)	**319.65**	**234.49**	**355.53**	**911.28**	**832.37**	**263.77**
Other non-current assets						
Balance with banks in deposit accounts held under lien towards bank guarantee	17.33	11.63	10.38	10.38	12.12	19.43
Interest accrued on deposits	0.17	0.62	-	0.61	0.65	0.22
Total (B)	**17.50**	**12.25**	**10.38**	**10.99**	**12.77**	**19.65**
Short-term loans and advances						
Loan to employees	29.84	11.74	11.49	14.95	20.65	17.15
Prepaid expenses	47.41	51.13	58.81	82.85	91.35	55.15
MAT credit entitlement	-	119.23	-	-	-	-
Refund receivable	53.76	4.27	-	-	-	-
Advances recoverable in cash or in kind for a value to be received	12.65	15.00	11.00	38.36	56.85	52.76
Total (C)	**143.66**	**201.37**	**81.30**	**136.16**	**168.85**	**125.06**
Other current assets						
Income receivable	0.04	3.30	4.00	3.70	0.45	1.21
Sales tax- Advance	5.35	5.35	5.35	5.35	5.35	5.35
Initial public offering expenses	-	-	-	-	81.76	222.59
Total (D)	**5.39**	**8.65**	**9.35**	**9.05**	**87.56**	**229.15**
Total (A+B+C+D)	**486.20**	**456.76**	**456.56**	**1,067.48**	**1,101.55**	**637.63**
Loans and advances & current and non-current assets includes amount due to promoters/promoter group/relatives of directors/related to issuer.	**2.64**	**-**	**-**	**-**	**-**	**-**

Wonderla Holidays Limited
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Annexure IX

Statement of long-term and short-term borrowings, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Long term borrowings						
- Term loans from banks	2,549.67	1,610.79	806.66	1,580.31	1,125.72	1,465.00
- Term loans from KSIDC	345.35	-	-	-	-	-
- Corporate loans from banks	164.00	-	-	-	100.00	201.50
- Vehicle loans from banks	-	9.69	-	29.53	17.67	36.47
- from promoters and group companies of promoters	423.23	423.23	-	-	-	-
	3,482.25	**2,043.71**	**806.66**	**1,609.84**	**1,243.39**	**1,702.97**
Short term borrowings						
- Working capital loan from State Bank of India	208.92	32.51	99.88	-	-	-
- Working capital loan from Axis Bank Limited	-	-	-	53.80	15.63	143.86
- from promoters and group companies of promoters	1,936.08	1,620.06	-	-	-	-
- Corporate loans	-	-	-	-	600.00	-
	2,145.00	**1,652.57**	**99.88**	**53.80**	**615.63**	**143.86**
Current maturities of long term borrowings						
- Term loans from banks	994.28	939.23	866.49	565.69	214.00	160.50
- Vehicle loans from banks	8.07	8.74	9.69	17.38	23.95	28.24
- Corporate loans from banks	168.00	164.00	-	-	-	66.80

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Annexure - IX(A) (continued)

Details of long-term and short-term borrowings outstanding as at 31 December 2013

(Amounts in lacs)

SI. No.	Name of the lender	Nature of borrowing	Amount sanctioned	Amount outstanding	Rate of Interest	Date of sanction	Repayment terms	Prepayment charges	Default charges	Security
1	Axis Bank Limited	Vehicle Loans	55.00	15.32	10.01% p.a. payable monthly	20-Sep-11	36 Monthly installments	5% of outstanding principal amount.	2% on the overdue installment/interest for the period commencing from the due date for payment of such interest/principal installment upto the business day on which such amount is paid by the company	Secured by the hypothecation of vehicle purchased using the loan.
2	State Bank of Travancore	Long term loans	1,500.00	1,125.50	Floating rate of 2% above SBT rate payable monthly. The applicable rate as on 31 December 2012 is 12.50% p.a. payable monthly	24-Sep-10	27 Quarterly Installments	1% of the prepaid amount	2% on the overdue installment/interest for the period commencing from the due date for payment of such interest/principal installment upto the business day on which such amount is paid by the company	Secured by way of hypothecation of all the moveable fixed asset of resort and pari passu charge along with other terms lender over the entire fixed assets at the bangalore facility, both moveable and immoveable, present and future and also personal guarantees of Arun K Chittilappilly and Kochouseph Chittilappilly
3	State Bank of Travancore	Long term loans	5,000.00	500.00	Floating rate of 1.75% above SBT rate payable monthly. The applicable rate as on 31 December 2012 is 12.50% p.a. payable monthly	24-Mar-12	24 Quarterly Installments	Nil		Secured pari passu by equitable mortgage on all fixed assets of the Hyderabad unit including equitable mortgage of landed property of 54 acres. This is further guaranteed by the personal guarantees of Kochouseph

SI. No.	Name of the lender	Nature of borrowing	Amount sanctioned	Amount outstanding	Rate of Interest	Date of sanction	Repayment terms	Prepayment charges	Default charges	Security
										Chittilappilly and Arun K Chittilappilly, directors of the Company
4	Dhanlaxmi Bank	Long term loans	2,300.00	268.30	Floating rate of 1.25% above the base rate. The applicable rate as on 31 March 2013 is 12.50%	4-May-12	20 Quarterly Installments	Foreclosure charges waived	As fixed by bank from time to time	Secured by primary charge on movable and immovable assets on 25.47 acres under survey nos. 9/3,4, 11/1, 80/1, 81/3, 82, 83/6,8, 84/3,4,5,6,7,8,9,10,12, 126/3 of the Company's land situated at Kunnathunadu Village, Cochin and development thereon with value not less than Rs. 3,000 lacs. This loan is further guaranteed by personal guarantees of Kochouseph Chittilappilly and Arun K Chittilappilly, directors of the Company
5	HDFC Bank	Vehicle Loans	11.00	6.27	10.75% p.a. payable monthly	05-Aug-12	36 Monthly installments	Not allowed within 6 months from the first EMI date, 6% of outstanding principal within 7 months to 12 months from the first EMI date, 5% of outstanding principal within 13 months to 24 months from the first EMI date, 3% of outstanding principal after 24 months	2% or such other rate determine by the bank on the overdue installment/interest for the period commencing from the due date for payment of such interest/principal installment upto the business day on which such amount is paid by the company	Secured by the hypothecation of vehicle purchased using the loan.

SI. No.	Name of the lender	Nature of borrowing	Amount sanctioned	Amount outstanding	Rate of Interest	Date of sanction	Repayment terms	Prepayment charges	Default charges	Security
								from the first EMI date.		
6	HDFC Bank	Vehicle Loans	4.00	2.28	10.75% p.a. payable monthly	05-Aug-12	36 Monthly installments	Not allowed within 6 months from the first EMI date, 6% of outstanding principal within 7 months to 12 months from the first EMI date, 5% of outstanding principal within 13 months to 24 months from the first EMI date, 3% of outstanding principal after 24 months from the first EMI date.	2% or such other rate determine by the bank on the overdue installment/interest for the period commencing from the due date for payment of such interest/principal installment upto the business day on which such amount is paid by the company	Secured by the hypothecation of vehicle purchased using the loan.
7	Axis Bank Ltd	Working Capital loan	600.00	143.86	Floating rate of 2.50% above base rate payable monthly. The applicable rate as on 31 December 2012 is 12.65% p.a. payable monthly	26-Oct-11	Within 1 year	To be repaid within one year from the date of loan taken, Hence no prepayment charges.	2% on the overdue amount for the period commencing from the due date for payment of such interest/principal installment upto the business day on which such amount is paid by the Company.	Pari Passu charge along with other lenders by way of hypothecation of entire current asset of the company (Present and Future). Collateral: Equitable mortgage of land and building located at Bidadi Hobli, Ramanagaram Taluk, Ramanagaram District measuring 81.75 acres on pari passu basis with SBT.
8	Axis Bank Limited	Vehicle Loans	45.00	40.83	10% p.a. payable monthly	31-May-13	60 Monthly installments	5% of outstanding principal amount.	2% on the overdue installment/interest for the period commencing from the due date for payment of such interest/principal	Secured by the hypothecation of vehicle purchased using the loan.

SI. No.	Name of the lender	Nature of borrowing	Amount sanctioned	Amount outstanding	Rate of Interest	Date of sanction	Repayment terms	Prepayment charges	Default charges	Security
									installment upto the business day on which such amount is paid by the company	

Wonderla Holidays Limited
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Annexure X

Statement of current and non-current liabilities and long-term and short-term provisions, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Non-current liabilities						
Long-term provisions						
Leave encashment	19.75	32.94	35.67	45.68	79.34	103.82
Gratuity	-	-	-	-	72.71	26.33
Total (A)	**19.75**	**32.94**	**35.67**	**45.68**	**152.05**	**130.15**
Current liabilities						
Trade payables						
Dues to micro and small enterprises	-	-	-	-	-	
Dues to others	67.26	154.49	206.77	369.27	401.74	588.88
Total (B)	**67.26**	**154.49**	**206.77**	**369.27**	**401.74**	**588.88**
Other current liabilities						
Current maturities of long - term loans	994.28	939.23	866.49	565.69	214.00	160.50
Current maturities of corporate loans	168.00	164.00	-	-	-	66.80
Current maturities of vehicle loans	8.07	8.74	9.69	17.38	23.95	28.24
Interest accrued and due on term loans	34.50	27.67	14.09	22.45	13.95	17.03
Interest accrued and due on corporate loans	3.04	3.08	-	-	6.27	1.87
Entry fee/income received in advance	19.73	21.04	25.90	24.39	30.65	72.40
Other payables:						
Creditors for capital purchase	2.03	10.25	42.22	278.81	76.84	26.52
Due to employees	61.45	83.06	97.33	123.43	150.44	140.90
Statutory dues payable	41.88	43.44	27.85	40.03	59.66	84.26
Security deposits	29.93	29.02	29.52	30.95	36.59	44.43
Commission payable	-	-	-	75.49	82.98	95.63
Others	-	-	-	0.14	0.27	3.44
Total (C)	**1,362.91**	**1,329.53**	**1,113.09**	**1,178.76**	**695.60**	**742.02**
Short-term provisions						
Provision for employee benefits :-						
- Compensated absences	4.29	4.69	5.92	9.14	11.46	14.73
- Gratuity	3.57	10.24	18.88	-	10.35	17.52
Other provisions :						
Proposed final dividend payable	-	420.00	630.00	630.00	630.00	
Provision for interim dividend	120.00	-	-	-	-	
Dividend distribution tax on proposed final dividend payable	20.39	69.76	102.20	102.20	107.07	
Dividend distribution tax on proposed on interim dividend						

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Provision for income tax (net of advance tax)	5.95	67.03	27.35	113.01	227.46	176.01
Provision for fringe benefit tax (net of advance tax)	0.76	0.07	-	-	-	
Provision for service tax	9.24	25.40	45.72	71.17	71.17	71.17
Provision for entertainment tax	401.15	414.20	4.37	4.37	4.37	4.37
Provision for wealth tax	0.64	0.38	0.66	0.84	0.94	
Total (D)	**565.99**	**1,011.77**	**835.10**	**930.73**	**1,062.82**	**283.80**
TOTAL (A+B+C+D)	**2,015.91**	**2,528.73**	**2,190.63**	**2,524.44**	**2,312.21**	**1,744.85**

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Annexure XI

Statement of share capital, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
Equity shares of Rs 10 each						
Authorized share capital	3,000.00	4,500.00	4,500.00	4,500.00	6,000.00	6,000.00
Issued, subscribed and fully paid-up	2,600.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00
Reconciliation of number of shares (in lacs):						
Number of shares at the beginning of the year	300.00	260.00	420.00	420.00	420.00	420.00
Add: Shares issued during the year						
In cash	-	-	-	-	-	-
Other than cash pursuant to the scheme of amalgamation	-	160.00	-	-	-	-
Less : Fully paid up shares cancelled pursuant to the scheme of amalgamation	(40.00)	-	-	-	-	-
Number of shares at the closing of the year	260.00	420.00	420.00	420.00	420.00	420.00

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Annexure XII

Statement of reserves and surplus, as restated

(Amounts in lacs)

Particulars	As at 31 March					As at 31 December
	2009	2010	2011	2012	2013	2013
General reserve (A)						
Balance as per last balance sheet	-	60.00	93.50	317.39	538.62	790.55
Add: Amount transferred from statement of profit and loss	60.00	33.50	223.89	221.23	251.93	-
Total (A)	**60.00**	**93.50**	**317.39**	**538.62**	**790.55**	**790.55**
Shares premium account (B)						
Opening balance	300.00	300.00	300.00	300.00	300.00	300.00
Add: Received during the year	-	-	-	-	-	-
Total (B)	**300.00**	**300.00**	**300.00**	**300.00**	**300.00**	**300.00**
Surplus: statement of profit and loss (C)						
Opening balance	(1,443.74)	(149.02)	265.80	2,461.86	4,495.16	6,854.24
Adjustment in opening reserves:	-	-	-	-	-	-
Add :Brought forward profit of theamalgamating company	1,356.81	-	-	-	-	-
Adjustment in brought forward profits	(115.89)	-				
Add : Adjustment for issue of shares to the amalgamating company [Refer notes in Annexure XX]	(755.29)	-	-	-	-	-
Add: Net profit after tax transferred from Statement of profit and loss	1,103.08	938.08	3,152.15	2,986.73	3,348.08	3,098.84
Amount available for appropriation	**144.97**	**789.06**	**3,417.95**	**5,448.59**	**7,843.24**	**9,953.08**
Less: Transfer to general reserve	(60.00)	(33.50)	(223.89)	(221.23)	(251.93)	
Less: Interim dividend paid/proposed #	(200.00)	-	-	-	-	-
Less: Proposed final dividend	-	(420.00)	(630.00)	(630.00)	(630.00)	
Less: Dividend distribution tax on proposed final dividend	(33.99)	(69.76)	(102.20)	(102.20)	(107.07)	
Total (C)	**(149.02)**	**265.80**	**2,461.86**	**4,495.16**	**6,854.24**	**9,953.08**
Total (A+B+C)	**210.98**	**659.30**	**3,079.25**	**5,333.78**	**7,944.79**	**11,043.63**
# Refer note in Annexure XIV						

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Annexure XIII

Details of other income, as restated

(Amounts in lacs)

Particulars	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013	Related/Not related to business activity
	2009	2010	2011	2012	2013		
Other income	94.77	88.66	157.30	138.80	132.38	183.58	
Net profit before tax	929.85	1,450.16	4,258.22	4,419.68	5,009.22	4,669.90	
Percentage	**10.19%**	**6.11%**	**3.69%**	**3.14%**	**2.64%**	**3.93%**	
Sources of other income							
Recurring							
Rent received	37.28	45.79	60.74	41.06	54.92	49.70	Notrelated
Interest received	6.88	9.09	4.65	4.18	1.76	20.41	Notrelated
Dividend from mutual fund	15.44	1.23	61.09	36.37	26.89	60.50	Notrelated
Non-recurring							
Profit on sale of fixed assets/excess depreciation, net	-	-	-	-	2.21	-	Notrelated
Foreign exchange gain (net)	-	-	-	0.06	1.70	1.89	Notrelated
Miscellaneous income	35.17	32.55	30.82	57.13	44.90	51.08	Notrelated
Total	**94.77**	**88.66**	**157.30**	**138.80**	**132.38**	**183.58**	

Wonderla Holidays Limited
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Annexure XIV

Statement of dividend paid, as restated

(Amounts in lacs, other than share related data)

Particulars	For the year ended 31 March					As at 31 December
	2009*	2010	2011	2012	2013	2013
Number of fully paid equity shares	26,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000
Equity share capital	2,600	4,200	4,200	4,200	4,200	4,200
Face value (Rs.)	10	10	10	10	10	10
Rate of dividend %	-	10	15	15	15	-
Amount of dividend	-	420	630	630	630	-

* During the year ended 31 March 2009 Wonderla Holidays Limited paid Rs 20,000,000/- as dividend to share holders of Veega Holidays and Parks Private Limited as a part of amalgamation scheme.

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Annexure XV

Details of the list of related parties and nature of relationships, as restated

Particulars	Year ended 31 March 2009	Year ended 31 March 2010	Year ended 31 March 2011	Year ended 31 March 2012	Year ended 31 March 2013	For the period from 1 April 2013 to 31 December 2013
Key management personnel	Kochouseph Chittilappilly, Chairman & Director	Kochouseph Chittilappilly, Chairman & Managing Director	Kochouseph Chittilappilly, Chairman & Managing Director	Kochouseph Chittilappilly, Vice Chairman	Kochouseph Chittilappilly, Vice Chairman	Kochouseph Chittilappilly, Vice Chairman
	Sheela Kochouseph, Director (upto 25 April 2008)	-	-	-	-	-
	Mithun K. Chittilappilly, Director (upto 25 April 2008)	-	-	-	-	-
	Arun K Chittilappilly, Managing Director	Arun K Chittilappilly, Director	Arun K Chittilappilly, Director	Arun K Chittilappilly, Managing Director	Arun K Chittilappilly, Managing Director	Arun K Chittilappilly, Managing Director
	Priya Sarah Cheeran Joseph, Director	Priya Sarah Cheeran Joseph, Director	Priya Sarah Cheeran Joseph, Director	Priya Sarah Cheeran Joseph, Director	Priya Sarah Cheeran Joseph, Director	Priya Sarah Cheeran Joseph, Director
	B Jayaraj, Whole time director	B Jayaraj, Whole time director (upto 31 October 2009)	-	-	-	-
	K. Vijayan, Director (upto 25 April 2008)	-	-	-	-	-
	M Sivadas, Whole time Director	M Sivadas, Whole time Director (upto	-	-	-	-

Particulars	Year ended 31 March 2009	Year ended 31 March 2010	Year ended 31 March 2011	Year ended 31 March 2012	Year ended 31 March 2013	For the period from 1 April 2013 to 31 December 2013
	(from 23 May 2008)	31 October 2009)				
	-	Gautham Buddha Basu, Sr. Executive Director (from 02 December 2009)	Gautham Buddha Basu, Sr. Executive Director (upto 07 December 2010)	-	-	-
	-	-	R S Raghavan, Director (Finance) (from 31 January 2011)	R S Raghavan, Director (upto 01 August 2011)	-	-
	-	-	-	George Joseph, Chairman (from 12 September 2011)	George Joseph, Chairman	George Joseph, Chairman
	-	-	-	M P Ramachandran (from 24 November 2011)	M P Ramachandran	M P Ramachandran
Relatives of key management personnel	Sheela Kochouseph, Wife of Kochouseph Chittilappilly	Sheela Kochouseph, Wife of Kochouseph Chittilappilly	Sheela Kochouseph, Wife of Kochouseph Chittilappilly	Sheela Kochouseph, Wife of Kochouseph Chittilappilly	Sheela Kochouseph, Wife of Kochouseph Chittilappilly	Sheela Kochouseph, Wife of Kochouseph Chittilappilly
	Mithun K. Chittilappilly, Son of Kochouseph Chittilappilly	Mithun K . Chittilappilly, Son of Kochouseph Chittilappilly	Mithun K. Chittilappilly, Son of Kochouseph Chittilappilly	Mithun K. Chittilappilly, Son of Kochouseph Chittilappilly	Mithun K . Chittilappilly, Son of Kochouseph Chittilappilly	Mithun K. Chittilappilly, Son of Kochouseph Chittilappilly
Companies over which the key managerial personnel and relatives have control/ significant influence (associates)	V-Guard Industries Limited	V-Guard Industries Limited	V-Guard Industries Limited	V-Guard Industries Limited	V-Guard Industries Limited	V-Guard Industries Limited
	V-Star Creations Private Limited	V-Star Creations Private Limited	V-Star Creations Private Limited	V-Star Creations Private Limited	V-Star Creations Private Limited	V-Star Creations Private Limited
	Vintes Solutions Private Limited	Vintes Solutions Private Limited	Vintes Solutions Private Limited	Veegaland Developers Private Limited (formerly Vintes Solutions	Veegaland Developers Private Limited (formerly Vintes	Veegaland Developers Private Limited (formerly Vintes Solutions

Particulars	Year ended 31 March 2009	Year ended 31 March 2010	Year ended 31 March 2011	Year ended 31 March 2012	Year ended 31 March 2013	For the period from 1 April 2013 to 31 December 2013
				Private Limited)	Solutions Private Limited)	Private Limited)
	Pearl Spot Resorts Limited	Pearl Spot Resorts Limited	Pearl Spot Resorts Limited	Pearl Spot Resorts Limited	Pearl Spot Resorts Limited	Pearl Spot Resorts Limited
	Penuvel Agencies	Penuvel Agencies	Penuvel Agencies	Penuvel Agencies	Penuvel Agencies	Penuvel Agencies
	Electro Controls	Electro Controls	Electro Controls	Electro Controls	Electro Controls	Electro Controls
	-	-	-	Vindico Properties Private Limited	Vindico Properties Private Limited	Vindico Properties Private Limited
	-	-	-	Formose Properties Private Limited	Formose Properties Private Limited	Formose Properties Private Limited
	-	-	-	Eventus Properties Private Limited	Eventus Properties Private Limited	Eventus Properties Private Limited
Trust in which key management personnel is a Trustee	Thomas Chittilappilly Trust	Thomas Chittilappilly Trust	Thomas Chittilappilly Trust	Thomas Chittilappilly Trust	Thomas Chittilappilly Trust	Thomas Chittilappilly Trust

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Annexure XV (continued)

Disclosures of significant transactions with related parties, as restated

(Amounts in lacs)

Particulars	Entity	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
		2009	2010	2011	2012	2013	
Expenses							
Donation	Thomas Chittilappilly Trust	50.00	50.00	50.00	-	-	-
Income							
Rent received	V-star Creations Private Limited	0.49	0.40	0.52	0.63	0.51	-
Managerial remuneration							
	Kochouseph Chittilappilly	-	-	-	81.65	80.77	72.09
	Arun Chittilappilly	25.38	23.40	24.40	38.29	58.33	52.50
	Priya Sarah Cheeran Joseph	22.20	22.80	22.80	36.50	44.41	40.29
	B Jayaraj	13.73	4.73	-	-	-	-
	M. Sivadas	5.29	5.84	-	-	-	-
	Gautham Buddha Basu	-	8.56	23.28	-	-	-
	R S Raghavan	-	-	5.22	12.40	-	-
	George Joseph	-	-	-	6.75	9.00	7.58
Sitting fee							
	Priya Sarah Cheeran Joseph	-	-	-	-	-	0.60
	George Joseph	-	-	-	1.40	1.60	1.10
	M. P. Ramachandran	-	-	-	0.20	1.30	0.90
Interest on unsecured loans							
	Arun Chittilappilly	21.48	35.05	18.11	-	0.70	-
	Mithun Chittilappilly	28.74	36.58	28.07	-	-	-
	Sheela Kochouseph	32.60	47.23	46.40	-	-	-
	Priya Sarah Cheeran Joseph	3.46	3.59	3.84	-	-	-
	Kochouseph Chittilappilly	96.17	86.92	62.14	-	-	-
Advances given / received							
Unsecured loans taken	Arun Chittilappilly	243.50	135.00	-	-	200.00	-
	Mithun Chittilappilly	298.00	75.00	-	-	-	-
	Sheela Kochouseph	235.00	100.00	-	-	-	-
	Priya Sarah Cheeran Joseph	9.50	15.00	-	-	-	-
	Kochouseph Chittilappilly	96.75	140.00	-	-	-	-
Unsecured loans repaid							
	Arun Chittilappilly	50.98	255.91	264.14	-	200.63	-
	Priya Sarah Cheeran Joseph	54.75	-	50.14	-	-	-
	Mithun Chittilappilly	130.00	211.92	362.07	-	-	-

Particulars	Entity	For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
		2009	2010	2011	2012	2013	
	Sheela Kochouseph	125.00	18.61	598.51	-	-	-
	Kochouseph Chittilappilly	570.08	483.00	911.11	-	-	-
Dividend							
	Arun Chittilappilly	20.10	79.10	118.65	118.65	118.65	118.65
	Mithun Chittilappilly	36.10	62.70	94.05	94.05	94.05	94.05
	Sheela Kochouseph	39.69	78.70	118.04	118.04	118.04	105.66
	Kochouseph Chittilappilly	64.10	184.50	276.74	276.74	276.74	260.64
	Priya Sarah Cheeran Joseph	-	15.00	22.50	22.50	22.50	22.50
Loans granted / repaid							
Loans granted	B Jayaraj	2.00	-	-	-	-	-
	M. Sivadas	0.65	-	-	-	-	-
Loans repaid	B Jayaraj	5.13	-	-	-	-	-
	M. Sivadas	0.08	2.35	-	-	-	-
Sale of assets	VeegalandDevelopers Private Limited	-	-	0.01	30.00	0.06	-

Details ofrelated parties outstanding balances, as restated

(Amounts in lacs)

Particulars	Entity	As at 31 March					As at 31 December
		2009	2010	2011	2012	2013	2013
Unsecured loans	Arun Chittilappilly	318.16	216.29	-	-	-	-
	Kochouseph Chittilappilly	1,034.69	776.95	-	-	-	-
	Priya Sarah Cheeran Joseph	25.37	43.44	-	-	-	-
	Sheela Kochouseph	403.94	514.24	-	-	-	-
	Mithun Chittilappilly	415.33	303.89	-	-	-	-
Current liabilities							
Interest accrued and due	Arun Chittilappilly	19.04	31.54	-	-	-	-
	Priya Sarah Cheeran Joseph	3.07	3.23	-	-	-	-
	Mithun Chittilappilly	25.48	32.92	-	-	-	-
	Sheela Kochouseph	28.91	42.51	-	-	-	-
	Kochouseph Chittilappilly	85.27	78.23	-	-	-	-
Dividend payable	Arun Chittilappilly	15.04	79.10	118.65	118.65	118.65	-
	Mithun Chittilappilly	27.07	62.70	94.05	94.05	94.05	-
	Sheela Kochouseph	29.77	78.70	118.04	118.04	105.66	-
	Kochouseph Chittilappilly	48.08	184.50	276.74	276.74	276.74	-

Particulars	Entity	As at 31 March					As at 31 December
		2009	2010	2011	2012	2013	2013
	Priya Sarah Cheeran Joseph	-	15.00	22.50	22.50	22.50	-
Managerial remuneration payable							
	Kochouseph Chittilappilly	-	-	-	45.65	38.25	35.86
	Arun Chittilappilly	-	-	-	13.70	25.50	23.91
	Priya Sarah Cheeran Joseph	-	-	-	13.70	17.21	35.86
	George Joseph					2.03	-
Receivables							
Rent	V-star creations Private Limited	0.03	0.02	0.04	0.03	0.05	-
Loan receivable	B Jayaraj	-	-	-	-	-	-
	M. Sivadas	2.64	-	-	-	-	-

Wonderla Holidays Limited
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Annexure - XVI

Capitalisation statement, as restated

(Amounts in lacs)

	Pre-issue as at 31 December 2013	Post issue
Short term debt	143.86	[●]
Long term debt (A)	1,958.51	[●]
	2,102.37	[●]
Shareholders funds		
Share capital	4,200.00	[●]
Reserves and surplus	11,043.63	[●]
Total shareholders funds (B)	15,243.63	[●]
Long term debt/ equity (A/B)	**0.14:1**	[●]

Note:

1. The figures disclosed above are based on the restated financial information of the Company.

2. Post issue details have not been provided as the issue price of the share is not known at the date of the report.

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Annexure XVII

Statement of accounting ratios, as restated

(Amounts in lacs)

Particulars	As at and for the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
	2009	2010	2011	2012	2013	
Net worth (A)	4,410.98	4,859.30	7,279.25	9,533.78	12,144.79	15,243.63
Net profit after tax (B)	1,103.08	938.08	3,152.15	2,986.73	3,348.08	3,098.84
Weighted average number of equity shares outstanding during the year						
For basic earnings per share (C)	26,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000
For diluted earnings per share (D)	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000
Earnings per share Rs. 10 each (refer note)						
Basic earnings per share (Rs) (E = B/C)	4.24	2.23	7.51	7.11	7.97	7.38
Diluted earnings per share (Rs) (F = B/D)	2.63	2.23	7.51	7.11	7.97	7.38
Return on net worth (%) (G = B/A)	25.01%	19.30%	43.30%	31.33%	27.57%	20.33%
Number of shares outstanding at the end of the year / period (H)	26,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000
Net assets value per share of Rs 10 each (I = A/H)	16.97	11.57	17.33	22.70	28.92	36.29
Face value (Rs)	10	10	10	10	10	10

Notes:

1. The above ratios are calculated as under:

   a) Earnings per share = Net profit after tax / weighted average number of shares outstanding during the year

   b) Return on net worth (%) = Net profit after tax / net worth as at the end of year

c) Net asset value (Rs) = Net worth / number of equity shares as at the end of year

2. The figures disclosed above are based on the restated financial information of Wonderla Holidays Limited.

3. Earning per shares (EPS) calculation is in accordance with Accounting Standard 20 "Earnings per share" prescribed by the Companies (Accounting Standards) Rules, 2006.

Wonderla Holidays Limited
(formerly Wonderla Holidays Private Limited)

Annexure - XVIII

Statement of tax shelter, as restated

(Amounts in lacs)

Particulars		For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
		2009	2010	2011	2012	2013	
A	**Restated profit/(loss) before tax**	**929.85**	**1,450.16**	**4,258.22**	**4,419.68**	**5,009.22**	**4,669.90**
	Long - term capital gains considered separately	-	-	248.68	28.90	-	-
	Profit eligible for normal income tax rates	929.85	1,450.16	4,009.54	4,390.78	5,009.22	4,669.90
B	**Tax rates** (excluding surcharge and education cess)						
	Income tax rates	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
	Minimum alternate tax ('MAT')	10.00%	15.00%	18.00%	18.50%	18.50%	18.50%
	Special tax rate on long term capital gain (before indexing)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
C	**Tax at notional rates**						
	Chargeable at normal rate	278.96	435.05	1,202.86	1,317.23	1,502.77	1,400.97
	Notional capital gains tax	-	-	49.74	5.78	-	-
	Total	**278.96**	**435.05**	**1,252.60**	**1,323.01**	**1,502.77**	**1,400.97**
D	**Permanent differences**						
	Dividend income	(15.44)	(1.23)	(61.09)	(36.37)	(26.89)	(60.50)
	Profit / (loss) on sale of fixed assets	1.33	2.63	(831.28)	(0.18)	6.22	1.89
	Others	57.95	27.91	24.38	51.34	26.92	16.86
	Total permanent differences	**43.84**	**29.31**	**(867.99)**	**14.79**	**6.25**	**(41.75)**
E	**Timing differences**						
	Difference between book depreciation and tax depreciation	(18.10)	127.07	215.66	43.24	(111.18)	78.10
	Set off carried forwarded loss	(918.91)	(1,109.66)	-	-	-	-
	Preliminary expense	(1.67)	18.46	(5.03)	(5.03)	(5.03)	-
	Deduction under section 43B of the Act	4.34	56.67	(367.54)	24.20	124.09	(11.45)
	Expenses allowable under section 40 (a) of the Act	(40.11)	1.94	2.22	0.19	(10.56)	-
	Provision for entertainment tax	-	-	-	-	-	-
	Total timing differences	**(974.45)**	**(905.52)**	**(154.69)**	**62.60**	**(2.68)**	**66.65**
F	**Total differences (D+E)**	**(930.61)**	**(876.21)**	**(1,022.68)**	**77.39**	**3.57**	**24.90**

Particulars		For the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
		2009	2010	2011	2012	2013	
G	**Tax expenses / (saving) thereon (F X B)**	(279.18)	(262.86)	(306.80)	23.22	1.07	7.47
						-	-
	MAT credit availed	-	-	-	-	-	-
H	**Total Tax (C+G)**	**-**	**172.19**	**945.79**	**1,346.23**	**1,503.84**	**1,408.44**
I	**Minimum alternate tax**						
	Book profit	929.85	1,450.16	4,258.22	4,419.68	5,009.22	4,669.90
	Adjustment for unabsorbed depreciation/business loss	(286.66)	-	-	-	-	-
	Others	-	-	-	-	-	-
	- Fringe benefit tax	-	-	-	-	-	-
	- Interest on income tax	-		-	-	-	-
	- Exempt dividend income	(15.44)	(1.23)	(61.09)	(36.37)	(26.89)	(60.50)
	Adjusted book profit for MAT	**627.75**	**1,448.93**	**4,197.13**	**4,383.31**	**4,982.33**	**4,609.40**
						-	-
	Tax liability as per MAT	62.78	217.34	755.48	810.91	921.73	852.74
J	**Tax liability being higher of H or I**	62.78	217.34	945.79	1,346.23	1,503.84	1,408.44
K	Surcharge and cess	8.34	28.82	101.44	109.72	122.56	187.32
	Interest under Sec 234B & C	-	-	15.72	-	-	-
						-	-
	Provision for current tax as per books of accounts (J+K)	**71.12**	**246.16**	**1,062.95**	**1,455.95**	**1,626.40**	**1,595.76**

Wonderla Holidays Limited
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AnnexureXIX

Other information pertaining to transactions in foreign currency, as restated

(Amounts in lacs)

Sl No	Particulars	As at and for the year ended 31 March					For the period from 1 April 2013 to 31 December 2013
		2009	2010	2011	2012	2013	
a	**Foreign exchange exposure**						
	Euro payable	-	-	-	-	-	-
	INR equivalent	-	-	-	-	-	-
	Euro receivable	-	-	-	0.34	0.09	0.49
	INR equivalent	-	-	-	22.93	6.20	41.85
	USD receivable	-	-	-	0.07	9.14	0.09
	INR equivalent	-	-	-	3.61	496.98	5.37
b	**CIF value of imports**						
	Capital goods	-	2.57	145.12	83.11	73.03	1,614.75
	Components and spares	17.89	21.36	22.58	125.11	73.17	32.02
	Total	**17.89**	**23.93**	**167.70**	**208.22**	**146.20**	**1,646.77**
c	**Expenditure in foreign currency**						
	Travelling expenses	5.82	8.64	5.11	10.80	13.94	7.90
	Marketing expenses	8.41	0.07	-	-	-	-
	Interest paid	4.24	-	-	-	-	-
	Others	0.68	0.25	0.66	-	3.17	-
	Total	**19.15**	**8.96**	**5.77**	**10.80**	**17.11**	**7.90**

Wonderla Holidays Limited
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Annexure - XX

Scheme of amalgamation

(i) The Scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 between Wonderla Holidays Private Limited, and Veega Holidays and Parks Private Limited, (amalgamating company - Veega Land), and their respective shareholders and Creditors, for the merger of the entire undertaking of the amalgamating company comprising of its entire business, assets, liabilities, rights and obligation etc. into the company with effect from the Appointed Date viz. 1 April 2008 was approved by Hon'ble High Court of Karnataka vide its order dated 11 September 2009 and Hon'ble High Court of Kerala vide its order dated 25 September 2009. These orders were filed with the respective Registrar of Companies on 04 November 2009 and 09 November 2009. The order of the Karnataka High Court condoning the delay in filing the order of amalgamation with the Registrar of Companies has been filed with the Registrar of companies on 8 January 2010.

(ii) Veegaland was involved in the operation of an amusement park.

(iii) The amalgamation has been accounted for under the "Pooling of Interest" method as prescribed by the Accounting Standard (AS) 14 on "Accounting for Amalgamations". Accordingly, the assets and liabilities of the Veegaland have been transferred to the Company at values appearing in its books of account as on 1 April 2008, being the appointed date.

Pursuant to the scheme of amalgamation:

a) The entire undertaking consisting of its entire business and all assets as well as liabilities and rights and obligations of the amalgamating company were transferred to and vested into the Company at the book values as appearing in the books of account of the amalgamating company with effect from 1 April 2008. Details of assets and liabilities as at 1 April 2008 are as under:

Particulars	Rs in lacs
Fixed assets	4,566.99
Current assets, loans and advances	625.87
Investments*	400.00
Less:	-
Current liabilities and provisions	755.91
Total	**4,836.95**
Share capital	800.00
Reserves and surplus	1,401.52
Secured loans	2,039.89
Unsecured loans	387.16
Deferred tax liability, net	208.38
Total	**4,836.95**

* Investment in Wonderla Holidays Private Limited (4,000,000 equity shares of (Rs 10 each) purchase value Rs 40,000,000)

b) In accordance with the scheme, 160 lacs equity shares of Rs 10/- each fully paid-up was issued and allotted by the Company to equity shareholders of the amalgamating company for every 1 equity shares held by them.

c) Equity share capital to be issued to the shareholders of amalgamating company as mentioned above, pending allotment as at 31 March 2009, was shown under "Share Capital Suspense Account" in the Balance Sheet as at 31 March 2009.

d) The investment of the amalgamating company of the face value of Rs 400 lacs in the company's equity shares has been cancelled. Consequently, paid up share capital of the Company was reduced from Rs 3,000 lacs divided into 300 lacs equity shares of Rs 10/- each to Rs 2,600 lacs divided into 260 lacs equity shares of Rs 10/- each. This cancellation which amounted to a reduction of share capital was treated as an integral part of the Scheme itself and the order of the High Court sanctioning the Scheme was deemed to be an order under section 102 of the Companies Act, 1956, confirming this reduction.

e) Deficit amounting to Rs 800 lacs arising on account of the difference between the assets and liabilities of the amalgamating company over the paid up value of shares to be allotted to the shareholders of the amalgamating company was debited to the Company's existing general reserve account (Rs 44.71 lacs) of the amalgamating company and the balance was debited to the statement of profit and loss (Rs 755.29 lacs) as prescribed under the Scheme.

f) Authorized share capital of the Company was increased from Rs 3,000 lacs to Rs 4,500 lacs on 10 September 2009.

(iv) During the 2008-09, the amalgamating company declared interim dividend to its shareholders. The amount appearing in 'Appropriations' in the Reserves & Surplus represents dividend paid to its shareholders.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations is based on, and should be read in conjunction with our audited standalone financial statements, as restated, as of and for the years ended March 31, 2011, 2012, 2013 and for the nine months period ended December 31, 2013 together with the notes and significant accounting policies thereto and the reports thereon, in the section titled "Financial Statements of our Company" on page 182 of this Red Herring Prospectus. The financial statements are based on Indian GAAP, which differ in certain significant respects from U.S. GAAP and IFRS.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" on page 16 of this Red Herring Prospectus.

Overview

We are one of the largest operators of amusement parks in India. We currently own and operate two amusement parks under the brand name *'Wonderla*', situated at Kochi and Bangalore and are in the process of setting up our third amusement park in Ranga Reddy District of Andhra Pradesh, Wonderla Hyderabad. We also own and operate a resort beside our amusement park in Bangalore under the brand name 'Wonderla Resort' which has been operational since March 2012.

Our amusement parks offer a wide range of water and land based attractions catering to all age groups. We have 22 water based attractions and 33 land based attractions at Wonderla Kochi, situated on 93.17 acres of land and 20 water based attractions and 35 land based attractions at Wonderla Bangalore, situated on 81.75 acres of land. We recorded total Footfalls of 23.40 lakhs in Fiscal 2013 and 17.50 lakhs in the nine month period ended December 31, 2013 across our two amusement parks in Kochi and Bangalore. Our total Footfalls across the two amusement parks have grown at a CAGR of 7.42% from Fiscal 2011 to Fiscal 2013. Our resort operated under the name, *Wonderla Resort*, is a 'Three Star' leisure resort located beside our amusement park in Bangalore comprising of 84 luxury rooms, with amenities including banquet halls, a board room, conference rooms, a multi-cuisine restaurant, a solar heated swimming pool, recreation area, kids' activity centre and a well equipped gym. Further, for setting up our proposed amusement park in Ranga Reddy District of Andhra Pradesh, we have acquired 49.57 acres of land. However, as per the development plan approved by our Company, we intend to use only 27 acres of land for setting up our proposed amusement park.

Our Promoter, Kochouseph Chittilappilly in the year 1996 had incorporated V-Guard Industries Limited, our Group Company, which is listed on BSE and NSE since 2008. Our Promoters launched our first amusement park in Kochi in the year 2000, by the name '*Veegaland*' and our second amusement park in Bangalore in the year 2005, by the name '*Wonderla*'. Pursuant to a scheme of amalgamation the erstwhile 'Veega Holidays and Parks Private Limited' which owned and operated '*Veegaland*', merged with our Company with effect from April 1, 2008 and consequently both our amusement parks are being operated under the name '*Wonderla*'. For further details in relation to our corporate history and our scheme of amalgamation, see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

The following table depicts details of our business operations for Fiscals 2011, 2012, 2013 and for the nine month period ended December 31, 2013:

Sl. No.	Particulars	Fiscal 2011	Fiscal 2012	Fiscal 2013	Nine month period ended December 31, 2013
1.	**Footfalls** (in lakhs)				
	▪ Kochi	11.11	11.79	12.11	8.33
	▪ Bangalore	9.17	10.79	11.29	9.17
	Total	20.28	22.58	23.40	17.50
2.	**Revenue** (₹ in lakhs)				

Sl. No.	Particulars	Fiscal 2011	Fiscal 2012	Fiscal 2013	Nine month period ended December 31, 2013
	▪ Kochi	4,332.38	5,173.33	5,947.79	4,876.28
	▪ Bangalore	4,789.32	6,278.29	7,375.07	6,799.05
	▪ Wonderla Resort	-	0.67	594.57	477.24
	Total	9,121.70	11,452.29	13,917.43	12,152.57
3.	**Attractions**				
	❖ Land based attractions				
	▪ Kochi	32	34	34	33
	▪ Bangalore	32	33	33	35
	❖ Water based attractions				
	▪ Kochi	22	22	22	22
	▪ Bangalore	20	20	20	20
4.	**Area** (in acres)				
	▪ Kochi	91.20	91.20	91.20	93.17
	▪ Bangalore	81.75	81.75	81.75	81.75

We have won several awards and accolades for our amusement parks in Kochi and Bangalore. Our parks, Wonderla Kochi and Wonderla Bangalore have been certified by Bureau Veritas Certification (India) Private Limited for meeting the BS OHSAS 18001: 2007 safety standards and ISO 14001: 2004 environment protection standards, for the operation and maintenance of our land and water based attractions as well as for the related amenities that we provide to our customers. We have won several awards instituted by the Indian Association of Amusement Parks and Industries ("**IAAPI**"), including, among others, the IAAPI excellence award for the highest number and variety of innovative rides won by us four times, most recently for the year 2012-13, the IAAPI excellence award for the most innovative ride won by us three times, most recently in 2012-13 and the IAAPI excellence award for innovative promotional activity won by us three times, most recently for the year 2012-13. We have won the Kerala state tourism award for best tourism destination for the year 2010-11 and the Confederation of Indian Industry excellence award in the areas of environment, health and safety for the year 2010. For further details in relation to awards and accreditations see the section "History and Certain Corporate Matters" on page 152 of this Red Herring Prospectus.

Our total income increased from ₹ 6,330.76 lakhs in Fiscal 2009 to ₹ 13,917.43 lakhs in Fiscal 2013 at a CAGR of 21.77%. Our net profit after tax increased from ₹ 1,103.08 lakhs in Fiscal 2009 to ₹ 3,348.08 lakhs in Fiscal 2013 at a CAGR of 31.99%. Our total income and profit after tax for the nine month period ended December 31, 2013 are ₹ 12,152.57 lakhs and ₹ 3,098.84 lakhs respectively.

Note regarding presentation

Our financial statements have been prepared in accordance with Indian GAAP under the historical cost convention on the accrual basis. Indian GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, other pronouncements of the ICAI and the relevant provisions of the Companies Act, to the extent applicable. Our Company does not have any subsidiaries. The discussion below covers the standalone results of our Company, for the nine months period ended December 31, 2013 and Fiscals 2013, 2012 and 2011. We have included a discussion of our restated standalone results of operations for the nine months period ended December 31, 2013 and discussions comparing the restated standalone results of our Company for Fiscal 2013 with Fiscal 2012 and Fiscal 2012 with Fiscal 2011.

Factors affecting our results of operations

Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control including the performance of the Indian economy and the domestic amusement park industry. In this section, we discuss some of the significant factors that we believe have or could have an impact on our revenue and expenditure. Please also see the section titled "Risk Factors" on page 16 of this Red Herring Prospectus.

Operating expenditure

We incur significant amount of operating expenses for our business operations. Our direct operating expenses as a percentage of total income, was 13.58% in Fiscal 2011, 14.81% in Fiscal 2012, 14.89% in Fiscal 2013 and 14.92% in the nine months period ended December 31, 2013. Our fixed costs such as employee salaries, amusement park operating costs and logistics-related expenses are relatively constant throughout the year. Our Company may also, in future, be required to comply with more rigorous standards or other requirements prescribed by various regulatory or other statutory authorities, or incur capital and operating expenses for, among others, environmental compliance.

Further, we are subject to a broad range of health and safety laws and regulations in India. These laws and regulations, as interpreted by the relevant authorities and the courts, impose increasingly stringent health and safety protection standards. The costs of complying with, and the imposition of liabilities pursuant to, health and safety laws and regulations could be significant, and failure to comply could result in the assessment of civil and/or criminal penalties, the suspension of permits or operations and significant liabilities pursuant to lawsuits by third parties.

Seasonality

The Footfalls at our amusement parks experience moderate seasonal fluctuations. Typically, our Footfalls are higher in the third quarter of the Fiscal due to festive seasons such as Diwali and Christmas and lower in the fourth quarter. We also see an increase in Footfalls during the first quarter of the Fiscal owing to schools' summer vacations. Weather conditions can also have an influence on our business. For example, we may experience a decrease in our business during heavy monsoon season. Lower than expected Footfalls during certain quarters of the Fiscal or more pronounced seasonal variations in Footfalls in the future could have a disproportionate impact on our operating results for the Fiscal, or could strain our resources and impair our cash flows. Any slowdown in Footfalls during peak seasons or failure by us to accurately anticipate and prepare for such seasonal fluctuations could have a material adverse effect on our business.

Foreign exchange fluctuations

We purchase rides and equipments from a number of foreign suppliers including from Italy and Germany, in foreign currency. In view of the fluctuation in the value of the Rupee against foreign currencies, we face a degree of foreign exchange risk. The value of the Rupee against foreign currencies is affected by, among other things, the demand and supply of the Rupee and changes in India's political and economic conditions. We do not always hedge against currency rate fluctuations in respect of our purchase contracts, given the duration of our purchase contracts. This exposes us to exchange rate movements which may have a material effect on our operating results in a given period.

Capital intensive business

Our business requires a significant amount of capital expenditure. In many cases, significant amounts of capital are required during the course of setting up of our amusement park and during expansion of our existing parks, to finance the purchase of new rides, other materials and the performance of engineering, construction and other work on such projects. Our ability to grow our business depends on cost effective avenues of funding and will be met through internal accruals or borrowing from financial institutions. Our debt service cost along with our overall cost of funds depends on many external factors, including developments in the Indian credit market and, in particular, interest rate movements and the existence of adequate liquidity in the debt markets. We believe that the availability of cost effective funding sources affects our business operations and financial performance. Our ability to finance our capital needs, and secure other financing when needed, on acceptable commercial terms, will be a key factor towards our business and growth prospects.

We also expand our existing amusement parks by including new rides and attractions and upgrading existing rides and attractions. The introduction of innovative new rides and attractions requires substantial capital expenditure. The cost of such capital improvements has gone up in recent times. Moreover, we may be unable to recoup investments we make in upgrading our rides and attractions, such as investments in infrastructure in relation to newer attractions which may not yield the expected revenues. We also cannot guarantee that there will be sufficient Footfalls as envisaged by us at our amusement parks. If we fail to attract a minimum number of visitors at our amusement parks, this could result in lower capacity utilisation thereby affecting our business, financial condition and results of

operations.

Attracting and retaining experienced and qualified personnel

Amusement park operations are highly service-oriented, and consequently, our success, to a considerable extent, depends upon our ability to attract, motivate and retain a sufficient number of qualified employees, including engineers and other technically qualified staff. We offer competitive wages and benefits to our employees to manage employee attrition. Employee remuneration includes salaries and bonuses paid to employees of our amusement parks and our resort, as well as employee benefits such as employee accommodation, medical insurance and contributions to provident funds. These costs are subject to certain factors that are out of our control, including amendments to the minimum wage laws and other employee benefit laws in India. Our expenses related to employee remuneration as a percentage of total income, was 15.14% in Fiscal 2011, 18.12% in Fiscal 2012, 19.70% in Fiscal 2013 and 15.89% in the nine months period ended December 31, 2013. We expect our employee salaries and related expenses, in absolute terms, to continue to increase as inflationary pressures in India, drive up wages and as we continue to increase the number of our amusement parks.

Competition

Our business is subject to market trends and customer preferences in relation to discretionary spending. According to the CARE Report, in the last couple of decades, metros and major Tier I cities have seen rise of amusement parks. We operate in a competitive market, and competition in this market is based primarily on market trends and customer preferences. The amusement park industry is still in its nascent stage and therefore we face competition not only from other amusement parks, but also from other entertainment service providers and tourist attractions, which affects our business prospects and margins.

Significant accounting policies

The restated financial information has been prepared by applying the necessary adjustments to the financial information of our Company. This financial information has been prepared under the historical cost convention on an accrual basis in accordance with the Notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act. The accounting policies have been consistently applied by our Company and are consistent with those used in the previous year. For a full description of our significant accounting policies adopted in the preparation of the restated financial information, see "Financial Information" on page 182 of this Red Herring Prospectus.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to our Company and the revenue can be measured reliably. The revenue recognition policy followed by our Company is as follows:

i. Entry charges are recognized at the time when entry tickets are issued to visitors for entry into the park.

ii. 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.

iii. Share of revenue from restaurants is recognized as per the terms of the agreement with the restaurant operator.

iv. Income from rooms, restaurants and other services comprise of room rentals, sales of food and beverages and other allied services relating to resort operations. Revenue is recognized upon rendering of the service.

v. 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.

vi. Other income is recognized on accrual basis except when there are significant uncertainties.

Fixed assets and capital work-in-progress

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

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

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

Impairment

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

Inventories

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

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

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

Foreign currency transactions

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

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

Provisions and contingencies

Our Company recognizes a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change

occurs.

Employee benefits

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

Gratuity, a defined benefit scheme, is accrued based on an actuarial valuation at the balance-sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation using the Projected Unit Credit Method, which recognizes each and period of service as giving rise to an additional units of employee benefit entitlement and measures each unit separately to build up the final obligation. Our Company's gratuity scheme is administered by the Life Insurance Corporation of India. Leave encashment, of defined benefit plan, is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary. Our Company accrues for the expected cost of short-term compensated absences in the period in which the employees render services. Actuarial gain/losses are immediately taken to the statement of profit and loss and are not deferred.

Investments

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

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

Description of principal components of income and expenditure

Income

Our total income comprises of our income from services, sale of products and other income. Our income from services includes our income from sale of entry tickets, share of revenue from restaurant sales and income from our resort. Our income from sale of products includes our income from sale of traded goods, packaged food and other merchandise sold within our amusement parks. Our other income primarily includes dividends received on investments, sale of scrap, net exchange gain and rent received.

Income from services

Our income from services primarily comprises of, (i) income from sale of entry tickets, (ii) share of revenue from restaurant sales, and (iii) income from our resort. Our income from sale of entry tickets accounted for 79.81%, 81.06%, 85.59% and 85.09% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively. Our share of revenue from restaurant sales accounted for 3.37%, 4.51%, 4.62% and 4.02% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively. Our share of revenue from shop and restaurant sales mainly includes income from contracts executed with our restaurant operators at our amusement parks. Our income from resort accounted for 4.27% and 3.93% of our total income in Fiscal 2013 and for the nine months period ended December 31, 2013. Our resort was launched in March 2012 and therefore income from our resort has been accounted only for Fiscal 2013 and the nine months period ended December 31, 2013.

Income from sale of products

Our income from sale of products can be classified into, (i) income from sale of traded goods, (ii) packaged food and (iii) other merchandise. Our income from sale of products by our Company includes our revenue generated by sale of readymade garments and accessories, packaged food, and other items procured from other vendors.

Our income from sale of products accounted for 11.70%, 9.37%, 7.39% and 7.89% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively.

Other income

Our other income primarily includes dividends received on investments, sale of scrap, net exchange gain and rent received. Our other income accounted for 1.51%, 0.95%, 1.21% and 1.72% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively.

Expenditure

Our expenditure comprises of direct operating expenses, purchase of stock in trade, change in inventory of stock in trade, employee benefits, other expenses, finance charges and depreciation and amortization expenses.

Direct operating expenses

Our direct operating expenses relates to expenditure incurred in connection with our amusement park operations. This includes expenditure incurred on park maintenance, house keeping expenses, spare parts, power and fuel costs, costs incurred on repairs and maintenance of rides and buildings and labour costs. Our cost also includes cost of cement, steel and iron, bearings, castings and other processing equipments which we outsource from third party manufacturers and vendors for the fabrication works done as part of repairs and maintenance of our existing amusement parks. Our direct operating expenses accounted for 14.92%, 14.89%, 14.81% and 13.58% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively.

Purchase of stock in trade

Expenditure in relation to purchase of stock in trade refers to products sourced from third party vendors, such as, readymade garments, accessories, packaged food and soft drinks. Cost incurred in relation to purchase of stock in trade accounted for 6.21%, 5.28%, 4.23% and 4.45% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively.

Change in inventory of stock in trade

Expenditure in relation to change in inventory of stock in trade refers to change in products sourced from third party vendors, such as, readymade garments, packaged food and soft drinks. Cost incurred in relation to change in inventory of stock in trade accounted for (0.21)%, (0.09)%, (0.09)% and 0.12% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively.

Employee benefits

Expenditure in relation to our employee benefits includes employee salaries and bonuses, contribution to employee's provident fund, gratuity, leave encashment, staff welfare expenses and other employee benefits. Cost incurred in relation to employee benefits accounted for 15.89%, 19.70%, 18.12% and 15.14% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively.

Other expenses

Other expenses incurred by our Company includes advertisement and sales promotion costs, inward freight and forwarding charges, equipment hire charges, travel and conveyance costs, rent, communication charges, charity and donation, printing and stationery, rates and other taxes, legal and professional and insurance premium, sales commissions, rebates and discounts. Other expenses accounted for 15.46%, 14.11%, 13.26% and 14.63% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively.

Finance charges

Finance charges include interest paid on term loans, working capital facilities and cash credit, bank guarantee, letter of credit, bank advisory fees and processing fees. Finance charges accounted for 0.99%, 1.60%, 0.99% and 4.27% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively.

Depreciation and amortization expenses

Depreciation is provided on a pro-rata basis under the straight line method at rates of depreciation as prescribed in Schedule XIV to the Companies Act, except in respect of amusement rides, furniture and fixtures, roads and buildings, computer software and office equipment on which depreciation is provided at rates higher than those prescribed in Schedule XIV to the Companies Act. Depreciation and amortization expenses accounted for 8.33%, 8.51%, 10.09% and 12.97% of our total income for the nine months period ended December 31, 2013, Fiscal 2013, Fiscal 2012 and Fiscal 2011, respectively.

Results of Operations

The following table shows our income, expenditure, profit/(loss) before extraordinary items and tax, net profit/(loss) before tax, total provision for tax and net profit after tax as restated, for the periods indicated, in Rupees in lacs and as a percentage of our total income:

(₹ in lacs)

Particulars	Nine months period ended December 31, 2013	*% of total income*	Fiscal 2013	*% of total income*	Fiscal 2012	*% of total income*	Fiscal 2011	*% of total income*
Income								
Income from services	10,546.89	86.79	12,481.12	89.68	10,467.20	91.40	8,244.94	90.39
Income from sale of products	1,422.10	11.70	1,303.93	9.37	846.29	7.39	719.46	7.89
Other income	183.58	1.51	132.38	0.95	138.80	1.21	157.30	1.72
Total income	**12,152.57**		**13,917.43**		**11,452.29**		**9,121.70**	
Expenditure								
Direct operating expenses	1,812.73	14.92	2,072.91	14.89	1,695.97	14.81	1,238.67	13.58
Purchase of stock in trade	754.17	6.21	734.22	5.28	484.65	4.23	406.35	4.45
Change in inventory of stock in trade	(25.95)	(0.21)	(12.10)	(0.09)	(10.13)	(0.09)	10.82	0.12
Employee benefits	1,931.45	15.89	2,742.05	19.70	2,074.81	18.12	1,380.57	15.14
Other expenses	1,878.23	15.46	1,964.11	14.11	1,518.28	13.26	1,334.34	14.63
Finance charges	119.77	0.99	222.51	1.60	113.29	0.99	389.95	4.27
Depreciation and amortization	1,012.27	8.33	1,184.51	8.51	1,155.74	10.09	1,182.74	12.97
Total expenditure	**7,482.67**	**61.59**	**8,908.21**	**64.00**	**7,032.61**	**61.41**	**5,943.44**	**65.16**
Profit/(loss) before extraordinary items and tax	**4,669.90**	**38.41**	**5,009.22**	**36.00**	**4,419.68**	**38.59**	**3,178.26**	**34.84**
Extraordinary items	**-**	**-**	**-**	**-**	**-**	**-**	**1,079.96**	**11.84**
Net profit/(loss) before tax	**4,669.90**	**38.41**	**5,009.22**	**36.00**	**4,419.68**	**38.59**	**4,258.22**	**46.68**
Total provision for tax	**(1,571.06)**	**(12.93)**	**(1,661.14)**	**(11.94)**	**(1,432.95)**	**(12.51)**	**(1,106.07)**	**(12.13)**
Net profit after tax, as restated	**3,098.84**	**25.48**	**3,348.08**	**24.06**	**2,986.73**	**26.08**	**3,152.15**	**34.55**

Results of Operations for the nine months period ended December 31, 2013

Significant events

The following significant events occurred in the nine months period ended December 31, 2013, which had an impact on our revenue, expenses and results of operations for the said period.

We added two new land rides at Wonderla Bangalore, namely, MINI COCO CUPS, a ride imported from Italy, and XD-MAX (4D max) theatre.

Income

Our total income was ₹ 12,152.57 lacs for the nine months period ended December 31, 2013. Our gross income for the nine months period ended December 31, 2013 was driven by the increase in ticket rates, price of merchandise items, restaurant revenue and also increased spending habits of our visitors.

Income from services

Our income from services was ₹ 10,546.89 lacs for the nine months period ended December 31, 2013. Our service income was driven by income from the sale of entry tickets, our share of revenue from restaurant sales and income from our resort. This result was also driven by the increase in ticket rates, price of merchandise items, restaurant revenue and also increased spending habits of our visitors.

Income from sale of products

Our income from sale of products was ₹ 1,422.10 lacs for the nine months period ended December 31, 2013. This result was driven by the revenue earned from the sale of readymade garments, accessories, packaged food and other merchandise, growth in our Footfalls, increase in prices and addition of different varieties of merchandise at our stores.

Other income

Our other income was ₹ 183.58 lacs for the nine months period ended December 31, 2013.

Expenditure

Our total expenditure was ₹ 7,482.67 lacs for the nine months period ended December 31, 2013. Our gross expenditure for the nine months period ended December 31, 2013 was as a result of the increase in direct operating expenses, increase in employee costs, increase in other expenses such as advertisement, and marketing.

Direct operating expense

Our direct operating expense was ₹ 1,812.73 lacs for the nine months period ended December 31, 2013. This primarily includes expenditure incurred on repairs and maintenance of equipments, spare parts, power and fuel costs and labour costs. Our materials cost also includes cost of cement, steel and iron, bearings, castings and other processing equipments which we outsource from third party manufacturers and vendors for the fabrication works done as part of the expansion of our existing amusement parks.

Purchase of stock in trade

Our expenditure in relation to purchase of stock in trade was ₹ 754.17 lacs for the nine months period ended December 31, 2013. This includes costs of products sourced from third party vendors, such as, readymade garments, accessories, packaged food and soft drinks.

Change in inventory of stock in trade

Our expenditure in relation to change in inventory of stock in trade was ₹ (25.95) lacs for the nine months period ended December 31, 2013. This includes change in inventory, sourced from third party vendors, such as, readymade garments, packaged food and soft drinks.

Employee benefits

Our expenditure in relation to employee benefits was ₹ 1,931.45 lacs for the nine months period ended December 31, 2013. This includes employee salaries and bonuses, contribution to employee's provident fund, gratuity, leave encashment, staff welfare expenses and other employee benefits. Our staff costs were driven by a general increase in the salaries, allowances and bonus paid to our employees.

Other expenses

Our other expenses were ₹ 1,878.23 lacs for the nine months period ended December 31, 2013. This includes equipment hire charges, travel and conveyance costs, rent, communication charges, charity and donation, printing and stationery, rates and other taxes, legal and professional and insurance premium, advertising and marketing expenses, sales commissions, rebates and discounts.

Finance charges

Our finance charges for the nine months period ended December 31, 2013 were ₹ 119.77 lacs. This was significantly driven by interest paid on working capital/ term loan facilities from banks including Axis Bank Limited and State Bank of Travancore and commission charges, bank advisory fees and processing fees.

Depreciation and amortization

Our depreciation and amortization expenses were ₹ 1,012.27 lacs for the nine months period ended December 31, 2013. This was driven by the depreciation provided on, among others, amusement rides, buildings, furniture and fixtures, office equipments and vehicles.

Profit before tax and after extra-ordinary items

Primarily due to the reasons described above, our profit before tax was ₹ 4,669.90 lacs for the nine months period ended December 31, 2013.

Provision for tax

We made a provision for income tax (current and deferred tax) of ₹ 1,571.06 lacs for the nine months period ended December 31, 2013.

Restated net profit after tax and after extra-ordinary items adjustments

Our profit after tax was ₹ 3,098.84 lacs for the nine months period ended December 31, 2013.

Fiscal 2013 compared with Fiscal 2012

Significant events

The following significant events occurred in Fiscal 2013, each of which had an impact on our revenue, expenses and results of operations for the said period.

We launched our first resort by the name, *Wonderla Resort*, beside our amusement park in Bangalore in March 2012, which has contributed to our revenue growth.

Income

Our total income increased by ₹ 2,465.14 lacs, or 21.53% from ₹ 11,452.29 lacs in Fiscal 2012 to ₹ 13,917.43 lacs in Fiscal 2013. This increase was largely due to ₹ 1,479.30 lacs increase in our income from the sale of entry tickets at our amusement parks, ₹ 457.64 lacs increase in our income from sale of products, ₹ 98.59 lacs increase from our share of revenue from restaurant sales, ₹ 594.57 lacs income from resort and consequent to 0.82 lacs increase in total Footfalls at our amusement parks, from 22.58 lacs in Fiscal 2012 to 23.40 lacs in Fiscal 2013.

Income from services

Our income from services increased by ₹ 2,013.92 lacs, or 19.24%, from ₹ 10,467.20 lacs in Fiscal 2012 to ₹ 12,481.12 lacs in Fiscal 2013. Our income from services, as a percentage of total income decreased from 91.40% in Fiscal 2012 to 89.68% in Fiscal 2013. Our service income was positively driven by increase in the sale of entry tickets owing to increase in the number of visitors at our amusement parks, increase in our share of revenue from restaurant sales owing to price increase and increase in the number of visitors at our amusement parks. However, our

income from services as a percentage of our total income decreased owing to increase in sale of products largely, sale from resort.

Income from sale of products

Our income from sale of products increased by ₹ 457.64 lacs, or 54.08%, from ₹ 846.29 lacs in Fiscal 2012 to ₹ 1,303.93 lacs in Fiscal 2013. Our income from sale of products was positively impacted by the revenue earned from the sale of readymade garments, accessories, packaged food, cooked food at the amusement park and resort and other merchandise owing to increase in the number of visitors at our amusement parks.

Other income

Our other income has decreased by ₹ 6.42 lacs, or 4.63%, from ₹ 138.80 lacs in Fiscal 2012 to ₹ 132.38 lacs in Fiscal 2013. Our other income, as a percentage of total income decreased from 1.21% in Fiscal 2012 to 0.95% in Fiscal 2013. This decrease was primarily due to the reduction of income from short term investments in mutual funds.

Expenditure

Our total expenditure increased by ₹ 1,875.60 lacs, or 26.67%, from ₹ 7,032.61 lacs in Fiscal 2012 to ₹ 8,908.21 lacs in Fiscal 2013. This increase was principally due to ₹ 376.94 lacs increase in our direct operating expenses, ₹ 249.57 lacs increase in cost of purchase of stock in trade, ₹ 667.24 lacs increase in employee benefits and ₹ 445.83 lacs increase in other expenses.

Direct operating expenses

Our direct operating expenses increased by ₹ 376.94 lacs, or 22.23%, from ₹ 1,695.97 lacs in Fiscal 2012 to ₹ 2,072.91 lacs in Fiscal 2013. This increase was due to ₹ 123.92 lacs increase in electricity charges, ₹ 43.98 lacs increase in fuel and oil expenses, ₹ 48.61 lacs increase in housekeeping expenses, ₹ 76.91 lacs increase in security expenses, ₹ 75.62 lacs increase in our cost of repairs to buildings and other civil work, ₹ 43.40 lacs increase in repairs to plant and machinery, ₹ 30.53 lacs decrease in operating supplies, ₹ 3.81 lacs park maintenance expense and ₹ 0.37 lacs lab and music expense. As a result, our direct operating expenses as a percentage of total income increased from 14.81% in Fiscal 2012 to 14,89% in Fiscal 2013.

Purchase of stock in trade

Our expenditure in relation to purchase of stock in trade increased by ₹ 249.57 lacs, or 51.49%, from ₹ 484.65 lacs in Fiscal 2012 to ₹ 734.22 lacs in Fiscal 2013. This increase was due to increase in our sale of products. Our expenditure in relation to purchase of stock in trade as a percentage of our total income increased from 4.23% in Fiscal 2012 to 5.28% in Fiscal 2013.

Change in inventory of stock in trade

Our expenditure in relation to change in inventory of stock in trade decreased by ₹ 1.97 lacs, from ₹ (10.13) lacs in Fiscal 2012 to ₹ (12.10) lacs in Fiscal 2013. This decrease was due to decrease in stock in hand.

Employee benefits

Our expenditure in relation to employee benefits increased by ₹ 667.24 lacs, or 32.16%, from ₹ 2,074.81 lacs in Fiscal 2012 to ₹ 2,742.05 lacs in Fiscal 2013. This increase in our staff costs were driven by a general increase in the salaries, allowances and bonus paid to our employees as well as an increase in the number of our employees from 643 as on March 31, 2012 to 705 as on March 31, 2013 primarily owing to the new recruitment of employees for our resort. As a result, our expenditure in relation to employee benefits as a percentage of total income increased from 18.12% in Fiscal 2012 to 19.70% in Fiscal 2013.

Other expenses

Our other expenses increased by ₹ 445.83 lacs, or 29.36%, from ₹ 1,518.28 lacs in Fiscal 2012 to ₹ 1,964.11 lacs in

Fiscal 2013. This increase was primarily due to the ₹ 375.18 lacs increase in our advertisement and sales promotion expenses. Our other expenses as a percentage of total income increased from 13.26% in Fiscal 2012 to 14.11% in Fiscal 2013.

Finance charges

Our finance charges increased by ₹ 109.22 lacs, or 96.41%, from ₹ 113.29 lacs in Fiscal 2012 to ₹ 222.51 lacs in Fiscal 2013. This increase was primarily due to ₹ 176.31 lacs interest paid on money borrowed for our resort which was operational since April 2012. As a result, our finance charges as a percentage of total income increased from 0.99% in Fiscal 2012 to 1.60% in Fiscal 2013.

Depreciation and amortization

Our depreciation and amortization expenses increased by ₹ 28.77 lacs, or 2.49%, from ₹ 1,155.74 lacs in Fiscal 2012 to ₹ 1,184.51 lacs in Fiscal 2013. This increase was primarily due to capitalisation of fixed assets at our resort. As a result, our depreciation and amortization expenses as a percentage of total income decreased from 10.09% in Fiscal 2012 to 8.51% in Fiscal 2013.

Profit before tax and after extra-ordinary items

Primarily due to the reasons described above, our profit before tax and after adjustment due to extra-ordinary items increased by ₹ 589.54 lacs, or 13.34%, from ₹ 4,419.68 lacs in Fiscal 2012 to ₹ 5,009.22 lacs in Fiscal 2013. However, our profit before tax and after extraordinary items, as a percentage of our total income decreased from 38.59% in Fiscal 2012 to 36.00% in Fiscal 2013, due to increase in total expenditure.

Provision for tax

Due to an increase in our profit before tax, our provisions for tax liabilities increased by ₹ 228.19 lacs, or 15.92%, from ₹ 1,432.95 lacs in Fiscal 2012 to ₹ 1,661.14 lacs in Fiscal 2013.

Restated net profit after tax and after extra-ordinary items adjustments

Our profit after tax increased by ₹ 361.35 lacs, or 12.10%, from ₹ 2,986.73 lacs in Fiscal 2012 to ₹ 3,348.08 lacs in Fiscal 2013.

Fiscal 2012 compared with Fiscal 2011

Significant events

The following significant events occurred in Fiscal 2012, each of which had an impact on our revenue, expenses and results of operations for the said period.

We launched our first resort by the name, *Wonderla Resort*, beside our amusement park in Bangalore in March 2012. We also implemented 'peak season tickets' with effect from May 2011 that has contributed to our revenue growth. We also added two new rides at our amusement park in Kochi and one new ride at our amusement park in Bangalore, in Fiscal 2012.

Income

Our total income increased by ₹ 2,330.59 lacs, or 25.55% from ₹ 9,121.70 lacs in Fiscal 2011 to ₹ 11,452.29 lacs in Fiscal 2012. This increase was largely due to ₹ 2,039.54 lacs increase in our income from the sale of entry tickets at our amusement parks, ₹ 126.83 lacs increase in our income from sale of products, ₹ 162.20 lacs increase from our share of revenue from restaurant sales consequent to 2.30 lacs increase in total Footfalls at our amusement parks, from 20.28 lacs in Fiscal 2011 to 22.58 lacs in Fiscal 2012.

Income from services

Our income from services increased by ₹ 2,222.26 lacs, or 26.95%, from ₹ 8,244.94 lacs in Fiscal 2011 to ₹

10,467.20 lacs in Fiscal 2012. Our income from services, as a percentage of total income increased from 90.39% in Fiscal 2011 to 91.40% in Fiscal 2012. Our service income was positively driven by increase in the sale of entry tickets owing to increase in the number of visitors at our amusement parks, increase in our share of revenue from restaurant sales owing to price increase and increase in the number of visitors at our amusement parks.

Income from sale of products

Our income from sale of products increased by ₹ 126.83 lacs, or 17.63%, from ₹ 719.46 lacs in Fiscal 2011 to ₹ 846.29 lacs in Fiscal 2012. Our income from sale of products was positively impacted by the revenue earned from the sale of readymade garments, accessories, packaged food and other merchandise owing to increase in the number of visitors at our amusement parks.

Other income

Our other income has decreased by ₹ 18.50 lacs, or 11.76%, from ₹ 157.30 lacs in Fiscal 2011 to ₹ 138.80 lacs in Fiscal 2012. Our other income, as a percentage of total income decreased from 1.72% in Fiscal 2011 to 1.21% in Fiscal 2012. This decrease was primarily due to decrease in the dividend income from our investments in mutual fund from ₹ 61.09 lacs in Fiscal 2011 to ₹ 36.38 lacs in Fiscal 2012.

Expenditure

Our total expenditure increased by ₹ 1,089.17 lacs, or 18.33%, from ₹ 5,943.44 lacs in Fiscal 2011 to ₹ 7,032.61 lacs in Fiscal 2012. This increase was principally due to ₹ 457.30 lacs increase in our direct operating expenses, ₹ 78.30 lacs increase in cost of purchase of stock in trade, ₹ 694.24 lacs increase in employee benefits and ₹ 183.94 lacs increase in other expenses.

Direct operating expenses

Our direct operating expenses increased by ₹ 457.30 lacs, or 36.92%, from ₹ 1,238.67 lacs in Fiscal 2011 to ₹ 1,695.97 lacs in Fiscal 2012. This increase was due to ₹ 21.65 lacs increase in our park maintenance expenses, ₹ 40.35 lacs increase in electricity charges ₹ 28.47 lacs increase in fuel and oil expenses, ₹ 40.69 lacs increase in housekeeping expenses, ₹ 55.81 lacs increase in security expenses, ₹ 32.26 lacs increase in our cost of repairs to buildings and other civil work, ₹ 193.51 lacs increase in repairs to plant and machinery and ₹ 43.77 lacs towards operating supplies to our resort. As a result, our direct operating expenses as a percentage of total income increased from 13.58% in Fiscal 2011 to 14.81% in Fiscal 2012.

Purchase of stock in trade

Our expenditure in relation to purchase of stock in trade increased by ₹ 78.30 lacs, or 19.27%, from ₹ 406.35 lacs in Fiscal 2011 to ₹ 484.65 lacs in Fiscal 2012. This increase was due to increase in our sale of products. However, our expenditure in relation to purchase of stock in trade as a percentage of our total income decreased from 4.45% in Fiscal 2011 to 4.23% in Fiscal 2012.

Change in inventory of stock in trade

Our expenditure in relation to change in inventory of stock in trade decreased by ₹ 20.95 lacs, from ₹ 10.82 lacs in Fiscal 2011 to ₹ (10.13) lacs in Fiscal 2012. This decrease was due to decrease in stock in hand.

Employee benefits

Our expenditure in relation to employee benefits increased by ₹ 694.24 lacs, or 50.29%, from ₹ 1,380.57 lacs in Fiscal 2011 to ₹ 2,074.81 lacs in Fiscal 2012. This increase in our staff costs were driven by a general increase in the salaries, allowances and bonus paid to our employees as well as an increase in the number of our employees from 525 as on March 31, 2011 to 643 as on March 31, 2012 primarily owing to the new recruitment of employees for our resort. As a result, our expenditure in relation to employee benefits as a percentage of total income increased from 15.14% in Fiscal 2011 to 18.12% in Fiscal 2012.

Other expenses

Our other expenses increased by ₹ 183.94 lacs, or 13.79%, from ₹ 1,334.34 lacs in Fiscal 2011 to ₹ 1,518.28 lacs in Fiscal 2012. This increase was primarily due to the ₹ 109.35 lacs increase in our advertisement and sales promotion expenses. However, our other expenses as a percentage of total income decreased from 14.63% in Fiscal 2011 to 13.26% in Fiscal 2012.

Finance charges

Our finance charges decreased by ₹ 276.66 lacs, or 70.95%, from ₹ 389.95 lacs in Fiscal 2011 to ₹ 113.29 lacs in Fiscal 2012. This decrease was primarily due to the repayment of term loans and lesser utilisation of working capital facility. As a result, our finance charges as a percentage of total income decreased from 4.27% in Fiscal 2011 to 0.99% in Fiscal 2012.

Depreciation and amortization

Our depreciation and amortization expenses decreased by ₹ 27.00 lacs, or 2.28%, from ₹ 1,182.74 lacs in Fiscal 2011 to ₹ 1,155.74 lacs in Fiscal 2012. This decrease was primarily due to reduction in the gross block of plant and machinery. As a result, our depreciation and amortization expenses as a percentage of total income decreased from 12.97% in Fiscal 2011 to 10.09% in Fiscal 2012.

Profit before tax and after extra-ordinary items

Primarily due to the reasons described above, our profit before tax and after adjustment due to extra-ordinary items increased by ₹ 161.46 lacs, or 3.79%, from ₹ 4,258.22 lacs in Fiscal 2011 to ₹ 4,419.68 lacs in Fiscal 2012. However, our profit before tax and after extraordinary items, as a percentage of our total income decreased from 46.68% in Fiscal 2011 to 38.59% in Fiscal 2012, due to occurrence of an extraordinary income from sale of property aggregating ₹ 1,079.96 lacs in Fiscal 2011.

Provision for tax

Due to an increase in our profit before tax, our provisions for tax liabilities increased by ₹ 326.88 lacs, or 29.55%, from ₹ 1,106.07 lacs in Fiscal 2011 to ₹ 1,432.95 lacs in Fiscal 2012.

Restated net profit after tax and after extra-ordinary items adjustments

Our profit after tax decreased by ₹ 165.42 lacs, or 5.25%, from ₹ 3,152.15 lacs in Fiscal 2011 to ₹ 2,986.73 lacs in Fiscal 2012.

Assets and Liabilities

Tangible assets

The specific components of tangible assets of our Company are land, building, garden and landscaping, plant and equipments, electrical equipments, office equipments, restaurant equipments, vehicles, furniture and fixtures.

Our tangible assets increased from ₹ 9,234.98 lacs as of Fiscal 2011 to ₹ 12,035.04 lacs as of Fiscal 2012, primarily due to capitalisation of Wonderla Resort. Our tangible assets increased from ₹ 12,035.04 lacs as of Fiscal 2012 to ₹ 14,347.56 lacs as of Fiscal 2013, primarily due to the acquisition of land at Hyderabad and additions made to tangible assets for existing parks. Further, our tangible assets increased from ₹ 14,347.56 lacs as of Fiscal 2013 to ₹ 14,558.92 lacs as of the nine months period ended December 31, 2013.

Intangible assets

The specific components of intangible assets of our Company are technical know-how, film rights and computer software.

Our intangible assets decreased from ₹ 71.97 lacs as of Fiscal 2011 to ₹ 66.65 lacs as of Fiscal 2012, to ₹ 47.40 lacs as of Fiscal 2013, and increased to ₹ 51.54 lacs as of the nine months period ended December 31, 2013, primarily on account of depreciation provided on intangible assets.

Long-term loans and advances

The long-term loans and advances of our Company increased from ₹ 355.53 lacs as of Fiscal 2011 to ₹ 911.28 lacs as of Fiscal 2012, primarily due to the advance payment towards the acquisition of land at Hyderabad. The long-term loans and advances of our Company decreased from ₹ 911.28 lacs as of Fiscal 2012 to ₹ 832.37 lacs as of Fiscal 2013, primarily due to capitalization of the advance payment made in Fiscal 2012 after the acquisition of land at Hyderabad. The long-term loans and advances further decreased from ₹ 832.37 lacs as of Fiscal 2013 to ₹ 263.77 lacs as of the nine months period ended December 31, 2013, primarily due to equipments received against capital advances.

Trade receivables

The trade receivables of our Company decreased from ₹ 26.00 lacs as of Fiscal 2011 to ₹ 20.20 lacs as of Fiscal 2012, primarily due to realisation of receivables. The trade receivables of our Company increased from ₹ 20.20 lacs as of Fiscal 2012 to ₹ 48.62 lacs as of Fiscal 2013, primarily due to commission receivable from restaurant contractors and merchandise suppliers. Our trade receivables increased from ₹48.62 lacs as of Fiscal 2013 to ₹ 56.50 lacs as of the nine months period ended December 31, 2013, primarily due to commission receivable from restaurant contractors.

Short-term loans and advances

The short-term loans and advances of our Company increased from ₹ 81.30 lacs as of Fiscal 2011 to ₹ 136.16 lacs as of Fiscal 2012, primarily due an increase in prepaid insurance, acquiring a prepaid bar license for Wonderla Resort and advance payments made to various suppliers/service providers towards the purchase of spare parts/provision of service. The short-term loans and advances of our Company increased from ₹ 136.16 lacs as of Fiscal 2012 to ₹ 168.85 lacs as of Fiscal 2013, primarily due to increase in prepaid expenses and advance given to advertisement contractors. Our short-term loans and advances decreased from ₹ 168.85 lacs as of Fiscal 2013 to ₹ 125.06 lacs as of the nine months period ended December 31, 2013, primarily due to transfer of prepaid expenses to current year expenses.

Other current assets

Other current assets of our Company decreased from ₹ 9.35 lacs as of Fiscal 2011 to ₹ 9.05 lacs as of Fiscal 2012, primarily due to reduction in income receivable. Other current assets of our Company increased from ₹ 9.05 lacs as of Fiscal 2012 to ₹ 87.56 lacs as of Fiscal 2013, primarily due to IPO expenses of ₹ 81.76 lakhs grouped under this head. Other current assets of our Company increased from ₹ 87.56 lacs as of Fiscal 2013 to ₹ 229.15 lacs as of the nine months period ended December 31, 2013, primarily due to IPO expenses of ₹ 140.83 lakhs grouped under this head.

Long-term borrowings

The long-term borrowings of our Company increased from ₹ 806.66 lacs as of Fiscal 2011 to ₹ 1,609.84 lacs as of Fiscal 2012, primarily due to long term borrowing for Wonderla Resort. The long-term borrowings of our Company decreased from ₹ 1,609.84 lacs as of Fiscal 2012 to ₹ 1,243.39 lacs as of Fiscal 2013, primarily due to repayment of long borrowings. Our long-term borrowings increased from ₹ 1,243.39 lacs as of Fiscal 2013 to ₹ 1,702.97 lacs as of the nine months period ended December 31, 2013, primarily due to loan availed for our proposed amusement park project, Wonderla Hyderabad.

Short-term borrowings

The short-term borrowings of our Company decreased from ₹ 99.88 lacs as of Fiscal 2011 to ₹ 53.80 lacs as of Fiscal 2012, primarily due to reduction in working capital utilisation. The short-term borrowings of our Company increased from ₹ 53.80 lacs as of Fiscal 2012 to ₹ 615.63 lacs as of Fiscal 2013, primarily due to short term corporate loan availed from State Bank of Travancore. Our short-term borrowings decreased from ₹ 615.63 lacs as of Fiscal 2013 to ₹ 143.86 lacs as of the nine months period ended December 31, 2013, primarily due to repayment of short term corporate loan.

Other current liabilities

Other current liabilities of our Company increased from ₹ 1,113.09 lacs as of Fiscal 2011 to ₹ 1,178.76 lacs as of Fiscal 2012, primarily due to increase in capital creditors of resort. Other current liabilities of our Company decreased from ₹ 1,178.76 lacs as of Fiscal 2012 to ₹ 695.60 lacs as of Fiscal 2013, primarily due to payment made to capital creditors. Other current liabilities of our Company increased from ₹ 695.60 lacs as of Fiscal 2013 to ₹ 742.02 lacs as of the nine months period ended December 31, 2013, primarily due to increase in advance booking of entry fee and commission payable.

Trade payables

The trade payables of our Company increased from ₹ 206.77 lacs as of Fiscal 2011 to ₹ 369.27 lacs as of Fiscal 2012, primarily due to increase in amount payable to advertisement contractors by ₹ 20.08 lakhs, suppliers of labours and materials by ₹ 52.34 lacs, traded goods supplier by ₹ 7.56 lakhs, civil and mechanical contractors by ₹ 68.13 lacs and electricity charges and other expenses payable by ₹ 14.34 lakhs. The trade payables of our Company increased from ₹ 369.27 lacs as of Fiscal 2012 to ₹ 401.74 lacs as of Fiscal 2013, primarily due to increase in amount payable to traded goods suppliers by ₹ 15.69 lakhs and professional fees by ₹ 11.57 lakhs. The trade payables of our Company increased from ₹ 401.74 lacs as of Fiscal 2013 to ₹ 588.88 lacs as of the nine months period ended December 31, 2013, primarily due to increase in amount payable to advertisement contractors by ₹ 187.14.

Liquidity and Capital Resources

As of December 31, 2013, we had cash and bank balances of ₹ 95.93 lacs. Cash and bank balances consist of cash on hand and deposit accounts. Our primary liquidity requirements have been to finance our capital expenditure requirements. We have met these requirements from cash flows from operations, and short-term and long-term borrowings. Our business requires a significant amount of capital expenditure. We expect to meet our capital expenditure requirements for the next 12 months primarily from the cash flows from our business operations and cash credit facilities from banks.

Cash flows

Set forth below is a table of selected information from the Company's consolidated statements of cash flows for the periods indicated.

(₹ in lacs)

Particulars	Nine months period ended December 31, 2013	Fiscal 2013	Fiscal 2012	Fiscal 2011
Net cash from/ (used in) operating activities	4,227.03	4,856.92	4,472.80	3,278.50
Net cash from/ (used in) investing activities	(3,480.38)	(3,711.33)	(3,882.98)	563.96
Net cash from/ (used in) financing activities	(938.04)	(1,106.68)	(373.10)	(3,921.90)
Net increase/ (decrease) in cash and cash equivalents	(191.39)	38.91	216.72	(79.44)
Cash and cash equivalents at the beginning of the year	287.32	248.41	31.69	111.13
Cash and cash equivalents as at the end of the year	95.93	287.32	248.41	31.69

Net cash from/used in operating activities

Net cash from operating activities in the nine months period ended December 31, 2013 was ₹ 4,227.03 lacs and our operating cash flow before working capital changes for that period was ₹ 5,730.72 lacs. The difference was attributable to ₹ 81.17 lacs increase in inventories, ₹ 7.88 lacs increase in trade receivables, ₹ 114.92 lacs increase in loans and advances, ₹ 255.20 lacs increase in liabilities and ₹ 1,554.92 lacs income tax paid.

Net cash from operating activities in Fiscal 2013 was ₹ 4,856.92 lacs and our operating cash flow before working capital changes for that period was ₹ 6,393.81 lacs. The difference was attributable to ₹ 99.05 lacs increase in inventories, ₹ 28.42 lacs increase in trade receivables, ₹ 115.22 lacs increase in loans and advances, ₹ 217.76 lacs increase in liabilities, and ₹ 1,511.96 lacs income tax paid.

Net cash from operating activities in Fiscal 2012 was ₹ 4,472.80 lacs and our operating cash flow before working capital changes for that period was ₹ 5,648.34 lacs. The difference was attributable to ₹ 36.84 lacs increase in inventories, ₹ 5.80 lacs decrease in trade receivables, ₹ 55.81 lacs increase in loans and advances, ₹ 296.27 lacs increase in liabilities and ₹ 1,384.96 lacs income tax paid.

Net cash from operating activities in Fiscal 2011 was ₹ 3,278.50 lacs and our operating cash flow before working capital changes for that period was ₹ 4,685.21 lacs. The difference was attributable to ₹ 10.91 lacs increase in inventories, ₹ 9.58 lacs increase in trade receivables, ₹ 10.51 lacs decrease in loans and advances, ₹ 320.58 lacs decrease in liabilities, and ₹ 1,076.15 lacs income tax paid.

Net cash used in/ generated from investing activities

In the nine months period ended December 31, 2013, our net cash used in investing activities was ₹ 3,480.38 lacs. This reflected ₹ 2,222.39 lacs towards the purchase of fixed assets, ₹ 53.33 lacs towards proceeds from sale of fixed assets, ₹ 60.50 lacs towards dividend received on investment in mutual funds, ₹ 20.16 lacs towards interest received on fixed deposit and ₹ 1,391.98 lacs towards purchase of short term investment.

In Fiscal 2013, our net cash used in investing activities was ₹ 3,711.33 lacs. This reflected ₹ 3,744.73 lacs towards the purchase of fixed assets, ₹ 4.78 lacs towards proceeds from sale of fixed assets, ₹ 26.89 lacs towards dividend received on investment in mutual funds and ₹ 1.73 lacs towards interest received on fixed deposit.

In Fiscal 2012, our net cash used in investing activities was ₹ 3,882.98 lacs. This reflected ₹ 3,934.12 lacs towards the purchase of fixed assets, ₹ 10.49 lacs towards proceeds from sale of fixed assets, ₹ 36.37 lacs towards dividend received on investment in mutual funds and ₹ 4.28 lacs towards interest received on fixed deposit.

In Fiscal 2011, our net cash generated from investing activities was ₹ 563.96 lacs. This reflected ₹ 1,307.12 lacs towards the purchase of fixed assets, ₹ 1,805.60 lacs towards proceeds from sale of fixed assets, ₹ 61.09 lacs towards dividend received on investment in mutual funds and ₹ 4.39 lacs towards interest received on fixed deposit.

Net cash used in financing activities

In the nine months period ended December 31, 2013, our net cash used in financing activities was ₹ 938.04 lacs. This reflected ₹ 308.86 lacs towards the proceeds from term and vehicle loans from banks, ₹ 431.70 lacs used in repayment of corporate loans from banks, ₹ 128.23 lacs towards proceeds from cash credit and working capital loans and ₹ 206.36 lacs towards finance costs paid and ₹ 737.07 lacs towards payment of dividend.

In Fiscal 2013, our net cash used in financing activities was ₹ 1,106.68 lacs. This reflected ₹ 811.59 lacs used in repayment of term and vehicle loans from banks, ₹ 700.00 lacs towards proceeds from corporate loans from banks, ₹ 38.17 lacs towards repayment of cash credit and working capital loans, ₹ 732.20 lacs towards dividend paid including taxes and ₹ 224.72 lacs towards finance costs paid.

In Fiscal 2012, our net cash used in financing activities was ₹ 373.10 lacs. This reflected ₹ 510.11 lacs towards proceeds from term and vehicle loans from banks, ₹ 46.08 lacs used in repayment of cash credit and working capital loans, ₹ 732.20 lacs towards dividend paid including taxes and ₹ 104.93 lacs towards finance costs paid.

In Fiscal 2011, our net cash used in financing activities was ₹ 3,921.90 lacs. This reflected ₹ 885.62 lacs used in repayment of term and vehicle loans from banks, ₹ 164.00 lacs used in repayment of corporate loans from banks, ₹ 67.36 lacs towards proceeds from cash credit and working capital loans, ₹ 2,043.25 lacs towards decrease in unsecured loans, ₹ 489.76 lacs towards dividend paid including taxes and ₹ 406.63 lacs towards finance costs paid.

Financial indebtedness

The following table sets forth the Company's secured and unsecured debt position as at December 31, 2013.

(₹ in lacs)

Particulars	Amount outstanding as at December 31, 2013
Unsecured loans:	
From promoters	-
From group companies	-
Total (A)	**Nil**
Secured loans:	
Long term borrowings	
Term loans from banks	1,465.00
Corporate loans	201.50
Vehicle loans from banks	36.47
Sub Total	**1,702.97**
Short term borrowings	
Working capital loans from Axis Bank Limited	143.86
Corporate loans	-
Sub Total	**143.86**
Current maturities of long term borrowings	
Term loans from banks	160.50
Vehicle loans from banks	28.24
Corporate loans	66.80
Grand Total	**2,102.37**

Contingent Liabilities

As of December 31, 2013, we had the following contingent liabilities that have not been provided for in our financial statements:

(₹ in lacs)

Sl. No.		Amount
1.	Disputed special entry tax demand pending appeal	5.35
2.	Disputed entertainment tax	9.89
3.	Claims for compensation	17.28
4.	Income tax demand pending appeal (disputed demand fully paid)	99.55
5.	Interest on water cess	1.67
6.	Service tax demand pending appeal	211.11
7.	Bank guarantees	11.14

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet transactions.

Quantitative and qualitative disclosure about market risk

Interest rate risk

We are exposed to market rate risk due to changes in interest rates on our credit facilities that we entered into. As at December 31, 2013, we had ₹ 2,102.37 lacs of outstanding indebtedness, which exposed us to market risk as a result of changes in interest rates. We undertake debt obligations to support our working capital needs and capital expenditure. Upward fluctuations in interest rates increase the cost of debt and interest cost of outstanding variable rate borrowings. We do not currently use any derivative instruments to modify the nature of our debt so as to manage our interest rate risk.

Commodity price risk

We are exposed to market risk with respect to the prices of raw materials and components used in our amusement parks. These commodities include iron, steel, cement and other raw materials. The costs for these raw materials and components are subject to fluctuation based on commodity prices. The cost of components and various small parts sourced from outside manufacturers may also fluctuate based on their availability from suppliers. In the normal course of business, we purchase these raw materials and components either on a purchase order basis or pursuant to supply agreements. We do not enter into fixed price or forward contracts in relation to procurement of raw materials.

Foreign exchange risk

We are exposed to certain foreign currency risks. For example, we import certain rides and equipments from foreign suppliers including from Italy and Germany for which payments are made in foreign currency. In view of the fluctuation in the value of the Rupee against foreign currencies, we face a degree of foreign exchange risk. We also enter into certain foreign currency forward contracts to hedge our risk associated with foreign currency fluctuations between the US Dollar and the Rupee.

Unusual or infrequent events or transactions

Except as disclosed in this Red Herring Prospectus, there are no events or transactions which may be described as "unusual" or "infrequent".

Significant economic changes that materially affected or are likely to affect income from continuing operations

Except as described in the section titled "Industry Overview" on page 103 of this Red Herring Prospectus, to our knowledge, there are no significant economic changes that materially affected or are likely to affect our income from continuing operations.

Known trends or uncertainties

Our business has been impacted and we expect will continue to be impacted by the trends identified above in "Factors Affecting our Results of Operations" and the uncertainties described in "Risk Factors" on page 16 of this Red Herring Prospectus. To our knowledge, except as we have described in this Red Herring Prospectus, there are no known factors, which we expect to have a material adverse impact on our revenues or income from continuing operations.

New products or business segments

We launched our first resort by the name, *Wonderla Resort*, in March 2012 beside our amusement park in Bangalore. This being our first venture in the hospitality sector, we may be unable to generate expected revenues from its operations. We lack extensive experience in this business and we may not be able to compete effectively with established and new competitors in this business. Our success in the management of resorts will depend on our ability to forecast and respond to demand in an industry in which we have limited experience. In addition, the performance of the hotel industry is also closely linked with the performance of the general economy and any economic downturn would affect our business. Our inability to successfully manage our resort may affect our revenues and results of operations.

Total turnover of each major industry segment in which the Company operates

For details of the total turnover, please refer to the section "Industry Overview" on page 103 of this Red Herring Prospectus.

Significant dependence on a single or few customers

Our Company has a diversified customer base and are not dependent on a single or a few customers. Our customer base is as described in the section "Our Business" on page 116 of this Red Herring Prospectus.

Seasonality of business

We have experienced seasonality in our financial results and a significant portion of our revenues is generally booked in the first and third quarters of the Fiscal due to school summer vacations and festive seasons such as Diwali and Christmas and lower in the fourth quarter.

Significant Regulatory Changes

Except as described in "Regulations and Policies" on page 146 of this Red Herring Prospectus, there have been no significant regulatory changes that could affect our income from continuing operations.

Future relationship between expenditure and revenues

Except as described in "Risk Factors", "Our Business", and "Management's Discussion and Analysis of Financial Condition and Results of Operation" on pages 16, 116, and 231 of this Red Herring Prospectus, respectively, to the best of our knowledge, there is no future relationship between expenditure and income that will have a material adverse impact on the operations and finances of our Company.

Competitive conditions

We compete in the amusement park and entertainment industry. For details, see "Our Business - Competition" on page 127 of this Red Herring Prospectus.

Transactions with associate companies and related parties

We have certain transactions with our associate companies and related parties. For details, see "Financial Statements of our Company - Annexure XV - Disclosures of significant transactions with related parties" on page 220 of this Red Herring Prospectus.

Recent accounting pronouncements

There are no recent accounting pronouncements that were not yet effective as at December 31, 2013 that will result in a change in our Company's significant accounting policies.

Significant Developments after December 31, 2013

There has been no material development in relation to our Company since December 31, 2013, except as disclosed elsewhere in this Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

As on December 31, 2013 the aggregate outstanding borrowings of our Company are as follows:

(₹ In lakhs)

Sl. No.	Nature of Borrowing	Amount
1.	Secured Borrowings	2,102.37
2.	Unsecured Borrowings	Nil

I. Axis Bank Limited ("Axis Bank") (Total sanctioned amount of ₹ 600.00 lakhs)

Sanction letter dated October 26, 2011, renewed sanction letter dated December 29, 2012, deed of hypothecation of current assets (stocks and book debts) dated November 11, 2011.

(₹ In lakhs)

Sanctioned Amount	Amount outstanding as on December 31, 2013	Interest Rate	Purpose of Loan/Repayment/Security
Fund Based			
Cash Credit: 600.00	143.86	Base rate + 2.50% per annum aggregating to 12.50% per annum	• The cash credit facility has been availed for funding our working capital requirements. • The cash credit facility is repayable on demand. • The cash credit facility has been secured by *pari passu* charge, along with other lenders, by way of hypothecation of the current assets (stocks and book debts) of our Company, present and future, situated at Bangalore, Kochi or anywhere else including those in transit. • Equitable mortgage of land admeasuring 81 acres 30 guntas along with buildings located at Bidadi, Hobli, Ramanagaram Taluk, Bangalore Rural District, on *pari passu* basis with State Bank of Travancore.

The following restrictive covenants are applicable in relation to the aforesaid loan availed by our Company from Axis Bank.

(a) In the event of our Company's poor conduct or non-compliance of sanction terms, our Company shall not, without the written consent of Axis Bank:

i. effect any change in the management and our capital structure;

ii. implement any scheme of expansion or acquire fixed assets of substantial value, other than the envisaged project;

iii. enter into borrowing arrangement either secured or unsecured with any other bank or financial institutions, company or otherwise;

iv. grant loans to our Promoters, associates and other companies;

v. invest by way of share capital in or lend or advance funds to place deposits with any other concern, except in normal course of our business;

vi. declare dividends for any year, except out of profits relating to that year after meeting all due and necessary provisions and provided that no default has occurred in any repayment obligations;

vii. undertake guarantee obligations on behalf of any other borrower or any third party except in normal course of our business;

viii. formulate any scheme of amalgamation with any other borrower/ third party or reconstitution of any borrower or third party;

ix. make any repayment of the loans and deposits and discharge other liabilities except those shown in the fund flow statement submitted from time to time; or

x. withdraw monies brought in by key Promoters/ depositors.

(b) Axis Bank is entitled to charge our Company, a penal interest at 1% per annum for delay or non submission of quarterly cash budget statement subject to a maximum penalty of ₹ 0.20 lakhs.

(c) Axis Bank is entitled to charge our Company, a penal interest at 2% per annum of the overdue amount for any overdraw by our Company and charge 2% per annum on the entire outstanding amount if our Company overdraws on more than three occasions in a calendar month.

II. State Bank of Travancore ("SBT") (Total sanctioned amount of ₹ 1,500.00 lakhs)

Sanction letter dated October 27, 2010, term loan agreement dated December 23, 2010, deed of guarantee dated December 23, 2010 and memorandum of extension of equitable mortgage dated December 24, 2010.

(₹ In lakhs)

Sanctioned Amount	Amount outstanding as on December 31, 2013	Interest Rate	Purpose of Loan/Repayment/Security
Term Loan: 1,500.00 ***Sub limit*** **Letter of credit/Bank Guarantee:** 400.00	1,125.50	Base rate + 2% per annum aggregating to 12.25% per annum	• The term loan facility has been availed to finance the setting up of a 3 star hotel with a project cost of ₹ 2,630.00 lakhs. • The facility has been secured by: (a) Personal guarantee of Kochouseph Chittilappilly and Arun Kochouseph Chittilappilly; and (b) First ranking *pari passu* charge, along with other lenders (State Bank of India, commercial branch, Ernakulam and Karur Vysya Bank, Ernakulam), over entire fixed assets of Wonderla Bangalore, both movable and immovable, present and future including equitable mortgage on landed properties admeasuring 81 acres 30 guntas located

			at Jadenahalli, Bannikuppe, Vajrahalli Villages, Bidadi, Hobli, Ramanagaram Taluk, Bangalore Rural District and hypothecation of all fixed assets pertaining to the proposed project. • The term loan facility is re-payable in 27 quarterly instalments of ₹ 53.50 lakhs and a final instalment of ₹ 55.50 lakhs. • The tenor of the term loan facility is 105 months. • Letter of credit facility is for procuring furniture and equipments. • Bank guarantee is for issuance in favour or director general of foreign trade in relation to import of capital goods and for obtaining various licenses required for the project.

The following restrictive covenants are applicable in relation to the aforesaid facility availed by our Company from SBT:

(a) During the currency of the term loan and unless all repayment obligations to SBT upto the date have been paid, our Company shall not, without the written consent of SBT:

i. create any subsidiary or permit any company to become our subsidiary;

ii. *inter alia*, increase the remuneration, sitting fee, salary or perquisites of our Directors or make any change in the existing practice with regard to payment of remuneration, sitting fee, salary or perquisite;

iii. purchase or sell capital goods on hire purchase or lease basis;

iv. enter into any contractual obligations of long term nature or affecting our financial position to any significant extent;

v. undertake guarantee obligations on behalf of any third party;

vi. make any investments by way of share capital, or debentures or loan or place deposits with any concern except giving normal trade credits;

vii. effect any change in our capital structure;

viii. revalue our assets at any time;

ix. undertake any new project or expansion scheme;

x. declare any dividend on our share capital;

xi. undertake any trading activity other than sale of our own products;

xii. permit transfer of any controlling interest or Promoters/ Directors or make any drastic change in the management set-up;

xiii. create any charges on our assets at Wonderla Bangalore; and

xiv. permit any consolidation, compromise, merger, scheme or arrangement with our creditors or shareholders to effect any scheme of amalgamation or reconstruction.

(b) SBT is entitled to a penal interest at the rate of 2.00% for any delay/default in repayment of the aforesaid facility.

(c) In the event of a default in payment of any dues, SBT shall have the right to appoint and/ or remove its nominee director from our Board.

III. State Bank of Travancore ("SBT") (Total sanctioned amount of ₹ 5,000.00 lakhs)

Sanction letter dated October 30, 2012 and modified sanction letter dated February 18, 2013, term loan agreement dated July 23, 2013, deed of guarantee dated July 23, 2013, deed of hypothecation dated July 23, 2013 and memorandum of deposit of title deeds in relation to this loan.

(₹ In lakhs)

Sanctioned Amount	Amount outstanding as on December 31, 2013	Interest Rate	Purpose of Loan/Repayment/Security
Term Loan: 5,000.00	500.00	Base rate + 1.75% per annum aggregating to 12.00% per annum	• The term loan facility is availed by our Company for setting up an amusement park in Ranga Reddy District of Andhra Pradesh. • The facility is secured by: (a) Personal guarantee of Kochouseph Chittilappilly and Arun Kochouseph Chittilappilly; and (b) First ranking *pari passu* charge, along with other term lenders, over entire fixed assets of Wonderla Hyderabad, both movable and immovable, present and future including equitable mortgage of land admeasuring 46.175 acres, located at Kongara Khurd A Village, Maheshwaram Mandal, Ranga Reddy District, Andhra Pradesh. • The tenor of the term loan facility is 100 months including construction period of 28 months. • The principal amount of the term loan facility is re-payable in 24 quarterly instalments of ₹ 208.00 lakhs per instalment, beginning November 2015 and interest to be re-paid as and when the amounts are debited.

The following restrictive covenants are applicable in relation to the aforesaid facility availed by our Company from SBT:

(a) During the currency of the term loan and unless all repayments of interest and installment

obligations to SBT have been paid, our Company shall not, without the written consent of SBT:

i. effect any change in our capital structure;

ii. formulate any scheme of amalgamation or reconstruction;

iii. undertake any new project, acquire fixed assets or implement any scheme of expansion;

iv. invest by way of share capital in or lend or advance funds, to or place deposits with any other concern;

v. enter into borrowing arrangements either secured or unsecured with any other bank, company or otherwise or accept deposits apart from the arrangements indicated in the funds flow statements;

vi. undertake any guarantee obligations on behalf of any other company, including our Group Companies;

vii. declare dividends for any year except out of the profits relating to that year;

viii. enter into any contractual obligation of a long-term nature affecting our Company financially to a significant extent;

ix. change the practice with respect to remuneration of our Directors by including, but not limited to, means of ordinary remuneration, commission and scale of sitting fees;

x. undertake any trading activity other than the sale of products arising out of our Company's core operations unless such activities were disclosed and taken into account at the appraisal stage;

xi. permit any transfer of controlling interest or make any drastic change in the management set-up; and

xii. repay monies brought in by our Promoters/ Directors, principal shareholders and their friends/ relatives by way of deposit of loans/advances.

(b) In the event of default of payment of dues by our Company or in the opinion of SBT, if the business of our Company is conducted in a manner prejudicial to SBT's interests, SBT shall have a right to appoint and remove, from time to time a director on the Board of our Company.

(c) Our Company has agreed to offer SBT, on a right of first refusal basis, at least pro-rata business relating to remittances, bills/cheques purchase, non-fund based transactions including letter of credit, bank guarantees, forex transactions and any interest rate or currency hedging business contemplated.

(d) Our Company shall not, without the prior written consent of SBT, (i) create any charge, lien or encumbrance over our undertaking or any part thereof in favour of any bank, financial institutions, firms or persons; and/or (ii) sell, assign, mortgage or otherwise dispose off any of our fixed assets charged to the SBT.

(e) SBT is entitled to charge our Company, a penal interest at 1 percent per annum for default in payment of installments of principal or interest or any other monies on the due dates.

(f) SBT may require our Company to prepay the loan and increase the amount of installments if it deems that the profitability, cash flow and other circumstances of our Company indicate a respective increase.

(g) Our Company shall, on the advice of SBT, furnish additional security to SBT, if SBT is of the

opinion that the security provided by our Company has become inadequate.

(h) Our Company shall keep all the movable and immovable properties, charged in favour of SBT, fully insured against loss, damage due to fire, theft, lightning, earthquake, riot, strike and such other risks.

IV. Dhanlaxmi Bank Limited ("Dhanlaxmi Bank") (Total sanctioned amount of ₹ 2,300.00 lakhs)

Sanction letter dated May 4, 2012, term loan agreement with hypothecation deed dated November 2, 2012 and confirmation letter from the mortgagor dated November 3, 2012.

(₹ In lakhs)

Sanctioned Amount	Amount outstanding as on December 31, 2013	Interest Rate	Purpose of Loan/Repayment/Security
Fund Based			
Corporate Term Loan: 2,300.00	268.30	Base rate + 1.25% per annum aggregating to 12.50% per annum	• The corporate term loan has been availed to meet capital expenses of our Company. • The corporate term loan facility is repayable by our Company in 20 quarterly instalments of ₹ 115.00 starting February 2, 2013. • The facility has been secured by: a) Charge on movable and immovable assets on our Company's land admeasuring 25.47 acres, situated at Kunnathumadu Village, Cochin and development thereon with value not less than ₹ 3,000.00 lakhs; b) Personal Guarantee of Arun Kochouseph Chittilappilly and Kochouseph Chittilappilly.

The following restrictive covenants are applicable in relation to the aforesaid facility availed by our Company from Dhanlaxmi Bank. Our Company shall not, without the written consent of Dhanlaxmi Bank:

i. initiate any proceedings for any merger or amalgamation;

ii. extend any guarantee for the credit facilities extended to the Group Companies/ allied concerns;

iii. change our constitution; or

iv. change the shareholding of our Directors, Promoters and principal shareholders.

V. Vehicle loan taken by our Company from Axis Bank (Total sanctioned amount of ₹ 55.00 lakhs)

Loan agreement dated September 23, 2011.

(₹ In lakhs)

Sanctioned Amount	Amount outstanding as on December 31, 2013	Interest Rate	Purpose of Loan/Repayment/Security

55.00	15.32	10.01% per annum	• The loan facility has been availed for purchase of vehicle. • The loan facility is repayable in 36 monthly instalments.

VI. Vehicle loan taken by our Company from HDFC Bank (Total sanctioned amount of ₹ 11.00 lakhs)

Loan agreement dated August 7, 2012.

(₹ In lakhs)

Sanctioned Amount	Amount outstanding as on December 31, 2013	Interest Rate	Purpose of Loan/Repayment/Security
11.00	6.27	11.40% per annum	• The loan facility has been availed for purchase of vehicle. • The loan facility is repayable in 36 monthly instalments.

VII. Vehicle loan taken by our Company from HDFC Bank (Total sanctioned amount of ₹ 4.00 lakhs)

Loan agreement dated August 7, 2012.

(₹ In lakhs)

Sanctioned Amount	Amount outstanding as on December 31, 2013	Interest Rate	Purpose of Loan/Repayment/Security
4.00	2.29	11.40% per annum	• The loan facility has been availed for purchase of vehicle. • The loan facility is repayable in 36 monthly instalments.

VIII. Vehicle loan taken by our Company and Arun Kochouseph Chittilappilly (the "Borrowers") from Axis Bank (Total sanctioned amount of ₹ 45.00 lakhs)

Loan cum hypothecation agreement dated May 30, 2013.

(₹ In lakhs)

Sanctioned Amount	Amount outstanding as on December 31, 2013	Interest Rate	Purpose of Loan/Repayment/Security
45.00	40.83	10.00% per annum	• The loan facility has been availed for purchase of vehicle. • The loan facility is repayable in 60 monthly instalments.

The following undertakings and covenants are applicable in relation to the aforesaid loan facility availed by our Company and Arun Kochouseph Chittilappilly from Axis Bank. The Borrowers, as applicable:

i. shall inform Axis Bank of any likely change in employment;

ii. shall not stand surety or guarantor for any third party liability or obligation;

iii. shall not leave India for employment or business or long stay without fully repaying the loan, outstanding dues and interest;

iv. shall intimate Axis Bank of any change in his residential address or employment or any change in the premises where the vehicle is normally retained, within ten days from the date of such change; and

v. declare that, except as mentioned in the loan agreement, borrower is not a director or relative of any director/ partner/ member of the Axis Bank or any other bank, including scheduled co-operative banks/ trustees of mutual funds/ venture capital funds and that neither the borrower nor any of his relatives are senior officers of the Axis Bank.

IX. HDFC Bank (Total sanctioned amount of ₹ 1,000 lakhs)

Sanction letter dated November 7, 2013.

(₹ In lakhs)

Sanctioned Amount	Amount outstanding as on December 31, 2013	Interest Rate	Purpose of Loan/Repayment/Security
Term Loan: 1,000.00	[Nil]*	11.00% per annum	• The term loan is availed to meet our capital expenditure. • The facility has been secured by: (a) *Pari passu* charge over our Company's property admeasuring 25.47 acres at Kochi with improvements thereon along with Dhanlaxmi Bank Limited and (b) Personal guarantee of Arun Kochouseph Chittilappilly. • The principal shall be payable in quarterly instalments and interests shall be payable at monthly rests. • The tenor of the term loan facility is 60 months. • Penal interest at 2% per annum for all dues/ delays in payment of principal or interest.

* *Our Company has not drawn any amounts under the aforesaid sanction letter. Last drawal date is to be before March 2014*

The following undertakings and covenants are applicable in relation to the aforesaid loan facility availed by our Company from HDFC Bank:

(a) During the currency of the loan, our Company should provide prior intimation to HDFC Bank for:

i. any change in ownership or management control;

ii. investing / providing advances to or extend guarantees to our Group Companies; and

iii. borrowing any interest bearing debt from a bank/ financial institution.

(b) In case of any irregularity in debt service, our Company should seek prior consent of HDFC Bank for dividend payout.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, our Directors, our Promoters, our Group Companies and there are no defaults, non- payment of statutory dues, overdues to banks/financial institutions/small scale undertaking(s), defaults against banks/financial institutions/small scale undertaking(s), defaults in dues payable to holders of any debentures, bonds or fixed deposits or arrears on preference shares issued by our Company, our Directors, our Promoters, our Group Companies, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act 1956) other than unclaimed liabilities of our Company, our Directors, our Promoters, our Group Companies and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Directors, our Promoters, our Group Companies that would result in a material adverse effect on our consolidated business taken as a whole.

Further, except as disclosed hereunder our Company, our Directors, our Promoters, our Group Companies have not been declared as wilful defaulters by the RBI or any government authority and there have been no violations of securities laws in the past or pending against them.

(A) Cases filed against our Company

Criminal litigation

1. Shivakumar M.B. (the "**Complainant**"), has impleaded our Company and United India Insurance Company Limited, Bangalore ("**UIC**"), in a motor vehicles complaint bearing number M.V.C No. 66/2013 before the Motor Accident Claims Tribunal, Bangalore (the "**Tribunal**"), on January 1, 2013 claiming a compensation of ₹ 18.00 lakhs. The Complainant has alleged that he was run over by a mini-bus bearing registration No. KA-42-7220 which was driven rashly and negligently, on August 30, 2012 while he was trying to board it at our Company's main gate. The said mini-bus is owned our the Company and is insured by UIC. A first information report bearing No. 464/2012 has been lodged, against our Company within the jurisdiction of the Bidadi police station under Sections 279 and 337 of the IPC. The matter is currently pending before the Tribunal.

2. Abhilash, (the "**Complainant**") has lodged a complaint bearing number 118/2013 dated February 25, 2013 under Section 154 of the CrPC in the Kunnathunadu police station, Ernakulam ("**Police Station**") against our Company. The Complainant has accused that his friend Sharath, died an unnatural death after he was hit by a ride at Wonderla Kochi. The matter is before the Sub-divisional Magistrate Court, Moovattupuzha (the "**Court**"). Sub-Inspector of the Kunnathunadu police station has filed final investigation report before the Court on March 18, 2013, whereby death of the deceased is identified as anccidental. The matter is pending before the Court.

Civil litigation

1. Smt. Hombakka and four others (the "**Plaintiffs**"), have filed an original suit bearing O.S. No. 424/ 2013 dated August 22, 2013, under Order VII Rule 1 of the CPC against Mr. Chikka Gudappa and five others (the "**Defendants**"); Karnataka Industrial Area Development Board ("**KIADB**") and our Company before the Court of Principal Senior Civil Judge, Ramanagara (the "**Court**"). The Plaintiffs have claimed that they are the legal heirs of one Revaiah, who had acquired agricultural land admeasuring 32 acres and 10 guntas on Survey No. 109 at Bannikuppe Village, Bidadi Hobli, Ramanagara Taluk (the "**Land**"), pursuant to a sale deed dated September 28, 1932. The Plaintiffs have alleged that after the death of Revaiah, they allowed the Defendants to undertake agricultural activities on the Land and to share a part of the crops with the Plaintiffs. Further, the Plaintiffs claimed that they found out in the month of April 2013 that the Defendants have misrepresented themselves as the owners of the Land and produced false documents to the KIADB and our Company to obtain compensation for acquisition of a portion of the Land. The

Plaintiffs have alleged that KIADB and our Company did not undertake proper title inquiry before the acquisition of land from the Defendants. The Plaintiffs have prayed before the Court to, (a) declare that the Plaintiffs are the absolute owners of the land admeasuring 26 acres 6 guntas and 8 acres 24 guntas on Survey No. 109 at Bannikuppe Village, Bidadi Hobli, Ramanagara Taluk; (b) direct the Defendants to deliver vacant possession of the land to the Plaintiffs, admeasuring 26 acres 6 guntas on Survey No. 109 at Bannikuppe Village, Bidadi Hobli, Ramanagara Taluk; and (c) declare that the alleged sale deed dated September 3, 2008 is not binding on the Plaintiffs or, alternately, direct KIADB and our Company to pay amount for acquisition of 8 acres 24 guntas of land on Survey No. 109 at Bannikuppe Village, Bidadi Hobli, Ramanagara Taluk, to the Plaintiffs. The matter is currently pending before the Court.

2. Our Company has filed an application bearing No. 498/2007 dated October 31, 2013, before the Court of Additional District Judge, Ranga Reddy District, L. B. Nagar (the "**Court**"), under Order I Rule 10 (2) of the CPC, impleading itself as additional respondent to the existing suit bearing O.S. 498/2007 and interim application bearing I.A. No. 252/2013 (the "**Original Suit**"), between Nimma Dayakar Reddy, Anumula Hemalatha Devi (the "**Original Plaintiffs**") and Nimma Mohan Reddy, Nimma Sitaraman Reddy and A. Sarla Kumari (the "**Original Defendants**"). The Original Plaintiffs, the son and daughter of Nimma Mohan Reddy, have claimed that an undivided ancestral parcel of land admeasuring 16.94 acres (6 acres 35 guntas and 10 acres 03 guntas) (the "**Undivided Property**"), was conveyed to one Smt. Sarala Kumari by Nimma Mohan Reddy and Nimma Sitaraman Reddy, by executing sale deeds, without partitioning the said land amongst the Original Plaintiffs. The sale deeds were later registered in the name of Smt. Sarala Kumari bearing Nos. 254/1995, 255/1995 dated October 20, 1995 (the "**Sale Deed**"). Smt. Sarala Kumari, subsequently, conveyed a parcel of land admeasuring 7.95 acres (7 acres and 0.38 guntas), in favour of our Company by executing registered sale deeds bearing No. 1638/12 and 1766/12 dated May 4, 2012 and May 16, 2012 respectively. The Original Plaintiffs have prayed before the Court for: (i) a preliminary decree for division of entire property into four shares by way of a partition decree; (ii) a final decree giving separate possession of the shares allotted as per the preliminary decree to be awarded by the Court to the Original Plaintiffs; (iii) a decree for cancellation of the Sale Deed; (iv) an award of costs of the suit on the Original Defendants; and (iv) other reliefs that the Original Plaintiffs might be entitled to get. The matter is currently pending before the Court.

3. Balagoda Varma (the "**Petitioner**"), has filed a civil writ petition bearing W. P. (C) No.1138 /2013 dated January 9, 2013 (the "**Writ Petition**"), under Article 226 of the Constitution of India before the High Court of Kerala at Ernakulam (the "**High Court**"), against our Company and one of our Promoters, Kochouseph Chittilappilly with five other parties (the "**Respondents**"). Petitioner has accused that the Respondents have arbitrarily refused and/or influenced refusal for mutation of property bearing various survey numbers at Kizhakkambalam Village, Kunnathunadu Taluk, admeasuring 39.45 ares (the "**Disputed Property**"), in Petitioner's favour. Further, the Petitioner has alleged that our Company and Kochouseph Chittilappilly, have exercised their influence for refusal for mutation of the Disputed Property in Petitioner's favour. The Petitioner has prayed before the High Court that a writ of mandamus be issued to the Respondents for effecting mutation of the Disputed Property in Petitioner's favour. The matter is currently pending before the High Court.

Tax proceedings

1. The Assistant Commissioner of Income Tax, Circle 12(5) Bangalore, by way of an assessment order dated December 29, 2008, had disallowed the expenditure amounting to ₹ 6.98 lakhs claimed by our Company as 100% depreciation on temporary erections, under Section 143(3) of the IT, Act. Our Company filed an appeal bearing no. 227/C-12(5)/CIT(A)III/BNG/08-09 dated August 16, 2009 before the Commissioner of Income Tax (Appeals) - III (the "**Commissioner**"). The Commissioner decided the appeal in our favour by way of an order dated August 16, 2011, thereby allowing the depreciation of ₹ 6.98 lakhs claimed by our Company. Subsequently, the Deputy Commissioner of Income Tax, Circle 12(5), Bangalore (the "**Deputy Commissioner**"), filed an appeal against the said order dated August 16, 2011 passed by the Commissioner, before the Income Tax Appellate Tribunal, Bangalore (the "**Appellate Tribunal**"), bearing appeal number No. ITA.No.227/C-12(5)/CIT-(A)-III/BNG/08-09 dated November 11, 2011. Appellate Tribunal through its order bearing No. ITA No. 1057/BNG/2011 dated, July 31, 2012 dismissed the appeal filed by the Deputy Commissioner. The Deputy Commissioner further issued a notice to our Company dated September 11, 2012 intimating re-assessment for the assessment year 2006-07, on the grounds that our Company was wrongfully allowed depreciation in excess. Subsequently, the Deputy Commissioner by way of an assessment order dated March 15, 2013, received by our Company in April 2013, has disallowed excess depreciation of ₹ 52.67 lakhs claimed by our Company (the "**Order**"). Our Company has also been issued a notice dated March 15, 2013 under which our Company has filed an appeal against the Order before the Commissioner of Income Tax (Appeals) III, Bangalore Bench on April 25, 2013. The matter is currently pending before the Commissioner of Income Tax (Appeals) III Tribunal, Bangalore Bench.

2. The Commissioner of Income Tax, Circle 12(5), Bangalore (the "**Commissioner**"), by way of an order dated March 30, 2013, directed the assessing officer to consider two additional issues for the assessment order for assessment year 2008-09. Commissioner further, disallowed the interest claimed by our Company under Section 36(1)(iii) of the IT, Act on loan availed for purchase of land and ordered the assessing officer to issue a fresh assessment order under rule 8D(2)(iii) of the IT, Act. The Deputy Commissioner of Income Tax, Circle 12(5), Bangalore ("**Assessment Officer**") based on order dated March 30, 2013, issued an assessment order under Section 263 of the IT, Act to our Company, including additional grounds dated May 31, 2013 demanding total payment of ₹ 63.48 lakhs as outstanding taxes. Our Company has filed an appeal against the said order before the Commissioner of Income Tax (Appeals) - III, Bangalore (the "**CIT - Appeals**"), on July 2, 2013. The matter is currently pending before CIT - Appeals.

3. The Deputy Commissioner of Income Tax, Circle 12(5), Bangalore (the "**Deputy Commissioner**"), by way of an assessment order dated December 30, 2013, had disallowed our Company's claim of ₹ 1.50 lakhs towards merger expenses under Section 35DD of the Income Tax Act, 1961 (the "**Act**"), for the assessment year 2011-12. The Deputy Commissioner has held that expenditure towards increase in share capital is neither allowable under Section 37(1) nor under section 35DD of the Act. Further, the Deputy Commissioner levied additional surcharge and education cess on our Company, our Company in its reply had stated that Sections 35D and 35DD of the Act artificially allow capital expenses incurred in one year, over several years and thereby our claim should be entertained by the Deputy Commissioner. Subsequently our Company has filed an appeal against the order of the Deputy Commissioner before the Commissioner of Income Tax (Appeals) ("**CIT, Appeals**") dated February 5, 2014. The matter is currently pending before the CIT, Appeals.

4. The Additional Commissioner of Central Excise and Customs and Service Tax, Cochin Commissionerate (the "**Additional Commissioner**"), has issued show cause notices dated August 22, 2011; October 1, 2012 and October 10, 2013 to our Company for the period April 2011 to March 2012 and April 2012 to March 2013. The Additional Commissioner has passed an order dated April 10, 2013 upholding the demand made by the service tax authority for non payment of service tax and education cess by Wonderla Kochi, on rent received from various immovable

properties, and imposed a penalty of ₹ 5,000 in addition to the assessed amount in the show cause notice dated October 1, 2012 under the Finance Act, 1994 for the period April 2011 to March 2012. The aggregate amount including service tax, education cess and penalty thereon is ₹ 25.44 lakhs in addition to a penalty of ₹ 200 per day from the due date of payment or at the rate of 2.00 per cent of such tax calculated on a monthly basis, whichever is higher under Section 76 of the Finance Act, 1994. Our Company has filed an appeal under Form ST-4 dated May 22, 2013 before the Commissioner of Central Excise (Appeals), Kochi (the "**Commissioner**"), against the order dated April 10, 2013 passed by the Additional Commissioner. Against the notice dated October 10, 2013 demanding an additional amount of ₹ 34.15 lakhs, our Company has filed its reply with the Additional Commissioner on November 19, 2013 (the "**Reply**"). Our Company has clarified that the items covered in the show cause notices are not services but are sale of goods which cannot be subjected to service tax. Our Company has further clarified that there is no arrangement for income from rent of immovable property and that the income is derived only from sale of goods. Our Company has prayed before the Commissioner to set aside the order dated April 10, 2013 passed by the Additional Commissioner and allow the present appeal. Our Company is also awaiting Additional Commissioner's response to the Reply. The matter is currently pending.

Civil and tax proceedings provided below have been transferred to our Company pursuant to the order dated September 11, 2009 passed by the High Court of Karnataka sanctioning the scheme of arrangement for the amalgamation of Veega Holidays and Parks Private Limited ("Veega Holidays") with our Company.

Civil litigation

1. Vijesh Vijayan (the "**Petitioner**"), has filed a writ petition bearing No. 1107/2007-F dated January 8, 2007 before the High Court of Kerala at Ernakulam (the "**High Court**") against the State of Kerala, Managing Director, Veega Holidays and four others (the "**Respondents**"). The Petitioner on December 22, 2002, allegedly hurt his spinal cord due to low level of water in one of the pools at Wonderla Kochi and suffered paralysis of his limbs. The Petitioner has filed the present writ petition before the High Court and has prayed for issuance of (i) a writ of mandamus or order or direction to Veega Holidays to pay a compensation of ₹ 17.25 lakhs to the Petitioner; (ii) a writ of mandamus to formulate statutory rules for safety of the public with respect to rides in amusement parks; and (iii) a writ of mandamus to cancel license issued to Veega Holidays. Veega Holidays in its counter affidavit dated May 23, 2007 prayed for dismissal of the writ petition on the grounds including *interalia*, that the allegations are untrue, Veega Holidays has no liability to the Petitioner and the petition lacks merit. The matter is currently pending before the High Court.

Tax Proceedings

1. The Deputy Commissioner of Wealth Tax, Circle 12(5), Bangalore (the "**Deputy Commissioner**") had issued a notice bearing No. AAACW4514C/DCIT/C-12(5)-13-14 dated January 09, 2014 to our Company, seeking explanation for exclusion of certain transaction for purchase of land by our Company in Maharashtra, for the purposes of assessment of wealth tax for the assessment year 2008-09 and our Company had filed its reply on January 20, 2014. Subseuently, the Deputy Commissioner issued an assessment order dated March 17, 2014 to our Company for the assessment year 2008-09 under Section 16(3) read with Section 17 of the Wealth Tax Act, 1957, demanding a payment of ₹ 6.80 lakhs towards purchase of urban land admeasuring 44.93 acres in Mumbai. The Deputy Commissioner has stated that our Company had failed to prove that the land purchased was beyond the limits of the municipality or cantonment board or beyond 8.00 kms from the local limits of such municipality or cantonment board as specified under the said Act and that it was to be used for purposes of an amusement park. The Deputy Commissioner has sought a response from our Company explaining why a penalty under Section 18(1) (c) of the Wealth Tax Act, 1957 should not be levied. Our Company is in the process of filing a response to the aforesaid charges. The matter is currently pending befor the Deputy Commissioner.

2. The Additional Commissioner of Central Excise and Customs, Cochin Commissionerate (the

"**Additional Commissioner**"), has passed an order dated December 19, 2011 upholding the demands made by the service tax authorities for non payment of service tax and education cess by Veega Holidays on rent received from various restaurant contractors during the period of June 2007 to March 2010 and thereby imposed a penalty of ₹ 5,000 in relation to each show cause notices dated November 19, 2009, June 30, 2010, August 12, 2010 and November 23, 2010 respectively under the Finance Act, 1994. The aggregate amount including service tax, education cess and penalty thereon aggregates to ₹ 72.68 lakhs. Additionally, ₹ 200 per day from the due date of payment or at the rate of 2.00% of such tax per month, whichever is higher, under Section 76 of the Finance Act, 1994 for show cause notice dated June 30, 2010 and November 23, 2011. Our Company has filed an appeal under Form ST-4 dated March 6, 2012 before the Commissioner of Central Excise (Appeals), Cochin (the "**Commissioner**"), against order dated December 19, 2011 passed by the Additional Commissioner. Our Company has alleged before the Commissioner that the activity carried on by our Company is nothing but sale of goods and cannot be categorized as renting of immovable property. Our Company has prayed before the Commissioner to set aside the order dated December 19, 2011 passed by the Additional Commissioner and allow the present appeal. The matter is currently pending before Commissioner.

3. The Additional Commissioner of Central Excise and Customs, Cochin Commissionerate (the "**Additional Commissioner**"), has passed an order dated April 9, 2012 upholding the demand made by the service tax authority for non payment of service tax and education cess by Veega Holidays received from rent of various immovable properties during the period of April 2010 to March 2011, and imposed a penalty of ₹ 5,000 in addition to the assessed amount in the show cause notice dated August 22, 2011 under the Finance Act, 1994. The aggregate amount including service tax, education cess and penalty thereon is ₹ 20.37 lakhs in addition to a penalty of ₹ 200 per day from the due date of payment or at the rate of 2.00% of such tax per month, whichever is higher under Section 76 of the Finance Act, 1994. Our Company has filed an appeal under Form ST-4 dated August 9, 2012 before the Commissioner of Central Excise (Appeals), Cochin (the "**Commissioner**"), against the order dated April 9, 2012 passed by the Additional Commissioner. Our Company has alleged that the activity carried on by our Company is nothing but sale of goods and cannot be categorized as renting of immovable property. Our Company has prayed before the Commissioner to set aside the order dated April 9, 2012 passed by the Additional Commissioner and allow the present appeal. The matter is currently pending before the Commissioner.

4. The Assistant Commissioner of Income Tax, Circle 1(3), Ernakulam (the "**Assistant Commissioner**"), by way of an assessment order dated November 23, 2006, had disallowed interest/ depreciation on borrowed funds, expenses incurred on foreign travel, proportionate interest expenditure, claims of capital nature, claims without having sufficient documentary back up, expenses on unrecognised funds and excessive depreciation claims aggregating to ₹ 17.24 lakhs under provisions of the IT, Act claimed by Veega Holidays for the assessment year 2004-05. Veega Holidays has filed an appeal bearing number 99/R-I/E/CIT-II/06-07 dated January 10, 2007 before the Commissioner of Income Tax (Appeals), Kochi (the "**Commissioner**"), against the order dated November 23, 2006 passed by the Assistant Commissioner. The Commissioner has passed an order dated November 29, 2007 whereby the Commissioner has confirmed the disallowance made by the Assistant Commissioner in respect of the following amounts:

   a. ₹ 13.62 lakhs towards interest on borrowed funds; and

   b. ₹ 1.75 lakhs towards depreciation of assets.

   Further, the Commissioner has pursuant to the order dated November 29, 2007 deleted the disallowances made by the Assistant Commissioner in favour of Veega Holidays as follows:

   a. ₹ 3.66 lakhs towards foreign travel expenses; and

   b. ₹ 10.87 lakhs towards interest claimed.

   The Assistant Commissioner has filed an appeal bearing No. ITA/281/Coch/2008 dated March 17,

2008 before the Income Tax Appellate Tribunal, Cochin (the "**Appellate Tribunal**"), against the order passed by the Commissioner on November 29, 2007 which was subsequently dismissed by the Appellate Tribunal by way of an order dated March 18, 2009. The Commissioner has filed an appeal bearing No. ITA/1702/09 dated July 29, 2009 before the High Court of Kerala at Ernakulam (the "**High Court**"), under Section 260A of the IT, Act against the order passed by the Appellate Tribunal dated March 18, 2009. The Commissioner has alleged that the decision of the Appellate Tribunal is not acceptable since the Commissioner had already given a finding in his order dated November 29, 2007 that Section 14A of the IT, Act is applicable as there was an investment of funds in shares of our Company but in the absence of an enabling provision under the Income Tax Rules, the Commissioner has followed the earlier decision of the Appellate Tribunal in the case of Dhanlaxmi Bank Limited while delivering the order dated November 29, 2007. However, the Commissioner has stated that this position has now changed and in consequence Rule 8D if the Income Tax Rules will apply with retrospective effect. The total disputed amount is ₹ 10.87 lakhs. The matter is currently pending before the High Court.

5. The Assistant Commissioner of Income Tax, Circle 2, Kochi (the "**Assistant Commissioner**"), by way of a notice dated February 10, 2012 intimated our Company of its proposal to re-assess for evaluation of applicable wealth tax for the assessment year 2007-08 under the IT, Act. Our Company had replied on February 25, 2012 seeking clarifications from the Assistant Commissioner on the re-assessment of wealth tax for the assessment year 2007-08. Our Company has received a response from the Deputy Commissioner of Wealth-Tax, Circle 12(5) (the "**Deputy Commissioner**"), bearing reference No. Veega/U/s.17/DCWT-12 (5)/12-13 dated September 12, 2012 explaining reasons for re-assessment for the assessment year 2007-08. Subsequently, by way of an order dated March 15, 2013, received by our Company in April 2013, the Deputy Commissioner demanded our Company to pay the outstanding tax aggregating to ₹ 3.48 lakhs, under Sections 16(3) and 17 of the Wealth Tax Act, 1957 (the "**Order**"). Our Company has also been issued a notice dated March 15, 2013 under which our Company has filed an appeal against the Order before the Deputy Commissioner (Appeals) of Wealth-Tax, Bangalore before the Commissioner of Income-Tax (Appeals) III April 25, 2013. The matter is pending before the appellate court.

6. The Deputy Commissioner of Income Tax, Circle 4(2), Cochin (the "**Deputy Commissioner**"), by way of an assessment order dated December 23, 2010, had disallowed depreciation of ₹ 0. 14 lakhs on computers and proportionate interest expenditure of ₹ 33.57 lakhs under Section 143(3) read with Section 147 of the IT, Act claimed by Veega Holidays for the assessment year 2006-07. The Deputy Commissioner further levied an interest of ₹ 5.77 lakhs, ₹ 3.00 lakhs and ₹ 1.10 lakhs under Sections 234A, 234B and 234D of the IT, Act respectively. Company had filed an appeal on January 25, 2011, before the Commissioner of Income Tax (Appeals), Cochin (the "**Commissioner**"), appealing against the order dated December 23, 2010 passed by the Deputy Commissioner. Commissioner has passed an order dated October 3, 2013 ("**Order**"), upholding the order dated December 23, 2010, dismissing the appeal of our Company. Aggrieved by the Order, our Company has filed an appeal before the Income Tax Appellate Tribunal, Cochin ("**ITAT**"). The matter is currently pending before ITAT.

7. The Deputy Commissioner of Income Tax, Circle 1(3) Ernakulam (the "**Deputy Commissioner**"), by way of an assessment order dated December 30, 2009, had disallowed depreciation of ₹ 0.15 lakhs on computers and proportionate expenditure of ₹ 15.87 lakhs under Rule 8D of the Income Tax Rules, 1962 read with Section 14A of the IT, Act claimed by Veega Holidays for the assessment year 2007-08. The Deputy Commissioner has further levied an interest of ₹ 0.62 lakhs under Section 234D of the IT, Act. Company has filed an appeal on January 21, 2010 before the Commissioner of Income Tax (Appeals), Ernakulam (the "**Commissioner**") claiming that the Deputy Commissioner erred in disallowing the proportionate expenditure not considering the fact that Veega Holidays has generated funds from business during prior years and accordingly incurred the disputed proportionate expenditure. Subsequently, the assessment records had been transferred to the Deputy Commissioner of Income Tax, circle 12(5), Bangalore (the "**Deputy Commissioner, Bangalore**"). Deputy Commissioner, Bangalore by way of an order dated March

15, 2013, received by our Company in April 2013, has demanded our Company to pay outstanding tax aggregating to ₹ 6.93 lakhs, calculated under Sections 143(3) and 147 of the IT, Act (the "**Order**"). Our Company had also been issued a notice dated March 15, 2013 under which our Company has filed an appeal against the Order before the Commissioner of Income Tax (Appeals) III, Bangalore on April 25, 2013. The matter is currently pending before the appellate court.

8. The Assistant Commissioner of Income Tax, Circle 1(3), Ernakulam (the "**Assistant Commissioner**"), by way of an assessment order dated December 28, 2007, had ordered disallowance under Section 37 and Section 14A of the IT, Act, of ₹ 21.35 lakhs, towards the employees welfare fund, of ₹ 0.39 lakhs and depreciation of ₹ 2.51 lakhs, under Section 143(3) of the IT, Act for the assessment year 2005-06. Veega Holidays filed an appeal bearing no. 94/6-1/E/CT-II/07-08, dated February 5, 2008 before the Commissioner of Income Tax (Appeals), Ernakulam (the "**Commissioner**"), appealing against the order dated December 28, 2007 passed by the Assistant Commissioner. The Commissioner passed an appellate order bearing Appeal No. 94/R-I/E/CIT-II/07-08, dated October 31, 2008 requiring the assessing officer to recompute disallowance under Section 14A by applying Rule 8D and confirming disallowance of ₹ 2.51 lakhs. Veega Holidays filed an appeal bearing No.ITA-11/Coch/2009, dated January 12, 2009 before the Income Tax Appellate Tribunal, Cochin Bench (the "**Appellate Tribunal**"), against the order dated October 31, 2008 passed by the Commissioner. The Assistant Commissioner also filed an appeal bearing IT Appeal No. 12/C of/2009, dated January 12, 2009 before the Appellate Tribunal against the order dated October 31, 2008 passed by the Commissioner. The Appellate Tribunal passed an order bearing No. I.T.A. No. 11/Coch/2009, dated May 6, 2011, remitting the issue back to the assessing officer for proper adjudication on merits in relation to disallowances under Section 14A, and to that extent the order of the Assistant Commissioner was set aside and partly allowing the appeal by Veega Holidays in relation to the issue of depreciation. The matter is currently pending with the Assistant Commissioner.

Labour proceedings

Nil

Securities related proceedings

Nil

Arbitration matters

Nil

Legal Notices issued

Nil

(B) Cases filed by our Company

Criminal litigation

1. Our Company has filed a complaint bearing M. P. No. 2206/2012 dated November 1, 2012 under Section 200 of CrPC and Sections 420 and 34 of IPC against V.P. Paulose and two other parties (the "**Accused**"), before the Court of Judicial First Class Magistrate, Kolencherry (the "**Court**"). Our Company has alleged that the Accused has executed a sale deed bearing No. 2134/2005 dated April 6, 2011 in relation to land bearing Re-Sy. No. 402/8 and Re-Sy. No. 398/5 admeasuring 37.79 ares in Block No. 25, of Kizhakkambalam Village, Kunnathunadu Taluk (the "**Disputed Property**"), for a consideration of ₹ 7.00 lakhs, concealing material fact that the Disputed Property has already been conveyed by the Accused to one Balagoda Varma through a sale deed executed on August 18, 1994. Further, our Company has alleged that the Accused also concealed the fact that, the Sub Court, North Paravur in the matter bearing O. S. No. 142/1995 decreed the

suit for specific performance of the sale deed dated August 18, 1994, in favour of Balagoda Varma on January 31, 2001. Our Company has prayed before the Court to issue summons to the Accused and direct them to pay compensation under Section 357 (3) of the CrPC. The matter is currently pending before the Court.

2. Our Company has filed a complaint bearing M. P. No. 2357/2012 dated November 19, 2012 under Section 200 of CrPC and Sections 420 and 34 of IPC against V.P. Paulose and three other parties (the "**Accused**"), before the court of Judicial First Class Magistrate, Kolencherry (the "**Court**"). Our Company has alleged that the Accused has executed a sale deed bearing No. 7122/2005 dated October 26, 2005 in relation to land bearing Re-Sy. No. 402/6 admeasuring 2.23 acres in Block No. 25, of Kizhakkambalam Village, Kunnathunadu Taluk (the "**Disputed Property**"), for a consideration of ₹ 6.27 lakhs, concealing the material fact that the Disputed Property has already been conveyed by the Accused, to one Balagoda Varma through a sale deed executed on August 18, 1994. Further, our Company has alleged that the Accused also concealed the fact that, the Sub Court, North Paravur in the matter bearing O. S. No. 142/1995, decreed the suit for specific performance of the sale deed dated August 18, 1994, in favour of Balagoda Varma on January 31, 2001. Our Company has prayed before the Court to issue summons to the Accused and direct them to pay compensation under Section 357 (3) of the CrPC. The matter is currently pending before the Court.

3. Vincent A., employed by our Company as one of the bus drivers ("**Complainant**"), has filed a complaint bearing first information report No. 333/2013 dated September 15, 2013 under Sections 279 and 337 of IPC against Shivalinga and Venkatesh (the "**Accused**"). The Complainant has claimed that the Accused driving negligently hit our bus on evening of September 15, 2013, causing damage to our bus bearing registration No. KA-42-A-1234, driven by the Complainant. The Complainant subsequently transferred the injured to the hospital for treatment of injuries that they sustained. The Complainant has sought necessary legal actions against the Accused for damaging our bus due to rash and negligent driving of the Accused. The matter is currently under investigation by the concerned Bidadi Police Station, Ramanagara, Ramanagara Town, Karnataka.

Civil litigation

1. Our Company has filed an original suit bearing O.S. No. 2202/ 2012 (the "**Suit**"), before the Court of Additional Senior Civil Judge, Ranga Reddy District, L. B. Nagar (the "**Court**"), under Order VII Rule 1 read with Section 26 of the CPC, against G. Ravinder Rao and three others (the "**Defendants**"), on December 11, 2012. Our Company has claimed that it is the lawful owner of the parcel of land admeasuring 8.00 acres at Sy. No. 265, Kongara Khurd "A" Village, Maheshwaram Mandal, Ranga Reddy District (the "**Land**"), bought *vide* registered sale deeds bearing Nos. 1637/2012; 1638/2012; 691/2012; 1454/2012; 1455/2012; and 1825/2012 from its lawful owners. Our Company has also claimed that the Land has been subsequently mutated in its name in the revenue records on August 14, 2012. The cause of action for the Suit arose when the Defendants along with their henchmen tried and threatened to dispossess our Company from the said Land. Our Company has prayed before the Court for an award of perpetual injunction restraining the Defendants from interfering with our Company's peaceful possession and enjoyment of the said Land. Our Company has also filed an interim application bearing I.A. No.1253/2012 before the Court for interim relief against the Defendants and the Court has granted an interim injunction in favor of our Company *vide* order dated August 28, 2013. The matter for grant of perpetual injunction is currently pending before the Court.

Labour proceedings

Nil

Securities related proceedings

Nil

Legal Notices issued

Nil

Tax litigation

Nil

Arbitration matters

Nil

Cases involving our Group Companies

(C) Cases filed against V-Guard Industries Limited ("V-Guard")

Criminal litigation

1. Inspector, Legal Metrology, Circle-1, Irinjalakuda (the "**Complainant**"), has filed a suit bearing number 6367/2010 dated November 15, 2010 before the Judicial Magistrate, I Class (the "**Court**"), against Kochouseph Chittilappilly (then managing director, V-Guard), Mithun K. Chittilappilly, director, V-Guard and 12 others (out of the 12 other accused, 4 being then directors of V-Guard), (the "**Accused**"). The Complainant has alleged that on inspection of the retail trade premises of Lanmark Shops India Private Limited it was found that the goods manufactured by V-Guard did not bear the statutory declaration regarding the name, address, telephone number and email address of the person/office who can be contacted in case of consumer complaints as required under the Standard of Weights (Packaged Commodities) Rules, 1977 and Section 39 of the Standards Act, 1976 read with Enforcement Act, 1985. The Accused separately filed a civil writ petition bearing W.P. (Civil) No.10917/2011 dated March 31, 2011 under Article 226 of the Constitution of India before the High Court of Kerala at Ernakulam (the "**Writ Petition**") (the "**High Court**") against the Complainant and two other parties, praying to issue writ of certiorari to strike down the Sub-Rule (1A) of Rule 6 of the Standards of Weights and Measures (Packaged commodities) Rules, 1977 which came into effect as per General Statutory Rules 425 (E) dated July 17, 2006 and made it mandatory to disclose name, address, telephone number and e-mail address of the person who can be contacted for making consumer complaints, on packages of the goods manufactured by such entity. Further, the Accused had also filed a criminal miscellaneous complaint bearing No.951/2011 under Section 482 of Cr.P.C. before the High Court seeking to quash the proceedings in matter bearing No. 6367/2010, filed before the Court. The Writ Petition and the criminal miscellaneous complaint, together, were dismissed by a common judgment of the High Court on March 13, 2013. The Accused has filed a writ appeal as petitioners bearing No. W.P. (Appeal) 621/2013 before the High Court on April 9, 2013 against the common order in W.P. (Civil) No. 10917/ 2011. The Accused as petitioners have also filed a special leave petition before the Supreme Court of India ("**Supreme Court**") bearing No. Crl. M.P. 21110 - 21112/2013 (the "**SLPs**"), to appeal against the impugned common judgment and order of the High Court dated March 13, 2013 in Crl M.C. No. 951/2011 on June 8, 2013. The SLPs have been admitted by the Supreme Court and proceedings before the subordinate courts have been stayed. The matter is currently pending before the High Court and the Supreme Court.

Civil litigation

1. Sri Devi Enterprises (the "**Plaintiff**"), has filed an original suit bearing reference number O.S. No.864/2002 dated October 11, 2012, under Order 7, Rule 1 of the CPC before the Court of Subordinate Judge, Tiruchirappalli (the "**Court**"), against V-Guard and General Manager, V-Guard. The Plaintiff has prayed before the Court to declare that it shall be the sole distributor of the V-Guard consumer durables for the entire districts of Trichy, Cuddalore, Karur, Perambalur and Ariyalur in the state of Tamil Nadu and award a permanent injunction restraining V-Guard from appointing any other distributor or agency for the products in the region that the Plaintiff is

already dealing with i.e., Trichy, Cuddalore, Karur, Perambalur and Ariyalur. The matter is currently pending before the Court.

2. G.V. Srinivasan, proprietor of M/s Shylesh Enterprises (the "**Petitioner**"), has filed an insolvency petition bearing I.P. No. 57/ 2012 under Sections 7, 10 and 11 of the Provincial Insolvency Act, 1920 before the Court of Subordinate Judge of Salem (the "**Court**') against V-Guard and eighteen others (the "**Respondents**"). The Petitioner has claimed that he is unable to run the business due to health reasons and has consequently been unable to discharge the debts due to the Respondents. Petitioner has acknowledged that the total financial liability against V-Guard is ₹ 2.19 lakhs. The Petitioner has prayed before the Court to adjudge him as an insolvent and an order to discharge him from the financial liabilities against the Respondents. The matter is currently pending before the Court.

3. Maximus Enterprises India Private Limited (the "**Petitioner**"), has filed a civil suit bearing No. 9159/2013 before the Court of Civil Judge at Alipore, Kolkata (the "**Court**"), against V-Guard. The Petitioner has claimed that V-Guard extended its distributorship to the Petitioner for its products to be sold in Siliguri, West Bengal and Sikkim region by a letter dated September 29, 2008, pursuant to which, the Petitioner invested significant amounts in expanding the business of V-Guard. Petitioner alleged that V-Guard by a letter dated March 25, 2013 (the "**Letter**"), informed the Petitioner that they are not interested in continuing business with the Petitioner and thereby they will withdraw the distributorship from the Petitioner. Petitioner has further claimed that the Letter is in violation of the terms and conditions of the first letter dated September 29, 2008. The Petitioner has prayed before the Court (a) to declare that the Letter is not binding on the Petitioner; (b) to award an order of permanent injunction restraining V-Guard from appointing new distributers for Siliguri, West Bengal and Sikkim region; (c) to award a compensation of ₹ 250 lakhs along with interest at the rate of 12 per cent and (d) to award a temporary injunction restraining V-Guard from appointing additional distributers. The Court dismissed Petitioner's prayer for temporary injunction by its order dated May 6, 2013 (the "**Order**") against which Petitioner has filed an application bearing No. CAN No.5902/2013 (FMAT No.706/2013) before the High Court of Calcutta on September 30, 2013 (the "**High Court**") to stay the Order. The matter is currently pending before the Court and the High Court for further adjudication.

Consumer proceedings

1. Ravipati Rambabu (the "**Complainant**"), has filed a complaint bearing No. C.C.01/2012 dated January 6, 2012 under Section 12 of the Consumer Protection Act, 1986, before the Court of The Consumer Disputes Forum Prakasam District, Ongole (the "**Court**"), against Videocon International Limited ("**Videocon**"), Rama Devi Electronics and Managing Director, V-Guard (the "**Accused**"). The Complainant has alleged that he purchased a refrigerator manufactured by Videocon and a stabilizer manufactured by V-Guard on June 16, 2011. The Complainant has alleged that the fire department has issued a certificate dated June 17, 2011 stating that the house was burnt due to the fire accident caused because of the fault of the stabiliser manufactured by V-Guard. The Complainant has prayed before the Court for an award of compensation aggregating to ₹ 8.50 lakhs for loss suffered due to the fire. In response to the complaint, V-Guard has alleged that since no reliable or authoritative document has been produced by the Complainant to show that the accident occurred due to defect in the stabilizer or any report indicating that the stabilizer was the cause of fire, the complaint filed against V-Guard should be dismissed. The matter is currently pending before the Court.

2. Hazariram (the "**Complainant**") has filed a complaint bearing No.189/2013 before the Consumer Disputes Redressal Forum, Hanumangad (the "**Court**") under Section 12 of the Consumer Protection Act, 1986 against V-Guard and Rajadhani Machinery Store, Hizar (the "**Accused**") on June 3, 2013. The Complainant has alleged that he purchased a stabilizer from Rajadhani Machinery Store, manufactured by V-Guard which worked properly for a few days but failed to regulate electric voltage fluctuation on January 6, 2013 resulting in excessive electric output that damaged many household appliances and his electric wirings. The Complainant has alleged that

the technician sent by the Accused inspected the defective stabilizer and concluded that due to excessive output of 405 volts, electric appliances and their wiring got damaged. The Complainant further alleged that the Accused refused to replace the defective stabilizer and compensate for the damage caused. The Complainant has prayed for damages of ₹ 0.60 lakhs and replacement of the said alleged defective stabilizer. The matter is currently pending before the Court.

3. Azibur Rehman Sheikh (the "**Complainant**"), has filed a complaint bearing No. 502/2013 before the District Consumer Disputes Redressal Forum, Indore (the "**Court**") against V-Guard and Sai Electricals, Indore ("**Accused**") on June 6, 2013. The Complainant has alleged that he purchased a V-Guard stabilizer from Sai Electricals which, during the validity of its warranty, failed to handle power fluctuation resulting in damage to Complainant's television on March 14, 2013. The Complainant has prayed for damages of ₹ 0.50 lakhs towards financial expenses for television repair and mental harassment caused. The matter is currently pending before the Court.

Tax proceedings

1. Union of India through the Secretary of Ministry of Finance and Commissioner of Central Excise, Ernakulam (the "**Petitioner**") has filed a special leave petition bearing No. 19339/2012 dated August 2, 2011 before the Supreme Court of India (the "**Supreme Court**"), under Article 136 of the Constitution of India against the order dated August 2, 2011 passed by the High Court of Kerala at Ernakulam in the writ application bearing W. A. No. 881/2009 wherein Kerala High Court has upheld the single judge decision of the High Court of Kerala at Ernakulam, bearing No. 4689/2005 dated January 29, 2009 allowing V-Guard to pay service tax on payment made to goods and transport agencies, with effect from May 13, 2005. The matter is currently pending before the Supreme Court.

2. The Office of the Assistant Commissioner (CT) at Thudiyalur, Coimbatore (the "**Assistant Commissioner**"), issued a defect notice to V-Guard dated June 3, 2009 under Section 64(4) of the Tamil Nadu Value Added Tax Act, 2006 (the "**Notice**"), demanding payment of ₹ 59.69 lakhs against VAT applicable at 12.5% on the turnover contributed by sales of PVC high voltage cable ("**PVC Cables**"). Notice has alleged that V-guard has paid VAT at the rate of 4% which is only applicable to sale of high voltage electrical cables and not to the sale of electrical cables for domestic purposes. V-Guard has filed a writ petition against the Assistant Commissioner and Commissioner of Commercial Taxes at Chepauk before the High Court of Judicature at Madras (the "**High Court**"), bearing W. P. No. 10319/2009 dated June 10, 2009, claiming that the PVC Cables are high voltage cables as per the definition laid down by Tamil Nadu Electricity Distribution Code, 2004 under Section 2 (cc). Additionally the High Court has previously allowed an interim relief to V-Guard by staying a notice of demand issued by the Assistant Commissioner on similar grounds, in W. P. 26525/2008. V-Guard has prayed that the Notice be quashed and a writ of certiorari be issued against the respondents. The matter is currently pending before the High Court.

3. The Assistant Commissioner, Special Circle III at Ernakulam (the "**Assistant Commissioner**"), through his order bearing No. 23050491/98-99 dated February 23, 1999 (the "**Assessment Order**"), has levied interest on tax of ₹ 0.62 lakhs on V-Guard pursuant to the insertion of Sub Sections 2, 2A and 2B under Section 5 of the Finance Act, 1988 (the "**Finance Act**"). V-Guard filed a revision petition before the Deputy Commissioner, Commercial Taxes at Ernakulam (the "**Deputy Commissioner**"), dated March 6, 1999 praying for invalidation of the Assessment Order. The Deputy Commissioner in his order bearing No. STRP 33/1999 dated December 14, 2009 held that the tax payable by V-Guard will attract interest but only with effect from the date of publication of the amendment to the Finance Act. Aggrieved by the order of the Deputy Commissioner, V-Guard has filed second revision petition for cancellation of the levy of interest under the Assessment Order before the Commissioner of Commercial Taxes, Ernakulam (the "**Commissioner**"), under Form 31 on January 14, 2010. The matter is currently pending before the Commissioner.

4. The Assistant Commissioner, Special Circle III at Ernakulam (the "**Assistant Commissioner**"),

through his order bearing No. 23050491/98-99 dated February 16, 1999 (the "**Assessment Order**"), levied interest on tax of ₹ 1.74 lakhs on V-Guard pursuant to insertion of Sub Sections 2, 2A and 2B under Section 5 of the Finance Act, 1988 (the "**Finance Act**"). V-Guard filed a revision petition before the Deputy Commissioner, Commercial Taxes at Ernakulam (the "**Deputy Commissioner**"), dated February 20, 1999 praying for invalidation of the Assessment Order. The Deputy Commissioner in his order bearing No. STRP 15/1999 dated December 14, 2009 held that the tax due on V-Guard will attract interest but only with effect from the date of publication of the amendment to the Finance Act. Aggrieved by the order of the Deputy Commissioner, V-Guard has filed second revision petition for cancellation of the levy of interest under the Assessment Order before the Commissioner of Commercial Taxes, Ernakulam (the "**Commissioner**"), under Form 31 on January 14, 2010. The matter is currently pending before the Commissioner.

5. The Assistant Commissioner, Special Circle III at Ernakulam (the "**Assistant Commissioner**") through his order bearing No. 23050491/98-99 dated February 10, 1999 (the "**Assessment Order**") levied interest on tax of ₹ 3.00 lakhs, due on V-Guard subsequent to insertion of Sub Sections 2, 2A and 2B under Section 5 of the Finance Act, 1988 (the "**Finance Act**"). V-Guard filed a revision petition before the Deputy Commissioner, Commercial Taxes at Ernakulum (the "**Deputy Commissioner**") dated February 20, 1999 praying invalidation of the Assessment Order. The Deputy Commissioner in his order bearing No. STRP 14/1999 dated December 14, 2009 held that the tax due on V-Guard will attract interest but only with effect from the date of publication of the amendment to the Finance Act. Aggrieved by the order of the Deputy Commissioner, V-Guard has filed second revision petition for cancellation of the levy of interest under the Assessment Order before the Commissioner of Commercial Taxes, Ernakulum (the "**Commissioner**") under form 31 on January 14, 2010. Second revision petition before the Commissioner is awaiting a date of hearing

Securities related proceedings

1. Securities and Exchange Board of India ("**SEBI**"), had served a notice bearing No. CFD/DCR/DV/PHV/OW/30288/2013 to V- Guard in relation to the alleged violation of Regulation 11(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 ("**Takeover Regulations**") by its promoter group, which includes Kochouseph Chittilappilly, dated November 26, 2013 (the "**Notice**"). SEBI stated that it has observed an increase of 1.45% in the paid up capital of V-Guard's promoter groups's shareholding and voting rights between June 2009 to June 2010, and there was no respective public announcement made by the acquirers, which is a violation of Regulation 11(2) of the Takeover Regulations. SEBI also sought details on V-Guards's compliance with (a) Regulations 7(1), 7(1A) and 7(3) of Takeover Regulations; and (b) Regulations 13(3), 13(4) and 13(6) of SEBI (Prohibition of Insider Trading) Regulations, 1992 ("**PIT Regulations**"). V-Guard in its reply to the Notice dated December 2, 2013 explained the following:

   (a) Acquisition of shares made by its promoter group were exempted from the requirement of making a public announcement under Regulation 11(2) of the Takeover Regulations as their acquisition falls within the ambit of exemption provided under Regulation 11(2) of the Takeover Regulations. Under Regulation 11(2) of the Takeover Regulations, the acquirer is not required to make a public announcement if its shareholding in the target company falls between 55% to 74% of the total shares or voting rights in such target company. Further, the acquisition of shares by V-Guard's promoter group were made in open market through stock exchange, which is an additional ground for exemption provided under Regulation 11(2) of the Takeover Regulations;

   (b) In response to the compliance with Regulations 7(1), 7(1A) of the Takeover Regulations and 13(3) and 13(4) of the PIT Regulations, V-Guard explained that there was no requirement to make disclosure by the promoter group, either to V-Guard or to the stock exchange under Regulation 7(1) as the existing shareholding of the promoter group was already above the threshold of 54% and additional acquisition did not exceed their

shareholding over the threshold of 74%, as prescribed by Regulation 7(1) for making disclosure of acquisitions. Also, as the acquisition made by the promoter group was less than 2% of the share capital of V-Guard, the acquirers were not required to make disclosure under Regulation 7(1A) of the Takeover Regulations and Regulation 13(3) of the PIT Regulations;

(c) In response to compliance with Regulation 13(4) of the PIT Regulations, V-Guard explained that its promoter group had made disclosure about its acquisition of shares to V-Guard, which was subsequently disclosed to the stock exchanges by V-Guard. V-Guard also informed SEBI that its promoter group, by oversight, accidentally missed out on making such disclosure about their acquisition to the stock exchanges as required under Regulation 13(4) of the PIT Regulations; and

(d) In response to compliance with Regulation 7(3) of the Takeover Regulations and 13(6) of PIT Regulations, V-Guard explained in its reply that the requirement to file disclosure with stock exchanges under Regulation 7(3) of the Takeover Regulations arises only if the required disclosures under Regulations 7(1) and 7(1A) of the Takeover Regulations have been made by the acquirers, which in the present case does not apply on the acquirers, thereby there was no requirement for the promoter group to comply with Regulation 7(3) of the Takeover Regulations. Further, V-Guard explained that it has complied with the requirement under Regulation 13(6) of the PIT Regulations by filing the required disclosures with the stock exchanges.

SEBI has not raised further queries in response to the reply filed by V-Guard.

Notices issued against V-Guard

1. The Assistant Provident Fund Commissioner, Employees' Provident Fund Organisation (the "**EPF Organisation**"), Block No. 34, SDA Complex, Shimla (the "**Commissioner**"), issued an observation memo bearing reference No. Squad/HP/6056 ("**Observation Memo**"), dated August 1, 2012 in relation o the premises of V-Guard situated at Nahan, Sirmour, Shimla under Section 7A of the Employees Provident Funds and Miscellaneous Provisions Act, 1952(the "**EPF Act**"). The Commissioner has alleged that V-Guard has wrongly worked out the dues under the EPF Act. The Commissioner issued a re-assessment report and demanded V-Guard to pay ₹ 6.80 lakhs for the said non-compliance as per the Observation Memo. V-Guard has submitted its objections to the Observation Memo. The Commissioner by its order dated January 9, 2014 has ordered V-Guard to deposit an amount of ₹ 6.82 lakhs. V-Guard is yet to file an appeal against the order dated January 9, 2014.

2. The Inspector of Legal Metrology Department, Nagpur (the "**Inspector**") has confiscated several V-Guard's electrical appliances meant for sale in Maharashtra, for being in violation of the provisions of Legal Metrology Act 2009 and Legal Metrology (Packaged Commodities) Rules 2011 (the "**Acts**") on October 31, 2013. V-Guard in its reply against the action of the Inspector dated November 16, 2013 has explained that V-Guard is in compliance with the Acts and thereby the said confiscation was unwarranted. The Inspector *vide* its reply dated January 29, 2014 has demanded for a copy of approval obtained by V-Guard from The Controller of Legal Metrology, Government of Maharashtra and consent for compounding the offence in the prescribed format. V-Guard in its reply dated February 7, 2014 shared a copy of name registration of V. Ramachandran as the nominee director of V-Guard under Section 49(2) of the Legal Metrology Act 2009 Act (the "**Act**") and clarified that the V-Guard has operated within the ambit of Rule 32(2) of the said Act. Inspector's reply to V-Guard's letter is awaited.

(D) Cases filed by V-Guard Industries Limited ("V-Guard")

Criminal litigation

1. V-Guard has filed 47 criminal complaints under the N I Act, before various courts across India for

dishonour of cheques issued by various parties towards discharge of amounts due to V-Guard in relation to goods supplied by V-Guard. The aggregate amount involved in respect of these cases is ₹ 256.21 lakhs. All the matters are currently pending before courts in various jurisdictions across India. Out of the aforesaid 47 criminal complaints filed by V-Guard, 6 complaints involving ₹ 17.28 lakhs have been settled by various courts and V-Guard is currently in the process of obtaining certified true copies of the settlement orders.

Civil litigation

1. V-Guard through its whole time director V. Ramachandran and another Director, George Sleeba (the "**Petitioners**"), has filed a writ petition bearing W.P. No. 509/2013 dated August 13, 2013 before the High Court of Bombay at Panaji, Goa (the **"High Court**"), against Controller of Legal Metrology, Goa and three others (the "**Respondents**"). V-Guard has alleged that one of the Respondents, Inspector of Legal Metrology, Mapusa (the "**Inspector**"), seized and detained V-Guard products on the ground that the packages do not bear month and year of manufacture which is in violation of Rule 6 (1)(d) of packaged Commodities Rules, 2011 ("**Commodity Rules**"). V-Guard filed an appeal before the Controller of Legal Metrology, Goa (the "**Controller**") against the said seizures by the Inspector on March 8, 2013. The appeal was decided in favour of the Inspector by a non-speaking order on June 4, 2013 directing the Inspector to take further statutory actions against V-Guard. V-Guard has claimed that Rule 6 (1)(d) under the Commodity Rules requires that the packages should provide for (a) month and year of manufacture or (b) month and year of the packaged goods, in alternative and not cumulatively. V-Guard appealed against the order of the Controller dated June 4, 2013 before the Controller and subsequently the appeal was decided in favour of the Inspector on August 6, 2013 by a reasoned order. V-Guard has prayed before the High Court to (a) hold that the requirement under the Commodity Rules in alternative and not cumulative; (b) quash the seizure orders; (c) quash the order of the Controller; (d) direct the Respondents to restrain from further proceedings against V-Guard; and (e) stay all the proceedings against V-Guard in this regard and to grant suitable interim orders in this regard. The matter is currently pending before the High Court.

2. V-Guard has filed a regular first appeal ("**RFA**"), bearing R.F.A. No. 254/2009 dated February 18, 2009 under Sections 96 read with Order XLI, Rule 1 and Order XLI-A, Rule 1 of the CPC, before the High Court of Kerala, Ernakulam (the "**Appellate Court**"), against unfavourable judgment dated September 4, 2008 bearing original suit No. O.S. 353/2005 dated June 15, 2005, adjudicated by the Sub Court III, Ernakulam (the "**Lower Court**"), in the matter against ICICI Bank Limited ("**ICICI Bank**") and another (the "**Respondents**"). V-Guard had obtained a loan of ₹ 1,200.00 lakhs from ICICI Bank and pre-closed the same on February 28, 2005 for reasons of unsatisfactory services provided by ICICI Bank. V-Guard instituted a suit for recovery in the Lower Court for two sets of amounts aggregating to ₹ 43.33 lakhs that V-Guard allegedly paid under protest to ICICI Bank as a pre-condition for pre-closure of the said loan. V-Guard has in the suit filed before the Lower Court, sought invalidation of the ICICI Bank pre-payment clause and prayed for refund of ₹ 43.33 lakhs that it has deposited with ICICI Bank. Lower Court refused relief sought by V-Guard against which V-Guard has preferred an appeal in the Appellate Court. The matter is currently pending before the Appellate Court.

3. V-Guard has filed a recovery suit bearing No. 250/2010 dated August 5, 2010 under Order XXXVII of the CPC, before the Court of Civil Judge, Senior Division, Ludhiana (the "**Court**") against R.P. Singh (the "**Defendant**"), for recovery of ₹ 0.73 lakhs payable against delivery of supplies made by V-Guard. V-Guard has also prayed before the Court to pass an order directing the Defendant to pay future interest to V-Guard from the date of filing of the present suit. The matter is currently pending before the Court.

4. V-Guard has filed civil appeal bearing No. Civil Appeal 941-945/2004 dated February 10, 2004 under Article 133 read with Article 134A of the Constitution of India against the State of Kerala, represented by Department of Finance Secretariat, Thiruvananthapuram and two other parties (the "**Respondents**"), before the Supreme Court of India (the "**Supreme Court**"). V-Guard has prayed

before the Supreme Court to set aside the judgment and final order dated September 4, 2003 issued by the High Court of Kerala at Ernakulam (the "**High Court**"), in the matter bearing No. OP 25135/2002 and TRC No. 20, 24 and 26 of 1996 and 338/2000, whereby V-Guard was held liable to pay purchase tax for selling and dispatching goods under Section 5A of the Kerala General Sales Tax Act, 1963. The matter is currently pending before the Supreme Court.

5. V-Guard has filed a writ appeal bearing WA No. 331/2012 dated March 12, 2012 before a larger bench of the High Court of Judicature at Andhra Pradesh ("**Appellate Court**"), under Clause 15 of the Letters Patent of the Appellate Court read with Article 226 of the Constitution of India against the order dated February 17, 2012 (the "**Order**"), of a smaller bench of the High Court of Judicature at Hyderabad in the writ petition bearing reference WP No. 23471/2001 (the "**Writ Petition**"). Earlier, the Controller of Legal Metrology issued a show cause notice dated July 21, 2001 to V-Guard for its alleged violation of Rule 6(1) of the Standards of Weights and Measures (Packaged Commodities) Rules, 1977, whereby V-Guard allegedly failed to disclose the month and year of manufacture of its packaged products. V-Guard has prayed before the Appellate Court to set aside the Order, in so far as it has partly dismissed the writ petition filed by V-Guard (for contravention of Rule 6(1)(d) of the Standards of Weights and Measures (Packaged Commodities) Rules, 1977. The matter is currently pending before the Appellate Court.

6. V-Guard, Pradhan Vidyut Bhandar, Sambalpur and Alpha Marketings, Sambalpur (the "**Petitioners**"), have filed a regular first appeal bearing No. 305/2007 dated May 24, 2007 against Prasanta Rath (the "**Respondent**"), before the State Consumer Disputes Redressal Commission, Orissa (the "**State Forum**"), praying for a permanent injunction to stay the operation of the District Consumer Disputes Redressal Forum's (the "**District Court**"), order dated March 15, 2007 ("**Order**"). District Court in its Order, directed the present Petitioners to replace defective pump set of the Respondent, without any additional charge and pay compensation of ₹ 1,000 to the Petitioners within one month of the Order. The matter is currently pending before the State Forum.

7. V-Guard has filed an original suit bearing No. 12/2013 under Order VII Rule 1 read with Section 26 of the CPC and interlocutory application bearing No.1485/2013 under Order XXXIX Rule 1 of the CPC, before the District Court, Ernakulam (the "**Suit**"), (the "**Court**") dated April 8, 2013 against Rakesh Malhotra, (the "**Defendant**"). V-Guard has prayed for a decree of permanent injunction restraining the Defendant from infringing the registered trademark 'V-GUARD' by advertising, offering for sale of goods using the trademark 'V-GUARD', any other visually or phonetically similar and confusing mark in any other manner whatsoever and grant a decree of permanent injunction compelling the Defendant to surrender before the Court, all materials including brochures and other promotional materials of the Defendant containing infringing trademark. The Court granted an interim injunction against the Defendant on April 11, 2013 but subsequently vacated it on June 1, 2013 ("**Vacation Order**"). V-Guard has preferred an appeal bearing No.179/2013 (the "**Appeal**"), for setting aside the Vacation Order, before the High Court of Kerala, (the "**High Court**"). The said Appeal has been dismissed by the High Court by its order dated July 5, 2013. V-Guard subsequently filed a special leave petition bearing S.L.P. (Civil) No. 19261/2013 before the Supreme Court of India (the "**Supreme Court**") against the order dated July 5, 2013. Supreme Court has disposed off the matter instructing V-Guard to request the Court to expeditiously conclude the Suit. The Suit is currently pending before the Court.

8. V-Guard has filed a special civil suit bearing No.793/2013 under Order VII Rule 1 read with Section 26 of the CPC before the Court of Civil Judge, Senior Division, Pune (the "**Court**") against Rakesh Shankar Gulwani, Prop. Piyush Pumps, Pune (the "**Defendant**") on May 4, 2013. The suit is filed for recovery of an amount of ₹ 103.94 lakhs including interests and costs towards payment for supply of various materials from the Defendant over multiple transactions. V-Guard has alleged that the Defendant issued nine cheques, drawn on Abhyudaya Co-operative Bank Limited, Pimpri, Pune aggregating to ₹ 69.55 lakhs for the payment of bills and invoices issued by V-Guard, however, all the nine cheques were dishonoured due to insufficiency of funds. The matter is currently pending before the Court.

Tax proceedings

1. V-Guard filed a memorandum of appeal bearing Appeal No.IBSTA 01/09-10 (the "**Appeal**"), dated May 25, 2009 under Section 79 of the Jharkhand Value Added Tax Act, 2005 (the "**JVAT**") read with rule 47(3) of the Jharkhand Value Added Tax Act, 2006 before the Joint Commissioner of Commercial Taxes, Jamshedpur (the "**Appellate Authority**"), against the notice of demand bearing No. 01/09-10 ("**Notice**"), dated April 30, 2009 issued by the Commercial Tax Officer, IB, Junior Division, Jamshedpur (the "**Tax Officer**"). V-Guard has prayed before the Appellate Authority to invalidate the penalty order of ₹ 0.85 lakhs levied by the Tax Officer on V-Guard for not maintaining completed road permit form, under Section 72 of the JVAT. The said appeal was dismissed by order dated February 10, 2010 by the Appellate Authority against which V-Guard has filed a revision petition under Section 80 of the JVAT before the Appellate Authority. The said revision No.JR 34/2010 is currently pending before the Appellate Authority.

2. V-Guard has filed a memorandum of appeal bearing Appeal No. IBSTA 10/09-10 (the "**Appeal**"), dated November 12, 2009 under Section 79 of the Jharkhand Value Added Tax Act, 2005 (the "**JVAT**") read with rule 47(3) of the Jharkhand Value Added Tax Act, 2006 before the Joint Commissioner of Commercial Taxes, Jamshedpur (the "**Appellate Authority**"), against the notice of demand bearing No. 59/09-10 ("**Notice**"), dated November 4, 2009 issued by the Commercial Tax Officer, IB, Junior Division, Jamshedpur (the "**Tax Officer**"). V-Guard has prayed before the Appellate Authority to invalidate the penalty order of ₹ 1.45 lakhs levied by the Tax Officer on V-Guard for not maintaining completed road permit form, under Section 72 of the JVAT. The matter is currently pending before the Appellate Authority.

3. V-Guard has filed an appeal bearing No. STA 194/2010 dated April 22, 2010 under Section 34 and Rule 38(2) of the Kerala General Sales Tax Rules, 1963 (the "**Sales Tax Rules**"), before the Deputy Commissioner of Sales Tax (Appeals), Ernakulam (the "**Appellate Authority**"), against the assessment order passed by the Assistant Commissioner, on April 7, 2010 (the "**Assessment Order**"), demanding unpaid tax of ₹ 1.30 lakhs for the assessment year 2004-05 under the Sales Tax Rules. V-Guard has prayed before the Appellate Authority in its appeal that the ground of assessment taken in the Assessment Order is incorrect and thereby the Assessment Order should be set aside or modified by the Appellate Authority. The matter is currently pending before the Appellate Authority.

4. V-Guard has filed an appeal bearing No. STA 193/2010 dated April 22, 2010 under Section 34 and Rule 38(2) of the Kerala General Sales Tax Rules, 1963 (the "**Sales Tax Rules**"), before the Deputy Commissioner of Sales Tax (Appeals), Ernakulam (the "**Appellate Authority**"), against the assessment order passed by the Assistant Commissioner, on April 7, 2010 (the "**Assessment Order**"), demanding V-Guard to pay unpaid tax of ₹ 0.61 lakhs for the assessment year 2003-04. V-Guard has prayed before the Appellate Authority in its appeal that the ground of assessment taken in the Assessment Order is incorrect and thereby the Assessment Order should be set aside or modified by the Appellate Authority. The matter is currently pending before the Appellate Authority.

Arbitration proceedings

1. V-Guard has filed an arbitration petition bearing claim petition No.1/2011 dated June 6, 2011 under Section 11(6) of the Arbitration and Conciliation Act, 1996 (the "**Arbitration Act**"), before the arbitrator A Mohan Ram (the "**Arbitrator**"), against S. N. Putte Gowda and others (the "**Respondents**"). V-Guard has claimed that it has executed an agreement to sell dated July 31, 2003 (the "**Agreement**") for purchase of agricultural land bearing survey No. 154/10 at Kengeri Village, Kengeri-Hobli, Bangalore admeasuring 1 acre and 33 guntas (the "**Disputed Property**") with the Respondents and has already made part payment of the consideration. Respondents through a legal notice to V- Guard dated September 3, 2004, proposed to unilaterally terminate the Agreement citing their inability to honour the Agreement because of a pending suit of partition bearing No. O.S. No. 4734/ 2004, filed by the members of the Respondent's family, over the Disputed Property. V-Guard has prayed before the Arbitrator for issuance of orders to the

Respondents to execute, register a sale deed in accordance with the Agreement and to handover vacant possession of the said Disputed Property to V-Guard. Respondents have filed their respective counter affidavits. Claim petition is currently pending for hearing before the Arbitrator.

Intellectual Property

1. V-Guard has filed an original suit bearing reference O.S. No.3/2004 dated June 29, 2007 under Section 22 of the Designs Act, 2000 (the "**Designs Act**"), before I Additional District Court, Ernakulam (the "**Court**"), against Premier Elmech Systems Private Limited, Chennai ("**Elmech**"), and St. George Electricals, Kochi (the "**Respondents**"). V-Guard has alleged that the Respondents are imitating its registered design bearing design registration No. 187578 under the Designs Act for their own products and has sought permanent injunction from the Court restraining the Respondents from using deceptively similar design for their own products. The Court has decided the matter in V-Guard's favour and has issued a permanent injunction pursuant to the order dated July 20, 2007, as prayed for by V-Guard thereby restraining the Respondents from using the said design. Elmech has filed regular first appeal bearing number RFA No.408/2007 before the High Court of Kerala at Ernakulam (the "**High Court**") dated August 8, 2007 under Section 96 and Order 51, Rule 1 of the CPC against V-Guard praying before the Court to issue a permanent injunction against the order dated July 20, 2007 issued by the Court. High Court disposed off the appeal directing the Respondents and V-Guard to pursue the matter before the Court and thereby transferred the matter to the Court under Section 4 (22) of the Designs Act on October 3, 2013. The matter is currently pending before the Court.

2. V-Guard has filed multiple Form TM-5 ("**Form-5**"), under Sections 21(1), 64, 66 and 73 of the Trademarks Act, 1999 and Rules 47(1), 131(1) and 138(1) of the Trademarks Rules, 2002 before the Registrar of Trademarks, Chennai (the "**Registrar**"), expressing its intention to oppose third party registration application for marks which are phonetically and deceptively similar to the marks, already registered by V-Guard. V-Guard has filed Form-5 against registration of the marks "N-GUARD", "V-CARE", "C-GUARD", "V- GARD" and "LIVGUARD" ("**Deceptive Marks**"). All Form-5 filed against the Deceptive Marks are pending before the Registrar.

(E) Cases filed against V-Star Creations Private Limited ("V-Star")

Criminal litigation

Nil

Civil litigation

Nil

Labour proceedings

Nil

Securities related proceedings

Nil

Intellectual Property

Nil

Legal Notices issued

Nil

Tax litigation

Assistant Commissioner of Commercial Taxes, Special Circle-III, Ernakulam ("**Assistant Commissioner**"), issued a notice dated June 22, 2004 ("**Notice**") to V-Star under the Kerala General Sales Tax Act, 1963 for assessment year 1999-2000, recalculating the taxable turnover as ₹ 30.89 lakhs. V-Star had filed an appeal against the order dated March 7, 2004 passed by the Assistant Commissioner. The Assistant Commissioner, while determining the taxable turnover had disallowed, *inter alia*, the non-taxable sales return of ₹ 3.44 lakhs. Against this order, V-Star filed an appeal before the Deputy Commissioner (Appeals), Department of Commercial Taxes, Ernakulam. The matter is currently pending before the Deputy Commissioner of Commercial Taxes (Appeals) and the outstanding amount is ₹ 5.54 lakhs.

Arbitration matters

Nil

(F) Cases filed by V-Star Creations Private Limited ("V-Star")

Criminal litigation

1. V-Star has filed 18 criminal complaints under the N I Act before various courts across India for dishonour of cheques issued by various parties towards discharge of amounts due to V-Star against goods supplied to them by V-Star and the aggregate amount involved in respect of these cases is ₹ 11.44 lakhs. All the matters are currently pending before courts in various jurisdictions across India.

Civil litigation

1. V-Star has filed a case bearing No. OS 901/2009 dated August 22, 2009 under Order VII Rule I and Section 26 of the CPC before the Munsiff's Court, Ernakulam (the "**Court**"), against Mareena Wedding Collections, Thalassery and Biju (the "**Defendants**"), for dishonour of cheque bearing No.759955 dated December 18, 2006 issued for an amount of ₹ 0.29 lakhs drawn on Punjab National Bank, Thalassery Branch, Kerala towards the payment for garments purchased by the Defendants from V-Star. V-Star has also prayed for payment of interest on the outstanding amount at the rate of 18.00%, aggregating the total amounts owed by the Defendants to V-Star to ₹ 0.45 lakhs. The matter is currently pending before the Court.

Labour proceedings

Nil

Securities related proceedings

Nil

Legal Notices issued

Nil

Tax litigation

Nil

Arbitration matters

Nil

Cases involving our Promoters

(G) Cases filed against our Promoter

Criminal litigation

Please refer to "Cases filed against V-Guard Industries Limited" for cases involving our Promoter Kochouseph Chittilappilly on page 269 of this Red Herring Prospectus.

Civil litigation filed against Kochouseph Chittilappilly

1. P. Basheer and 15 others (the "**Petitioners**"), had filed a suit bearing R.C.P. No. 152 of 2009 against Kochouseph Chittilappilly, Mercy Varghese and Imamudeen (the "**Respondents**"), before the Additional Munsiff and Rent Control Court, Ernakulam (the "**Rent Control Court**"), under the Kerala Buildings (Lease and Rent Control) Act, 1965 (the "**Rent Control Act**"). The Petitioners had filed the suit against the Respondents for evicting them from the premises situated at building bearing No. 38/1009 (New No. 40/7200) of Cochin Corporation. The Rent Control Court has passed an order dated July 28, 2011 directing Mercy Varghese (wife of Kochouseph Chittilappily's late brother Varghese) to put the Petitioners in possession of the building bearing door No. 38/1009 A (New No. 40/7200) of Cochin Corporation within a period of one month of passing the order and has dismissed the suit filed against Kochouseph Chittilappilly. Further, the Rent Control Court has directed Mercy Varghese or Varghese's legal heirs to pay the rent arrears from February 2008 till June 2009 at ₹ 9,650 together with interest at 6.00% per annum and costs of the proceedings. Mercy Varghese has filed an appeal bearing R.C.A. No. 123/2011 dated October 25, 2011 against the Petitioners before the Rent Control Appellate Authority (the "**Appellate Authority**"). Mercy Varghese has filed the appeal praying before the Appellate Authority to allow the appeal against the order dated July 28, 2011 passed by the Rent Control Court and set aside the order of eviction passed under the Rent Control Act. The matter is currently pending before the Appellate Authority. The matter is currently pending before the Appellate Authority.

2. In addition to the abovementioned matter, please refer to "Cases filed against our Company" for cases involving our Promoter Kochouseph Chittilappilly on page 261 of this Red Herring Prospectus.

Labour proceedings

Nil

Securities related proceedings

Nil

Legal Notices issued

Nil

Tax litigation

Nil

Arbitration matters

Nil

(H) Cases filed by our Promoters

Criminal litigation

Nil

Civil litigation

1. Kochouseph Chittilappilly (the "**Petitioner**"), has filed a public interest litigation by way of a writ petition bearing W.P. (Civil) No. 1459/2014 ("**PIL**") before the High Court of Kerala at Erakulam (the "**Court**") against the State of Kerala and others (the "**Respondent**") on January 14, 2014. The Petitioner has filed this PIL against the State Government authorities in relation to steps taken by them to deal with blocked roads and disturbance caused to public pathways during protests and agitations carried out in the State of Kerala. The Petitioner has, among other prayers, prayed before the Court (a) to issue a writ of mandamus against the Respondent to constitute a body to ensure that no public roads/ streets are totally blocked during public protests/ agitations convened by political parties or by religious groups; (b) to issue a writ of mandamus directing the Respondent to constitute a district level body in all the 14 districts in the State of Kerala to quantify the damage caused to public and private properties caused due to agitations/ protests; (c) to issue a writ of mandamus directing the Respondent to take appropriate actions against the concerned police officers and other officials who fail to implement the directives enshrined in *Peoples Council for Justice vs. State of Kerala* judgment; (d) to issue a writ of mandamus directing the Respondent to ensure that certain specified groups seeking permission for public protests/ agitations be held liable for damage/ loss caused during the agitations and protests against the State Government; and (e) to issue directions or writs as may be deemed fit to the Court on the facts and circumstances of the present case. The matter is currently pending before the Court.

Labour proceedings

Nil

Securities related proceedings

Nil

Legal Notices issued

Nil

Tax litigation

Nil

Arbitration matters

Nil

Cases involving our Directors

(I) Cases filed against our Directors

Please refer to "Cases filed against V-Guard Industries Limited" and "Cases filed against our Company" for cases involving our Directors on pages 269 and 261 of this Red Herring Prospectus.

Criminal litigation

Please refer to "Cases filed against V-Guard Industries Limited" for cases involving our Directors on page 269 of this Red Herring Prospectus.

Civil litigation

Nil

Labour proceedings

Nil

Securities related proceedings

Nil

Legal Notices issued

Nil

Tax litigation

Nil

Arbitration matters

Nil

(J) Cases filed by our Directors

Criminal litigation

Nil

Civil litigation

Nil

Labour proceedings

Nil

Securities related proceedings

Nil

Legal Notices issued

Nil

Tax litigation

Nil

Arbitration matters

Nil

Proceedings initiated against our Company for economic offences

There are no proceedings initiated against our Company for any economic offences.

Outstanding litigation against other companies whose outcome could have an adverse effect on our Company

There are no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule XIII of the Companies Act 1956, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

Adverse findings against any persons/entities connected with our Company as regards non compliance with

securities laws

There are no adverse findings involving any persons/entities connected with our Company/Promoters/Group Companies as regards non compliance with securities law, except as disclosed in the section titled "Outstanding Litigaton and Material Developments" on page 261 of this Red Herring Prospectus.

Disciplinary action taken by SEBI or Stock Exchanges against our Company

There are no disciplinary actions taken by SEBI or Stock Exchanges against our Company.

Material developments since the last balance sheet date

Except as disclosed in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operation" at page 231 of this Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances that have materially or adversely affected or are likely to affect our profitability taken as a whole or the value of its consolidated assets or its ability to pay its material liabilities within the next 12 months.

Outstanding dues to small scale undertaking(s) or any other creditors

There are no outstanding dues above ₹ 100,000 to small scale undertaking(s) or any other creditors by our Company, for more than 30 days.

Further Confirmation

Except as disclosed above, there are no regulatory action initiated/taken against our Company, our Group Companies and our Promoters in their individual capacity by various agencies/regulatory bodies. Further, except as disclosed above there are no show cause notices received by our Company, our Group Companies, associates, our Promoters in their individual capacity (pending any investigation) for any regulatory lapse.

GOVERNMENT APPROVALS

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity is required to undertake the Issue or continue our business activities. Unless otherwise stated, these approvals are valid as of the date of this Red Herring Prospectus.

Approvals related to the Issue

1. Approval from the NSE dated June 20, 2013.

2. Approval from the BSE dated July 1, 2013.

3. Our Board of Directors has, pursuant to a resolution passed at its meeting held on December 17, 2012, authorised the Issue subject to the approval by our Shareholders under Section 81(1A) of the Companies Act 1956 and such other authorities as may be necessary.

4. Our Shareholders have pursuant to a resolution dated January 3, 2013, under Section 81(1A) of the Companies Act 1956, authorised the Issue.

Incorporation Details

- The certificate of incorporation dated November 18, 2002 was issued to our Company, in the name and style of Wonderla Holidays Private Limited, by the RoC.

- The certificate of incorporation dated January 11, 2013 was issued to our Company on account of change of name from 'Wonderla Holidays Private Limited' to 'Wonderla Holidays Limited' upon conversion to a public limited company and alloting our Company a fresh corporate identity number U55101KA2002PLC031224.

Business Related Approvals

A. Wonderla Bangalore

1. A license for conducting public amusement, dated July 4, 2011, bearing number RMG.MAG(4) MISC 1/07-08 was issued by the Office of the Deputy Commissioner, Mini Vidhan Soudha, Ramnagara District, Ramnagara, to our Company, subject to the Public Amusement (Ramnagar District) Order, 2008 and the conditions contained in the license, to conduct public amusement by setting up land rides and water rides (as specified in the license). The license was for the period from October 1, 2011 until September 30, 2012. The license bearing number RMG.MAG(4)MISC 1/07-08 for conducting public amusement has been renewed on February 18, 2014 for the period October 1, 2013 until September 30, 2014 by the Office of The Deputy Commissioner, Kandhaya Bhavan, Ramanagara District, Ramanagara.

2. A combined consent to operate dated September 10, 2012, bearing number 21/Reg. No. 31462/KSPCB/RO(R-Nagar)/AEO/WPC-APC/Orange/2012-13/660, was issued by the Karnataka State Pollution Control Board to our Company (for Wonderla Bangalore and Wonderla Resort) under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974 for emissions and discharge of effluents, subject to the conditions contained therein. The combined consent is granted for the period from October 1, 2012 until September 30, 2014.

3. An authorization dated January 30, 2014, bearing number PCB/WMC/SEO/57461/2013-14/1637, was granted by the Karnataka State Pollution Control Board to our Company under the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 as amended upto 2010 for the handling of hazardous waste in the manner indicated in the authorization. The authorization is valid for the period from October 01, 2013 to September 30, 2018.

4. A license dated September 22, 2005, bearing number P/SC/KA/15/1037(P118207) was issued by the Deputy Chief Controller of Explosives, Petroleum & Explosives Safety Organisation to our Company for

the two underground petroleum class B (2x10KL HSD) storage tanks together with connected facilities on our premises. The license is subject to the provisions of the Petroleum Act, 1934 and the rules thereunder as well as any further conditions contained in the license. The license is valid until December 31, 2022.

5. Electricity related approvals:

   a. An official memorandum dated June 21, 2004, bearing number DEI(RW)/AEI-11 324/04-05, was issued by the Deputy Electrical Inspector, to our Company granting approval to run 1x500KVA generator set at Wonderla Bangalore. The approval is subject to the conditions contained in the official memorandum.

   b. An official memorandum dated September 26, 2005, bearing number CEIG/DCEI/EI(T)/DEI1/14584-88/05-06, was issued by the Chief Electrical Inspector to Government addressed to our Company, according regular approval in continuation of the provisional approval, to commission the 1x2000 KVA, 11 KV/433V Transformer sub-station along with the associated equipment, at Wonderla Bangalore.

   c. An official memorandum dated September 26, 2005 bearing number CEIG/DCEI/EI(T)/DEI1/14558-61/05-06, was issued by the Chief Electrical Inspector to Government, addressed to our Company, according approval to commission 2x1010 KVA, 415 V, DG sets and associated equipment along with LT loads having the specified details for installation at Wonderla Bangalore. The approval is subject to the conditions contained in the official memorandum.

   d. An electrical certificate dated September 13, 2013 bearing number DCEI/BN/EI/BW/NOC/6419-23/2013-14, was issued by the Deputy Chief Electrical Inspector, Bangalore North Circle to our Company, after inspecting the 34 land rides and 13 water games at Wonderla Bangalore. The certificate is valid from September 18, 2013 to September 17, 2014.

6. A certificate bearing number IND11.6649U/E, was issued by Bureau Veritas Certification (India) Private Limited to our Company for the 'management system' of our Company meeting the requirements of the standards under ISO 14001:2004 for the operation and maintenance of land and water based amusement rides/attractions including the related amenities. The certificate is valid until July 21, 2014.

7. A certificate bearing number IND11.6649HS was issued by Bureau Veritas Certification (India) Private Limited to our Company for the 'management system' of our Company meeting the requirements of the standards under BS OHSAS 18001:2007 for the operation and maintenance of land and water based amusement rides/attractions including the related amenities. The certificate is valid until July 21, 2014.

8. The details of the licenses issued by the Food Safety and Standards Authority under the Food Safety and Standards Act, 2006 to our Company and the contractors providing catering services on our premises are as set out below:

Sl. No.	Licensee	License No.	Dated	Kind of Business	Valid till
1.	Sivadasan M., Wonderla Holidays Private Limited	11212325000002	January 13, 2012	Sale of packed food articles (Retail)	January 11, 2015
2.	M. Sivadas, Wonderla Holidays Private Limited, 'Waves Restaurant'	11212325000182	November 27, 2012	Restaurant	November 25, 2014
3.	Sivadasan M., Wonderla Resort, Wonderla Holidays Private Limited	11212325000027	February 29, 2012	Hotel	February 28, 2017
4.	Sandesh Naik, M/s.	11212325000003	January	Restaurant – Veg.	January

Sl. No.	Licensee	License No.	Dated	Kind of Business	Valid till
	Saraswathi Caterers, 'Greens Restaurant'		13, 2012	(prepared and packed foods)	11, 2015
5.	K.V. Sunder Raja Rao, M.S. Investments, 'Pizza Corner'	11212325000010	January 13, 2012	Restaurant (Pizza Corner)	January 11, 2015
6.	M. Shashikala, Meridian Enterprises, 'Chillies Restaurant'	11212325000004	January 13, 2012	Restaurant – Veg. and Non-Veg. (prepared and packed foods)	January 11, 2015
7.	N.K. Nagaraj Bhat, M/s. Srinivas Caterers, 'Parkview Restaurant'	11212325000006	January 13, 2012	Restaurant – Veg. and Non-Veg. (prepared and packed foods)	January 11, 2015
8.	C.P. Safwan, Wonder Foods	11213325000238	May 21, 2013	Foods	May 20, 2014
9.	Prakash Chandra Athrady, 'Courtyard Restaurant'	11213325000228	April 19, 2013	Restaurant	April 18, 2014
10.	N. Suryananda, M/s. Red Sun Chats	11212325000161	October 8, 2012	Food vending establishment (chats and other foods)	October 14, 2014
11.	Ebrahim Shibily C.A., 'Tryst'	11212325000005	January 13, 2012	Food vending establishment (cholcolate, chicken shawarma and sugar cane juice)	January 11, 2015

9. A contract labour license bearing number ALCB1/CLA/P63/11-12 and dated October 27, 2003, issued by the Office of the Assistant Labour Commissioner and Registering Officer under the Contract Labour (Regulation and Abolition) Act, 1970 to our Company under Section 7 of the Contract Labour (Regulation and Abolition) Act, 1970 for running an amusement park. The contract labour licenses issued to the contractors we have hired for various services under Section 12(1) of the Contract Labour (Regulation and Abolition) Act, 1970 are as set out below:

Sl. No.	Licensee	Dated	License No.	License for doing work of	No. of workmen employed	Valid till
1.	M/s. Plus Point, Deshpande (Partners)	June 9, 2009	AHBH/CLA/C-66/2009-10	House keeping	45	June 8, 2014
2.	M/s Guardwell Detective Services Private Limited, Vishwanath V. Katti	August 6, 2012	ALCB1/CLA/C109/12-13	Security services (watch and ward)	95	June 2, 2014
3.	M/s. Force I Guarding Services Private	October 31, 2011	ALCB1/CLA/C183/11-12	Security services	45	October 30, 2014

Sl. No.	Licensee	Dated	License No.	License for doing work of	No. of workmen employed	Valid till
	Limited					
4.	M/s. Hema Security & Detective Services	October 14, 2011	ALCB1/CLA/C158/11-12	House keeping	100	November 14, 2014
5.	M/s. S.R.S Security Services	June 30, 2012	ALCB1/CLA/C64/12-13	Security Services	50	June 29, 2014
6.	M/s. Magniva Solutions	January 16, 2013	ALCB1/CLA/C232/12-13	Life guards	180	January 15, 2015
7.	M/s. Akshaya Foodlines	February 14, 2013	ALCB1/CLA/C271/12-13	Restaurant maintenance	40	February 13, 2015

10. The code 'KN/35511' was allotted to our Company through a letter dated January 27, 2004 bearing number KN/PF/SAO/KRP/ENF/189/2003-04 issued by the Employees' Provident Fund Organisation under the Employees Provident Fund & Miscellaneous Provisions Act, 1952.

11. The code '53000306880001099' was allotted to our Company through a letter dated November 19, 2011 issued by Employees' State Insurance Corporation under the Employees State Insurance Act, 1948.

12. A registration certificate of establishment dated August 11, 2011 bearing registration number KANEERA/B/VAASAM/164/2011 was issued by the Office of the Inspector to our Company under the Karnataka Shops and Commercial Establishments Act, 1961. The registration is valid until December 31, 2015.

13. Our Company has adopted Standing Orders, in accordance with the Industrial Employment (Standing Orders) Act, 1946. The same have been approved by order of the Deputy Labour Commissioner dated January 9, 2008 bearing number DLCB-II/SOA/CR-26/07-08 and they have come into operation within 30 days of receipt of the order.

14. A general license dated July 16, 2012 issued by the Panchayath Development Officer, Bannikuppe (B) Gram Panchayath Bidadi Hobli, Ramanagara Taluk was issued to our Company situtated within the jurisdiction of Bannikuppe Gram Panchayathi, Jadenhalli, Bidadi Hobli, Ramnagare Taluk for the purpose of running a flour mill, canteen and providing entertainment services. The license has been renewed on April 1, 2013 for the year 2013-14.

Wonderla Resort

1. A certificate issued by the Hotel and Restaurant Approval and Classification Committee, Ministry of Tourism, Government of India, was issued to Wonderla Resort classifying our resort under the 'Three Star' category, as per the applicable terms and conditions. This certificate is valid for the period from December 6, 2012 until December 5, 2017.

2. A star hotel license dated July 6, 2013 bearing register number EXE/IML/RNR/CL-6A/01/2013-14, was issued by the Deputy Commissioner, Ramanagar District to our Company to possess and sell Indian liquor (other than arrack) or foreign liquor or both at Wonderla Resort under the provisions of the Karnataka Excise Act, 1965. The license is subject to the conditions contained therein. The license is valid until June 30, 2014.

3. A general license dated June 14, 2012 was issued by the Panchayath Development Officer, Bannikuppe (B) Gram Panchayath Bidadi Hobli, Ramanagara Taluk to our Company in relation to Wonderla Resort for the

purpose of running a flour mill, canteen and providing entertainment services. The license is valid till March 31, 2013. The license has been renewed on April 1, 2013 for the year 2013-14.

4. An official memorandum dated March 30, 2012 bearing number CEIG/EI-3/AEI-3/455562-65/11-12, was issued by the Chief Electrical Inspector to Government, to our Company, according approval to commission 1X750 KVA, 11KV/433V Transformer sub-station and 1X250KVA, 1X500KVA, 415V DG sets with total connected load of 1,000KW at Wonderla Bangalore. The approval is subject to the conditions contained in the official memorandum.

5. A no objection certificate dated February 22, 2010 bearing number AGM(TP)/S-6/IV/2009-10/86, was issued by AGM (Transmission), Karanataka Telecom Circle, Bharat Sanchar Nigam Limited to our Company indicating that the construction of Wonderla Resort will not cause any physical obstruction to Bharat Sanchar Nigam Limited 2GHz/15GHz working/planned schemes in the Karnataka Telecom Circle.

6. A no objection certificate dated June 6, 2012 bearing number 03/Anumathi/Raji/GB/2011, was issued by the Superintendant of Police, Ramnagar District to our Company for the commencement of Wonderla Resort.

7. A no objection certificate dated March 9, 2010 bearing number AAI/BIA/ATM/NOC/992-94, was issued by the General Manager (ATM), Airports Authority of India, Bangalore International Airport to our Company for construction of Wonderla Resort in relation to height clearance under the provisions of the Indian Aircraft Act, 1934. The no objection certificate is valid till March 8, 2015 i.e. for a period of five years from the date of issue.

B. Wonderla Kochi

1. An approval for our amusement park dated September 13, 2012, was issued by Department of Tourism, Government of Kerala to our Company under GO (P) No. 363/98/GAD dated June 2, 1998 and GO (MS) No. 46/2001/GAD dated February 12, 2001, subject to the condition that the management of the amusement park shall at all times, comply with all the regulations and conditions drawn up by the Department of Tourism, from time to time. The approval has been given for a period of three years, with effect from September 8, 2012.

2. A consent to operate dated December 2, 2008 bearing number PCB/HO/EKM/IC/225/07, was issued by the Kerala State Pollution Control Board to our Company under the Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act, 1974 and Environment (Protection) Act, 1986 for emissions and discharge of effluents subject to the conditions contained therein. The consent is valid until June 30, 2015.

3. A certificate bearing number IND11.7288U/E, was issued by Bureau Veritas Certification (India) Private Limited, to our Company for the 'management system' of our Company meeting the requirements of the standards under ISO 14001:2004 for the operation and maintenance of land and water based amusement rides/attractions including the related amenities for the customers. The certificate was valid until March 4, 2014. The Company is in the process of renewing the same.

4. A certificate bearing number IND11.7288O, was issued by Bureau Veritas Certification (India) Private Limited to our Company for the management system of our Company meeting the requirements of the standards under BS OHSAS 18001:2007 for the operation and maintenance of land and water based amusement rides/attractions including the related amenities for the customers. The certificate was valid until March 4, 2014. The Company is in the process of renewing the same.

5. The details of the licenses issued by the Food Safety and Standards Authority under the Food Safety and Standards Act, 2006 to our Company and the contractors providing food services on our premises are as set out below:

Sl. No.	Licensee	License No.	Dated	Kind of Business	Valid till

Sl. No.	Licensee	License No.	Dated	Kind of Business	Valid till
1.	Ravikumar M.A., Wonderla Holidays Private Limited (Two snacks bar)	11312007000314	March 16, 2012	Retail Trade Restaurant	March 16, 2017
2.	Ravikumar M.A., Wonderla Holidays Limited	11313007004469	April 2, 2013	Restaurant (Sales & Services)	April 2, 2014
3.	C.P. Suhain, M/s. Salkara, "Karthika" (two units)	11312007000312	March 16, 2012	Restaurant	March 31, 2014
4.	P.P. Ahamed, M/s. Penta Four Associates (three units)	11312007000311	March 16, 2012	Restaurant	March 31, 2014
5.	Annapoorni Anil, M/s. Ethnic Kitchen (three units)	11312007000313	March 16, 2012	Restaurant	March 31, 2014

6. A contract labour license bearing no. KCLR6/2002 and dated August 17, 2002, issued by the Office of the Registering Officer, Ernakulum, Civil Station, Kakkanad to our Company under Section 7 of the Contract Labour (Regulation and Abolition) Act, 1970 for running an an amusement park. The contract labour licenses issued to the contractors we have hired for various services under Section 12(1) of the Contract Labour (Regulation and Abolition) Act, 1970 are as set out below:

Sl. No.	Licensee	License No.	Dated	License for doing work of	No. of workmen employed	Valid till
1.	M/s. Pinakin Security Private Limited, Sri. Rajappan Nair	KCLL-62/09	July 22, 2009	Security services	39	February 15, 2015
2.	Santosh Kumar	KCLL-31/09	April 6, 2009	Security services	100	March 31, 2014
3.	M/s. Bright in Sight, K.N. Venugopal	KCLL-10/09	February 4, 2009	Life guard support services	150	January 16, 2015
4.	M/s. CMC Enterprises, Itteera Kavubgal	KCLL – 30/2007	August 20, 2007	Park cleaning	31	March 31, 2014
5.	M/s. Uma Enterprises, Padmini Deshpande	KCLL – 9/2002	September 19, 2002	House keeping	58	April 2, 2014
6.	M/s. Penta Four Associates	KCLL – 35/2011	July 18, 2011	Catering	33	March 31, 2014
7.	M/s. Salkara, 'Karthika', C.P. Suhail	KCLL – 37/09	June 18, 2009	Food court	20	March 31, 2014
8.	M/s. Ethnic Kitchen, Annopoorni Srinivasan	KCLL – 20/2004	August 25, 2004	Restaurant	30	March 31, 2014

7. The code 'KR/15728' was allotted to our Company through a letter dated June 15, 1998 bearing number KR/KC/15728/Enf 1(5)/98 issued by the Employees' Provident Fund Organisation under the Employees Provident Fund & Miscellaneous Provisions Act, 1952.

8. The code '47000613230001012' was allotted to our Company through a letter dated December 3, 2012 issued by Employees' State Insurance Corporation under the Employees State Insurance Act, 1948.

9. A registration certificate of establishment, dated November 14, 2005 bearing registration number KNP-341, issued by the Assistant Labour Officer to our Company under the Kerala Shops and Commercial Establishments Act, 1960. The registration is valid until December 31, 2014.

10. The details of the licenses issued by the Secretary, Kunnathunad Gram Panchayat under the Kerala Panchayat Raj, 1994 to our Company for running an amusement park providing catering services on our premises are as set out below:

Sl. No.	Purpose of licence	Building No./Ward No.	License No.	Dated	Valid till
1.	Amusement Park (Wonderla) (1345 HP Motor)	V/803, 803V	78/13-14	April 1, 2013	March 31, 2014
2.	Vintage Chimney Restaurant	V/803 D	76/13-14	April 1, 2013	March 31, 2014
3.	Waves Restaurant	V/803 R	70/13-14	April 1, 2013	March 31, 2014
4.	Spice Garden Restaurant	V/803 K	74/13-14	April 1, 2013	March 31, 2014
5.	Wood House Restaurant	V/804 J	69/13-14	April 1, 2013	March 31, 2014
6.	Vintage Kitchen Restaurant	V/803 F	75/13-14	April 1, 2013	March 31, 2014
7.	Valley View Restaurant	V/803 I	71/13-14	April 1, 2013	March 31, 2014
8.	Park View Restaurant	V/804 A	72/13-14	April 1, 2013	March 31, 2014
9.	Coffee Corner	V/804 B	67/13-14	April 1, 2013	March 31, 2014
10.	Coffee Plaza	V/804 I	68/13-14	April 1, 2013	March 31, 2014
11.	Wonder Chick Restaurant	V/803 AB	73/13-14	April 1, 2013	March 31, 2014

11. A factories license dated October 28, 2013 bearing registration number N/D10/AWY/03/1512/2008, was issued by Department of Factories and Boilers, Government of Kerala to our Company under the provisions of the Factories Act, 1948 and the Kerala Factories Rules, 1957. The license is valid until December 31, 2016.

C. Wonderla Hyderabad

1. Orders bearing numbers D/636/2012, D/635/2012, D/637/2012, D/638/2012, D/639/2012, D/640/2012, D/641/2012, D/642/2012, D/702/2012, D/701/2012, D/1045/2012, D/1046/2012, D/1047/2012, D/1049/2012, D/1050/2012, D/1051/2012, D/1052/2012, D/1053/2012 issued by the Tahsildar, Maheshwaram Mandal, Ranga Reddy District amended the Record of Rights in favour of our Company in respect of land admeasuring 46.17 acres situated in the village limits Kongara Khurd-A Village, Maheshwaram Mandal in Andhra Pradesh.

2. Orders bearing numbers D/1536 of 2013, D/1538 of 2013, D/1537 of 2013 and D/1539 of 2013 issued by the Tahsildar, Maheshwaram Mandal, Ranga Reddy District dated November 15, 2013 amended the Record of Rights in favour of our Company in respect of land admeasuring 3.40 acres situated in the village limits Kongara Khurd-A Village, Maheshwaram Mandal in Andhra Pradesh.

3. Orders dated January 16, 2013 bearing numbers L/188/2013, L/189/2013 and L/190/2013 were issued by the Spl. Gr. Dy. Collector & Revenue Divisional Officer, Ranga Reddy East Division accorded permission for the conversion of land admeasuring 46.17 acres in Kongara Khurd – A, Village, Maheshwaram Mandal, Ranaga Reddy District in Andhra Pradesh, owned by our Company, from agricultural to non-agricultural

purpose, subject to conditions in the said orders.

4. Order dated November 21, 2013 bearing number L/8153/2013 was issued by the Spl. Gr. Dy. Collector & Revenue Divisional Officer, Saroornagar Division accorded permission for the conversion of land admeasuring 3.40 acres in Kongarakhurd – A, Village, Maheshwaram Mandal, Ranaga Reddy District in Andhra Pradesh, owned by our Company, from agricultural to non-agricultural purpose, subject to conditions in the said orders.

5. Electricity related approvals:

   a. A sanction letter dated Janary 21, 2013 bearing number Sanction Memo No. SE/Op/RRS/Coml./Dr.No.512/12-13/D.No.5337/12 issued by the Superintending Engineer, Operation, Ranga Reddy South Circle, Hyderabad, to our Company approved the proposal for extension of supply of 1 No. 54 KW commercial load at Wonderla Hyderabad and accorded sanction for amount of ₹ 3.71 lakhs towards expenditure as per a detailed estimate, subject to the conditions in the said sanction letter.

   b. A letter dated January 21, 2013 bearing number Lr.No. SE/Op/RRS/Coml/DR.No. 512/2012-2013/D.No.5338/12, was issued by Superintending Engineer, Operation, Ranga Reddy South Circle, Rethilbowli, Nanal Nagar X Road, Hyderabad – 28, to our Company granted permission for the supply of materials and execution of work, subject to the conditions in the said letter.

6. A provisional registration certificate dated March 7, 2013 bearing number Lr. No. 2248/TP/C2/2012, issued by the Director, Department of Tourism, Government of Andhra Pradesh to our Company registering Wonderla Hyderabad as 'tourism unit' under the Tourism Policy, 2010. The registration is subject to the approvals from all the competent authorities. The registration is valid for a period of two years.

7. A no objection certificate dated March 01, 2014 bearing number AAI/HY/ATS-59/NOC-2/2014/1748-51, was issued by Joint General Manager (ATM-NOC), Airports Authority of India, Hyderabad Airport to our Company for construction of Wonderla Hyderabad in relation to height clearance under the provisions of the Indian Aircraft Act, 1934. The no objection certificate is valid till February 28, 2021, i.e., for a period of seven years from the date of issue.

8. A provisional no objection certificate dated March 04, 2014, bearing no. 13398/MSB/CR/RR/2013, was issued by the Director General, State Disaster Response & Fire Services, Andhra Pradesh, Hyderabad (**Department**) to our Company providing a provisional no objection for the construction of the proposed multi storeyed building premises at Wonderla Hyderabad. This provisional no objection certificate has been issued with an advice that the proposed building shall not be occupied and operations shall not commence without obtaining the no objection certificate for occupancy from the Department after satisfactory installation of the fire safety measures as specified in the provisional no objection certificate.

9. Our Company has obtained all necessary statutory approvals that it requires at this stage of implementation of Wonderla Hyderabad and we will in future continue to seek the relevant statutory approvals as required under applicable law at such relevant time, as indicated in the table below:

Sr. No.	**Approvals applied for**	
1.	Consent for establishment from Andhra Pradesh Pollution Control Board under the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act, 1974 and The Environment (Protection) Act, 1986 for emissions and discharge of effluents, subject to the conditions contained therein.	We have applied for this approval.

Approvals to be applied for		
2.	Building Plan Approval from Hyderabad Metropolitan Development Authority	We will apply for this approval once we receive the consent for establishment from Andhra Pradesh Pollution Control Board under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974 for emissions and discharge of effluents.
3.	HT Power sanction from Central Power Distribution Company of AP Limited	We will apply for this approval prior to commencement of commercial operations.
4.	Consent for operation from Andhra Pradesh Pollution Control Board under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974 for emissions and discharge of effluents, subject to the conditions contained therein.	We will apply for this approval prior to commencement of commercial operations.
5.	Approval from the local Grampanchayat.	We will apply for this approval once we receive the approval for the building plan from the Hyderabad Metropolitan Development Authority.
6.	Approval in relation catering/running of canteen etc. from relevant local authorities.	We will apply for this approval prior to commencement of commercial operations.
7.	Approval from the local Electrical Inspectorate.	We will apply for this approval after the construction of the building is complete.
8.	Approval for public amusement from relevant local authority.	We will apply for this approval prior to commencement of commercial operations.
9.	A service tax registration under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994.	We will apply for this approval prior to commencement of commercial operations.
10.	A registration under the Andhra Pradesh Entertainment Tax, 1939.	We will apply for this approval prior to commencement of commercial operations.
11.	A certificate of authorization issued by The Indian Performing Right Society Limited for the public performance of musical and literary works controlled by the Indian Performing Right Society Limited.	We will apply for this approval prior to commencement of commercial operations.
12.	A registration under the Legal Metrology Act, 2009.	We will apply for this approval prior to commencement of commercial operations.
13.	A registration certificate of establishment under the Andhra Pradesh Shops and Commercial Establishments Act, 1988	We will apply for this approval prior to commencement of commercial operations.
14.	A contract labour license under the Contract	We will apply for this approval prior to

	Labour (Regulation and Abolition) Act, 1970.	commencement of commercial operations.
15.	A license issued by the Explosives, Petroleum & Explosives Safety Organisation	We will apply for this approval prior to commencement of commercial operations.
16.	Licenses under the Food Safety and Standards Act, 2006.	We will apply for this approval prior to commencement of commercial operations.
17.	Application for a code issued by the Employees' State Insurance Corporation under the Employees State Insurance Act, 1948.	We will apply for this approval as and when we are required under law to obtain the same.

Intellectual Property

Registrations

1. A certificate of authorization bearing license number 28/K/60267, was issued by Phonographic Performance Limited to our Company for the public performance of musical works controlled and administered by Phonographic Performance Limited at Wonderla Bangalore. This public performance license is valid until September 4, 2014.

2. A certificate of authorization bearing license number13/K/60268, was issued by Phonographic Performance Limited to Wonderla Resort for the public performance of musical works controlled and administered by Phonographic Performance Limited at Wonderla Resort. This public performance license is valid until September 4, 2014.

3. A certificate of authorization bearing license number 29/M/40295, was issued by Phonographic Performance Limited to our Company for the public performance of musical works controlled and administered by Phonographic Performance Limited at Wonderla Kochi. This public performance license is valid until September 30, 2014.

4. The "Wonderla" trademark is registered in the name of our Company under Class 41 (amusement parks, entertainment and sporting included in class 41) of the Trade Mark Rules, 2002 as on date February 27, 2006, bearing trademark number 1424525. The certificate is valid for a period of 10 years from the date of application and may then be renewed for a period of 10 years.

5. The "Wonderla" trademark is registered in the name of our Company under Class 28 (games and play things related to amusement park like skating rinks, bowling alleys, rope ways, gymnastic and sporting articles) of the Trade Mark Rules, 2002 as on date July 15, 2003, bearing trademark number 1214378. The certificate was valid for a period of 10 years from the date of application and may then be renewed for a period of 10 years. Our Company has received an acknowledgment bearing receipt number 1106483, dated July 12, 2013 from the Trade Marks Registry, Chennai for our application to renew our "Wonderla" trademark bearing number 1214378.

6. The copyright in the "Wonderla" as an artistic work has been registered under the number A-70374/2005 with the Deputy Registrar of Copyrights, Copyright Office as on date April 27, 2005, in the name of our Promoter, Kochouseph Chittilappilly. Pursuant to assignment agreement dated April 10, 2013, our Promoter, Kochouseph Chittilappilly, has assigned the aforesaid copyright favour of our Company.

7. The patent dated September 9, 2008, bearing patent number 223255 and application number 1358/CHE/2004, , issued by the Patent Office to our Promoter, Kochouseph Chittilappilly, under the Patents Act, 1970, for the invention "vertical gravity drop amusement ride mechanism with varying load counter weight brake". The certificate is valid for the period of 20 years from December 13, 2004. Pursuant to assignment agreement dated April 10, 2013, our Promoter, Kochouseph Chittilappilly, has assigned the aforesaid patent in favour of our Company.

Applications

1. Our Company has made an application bearing number 2252939, dated December 20, 2011, for the registration of the mark "Wonderla Resort" under Class 43 (services for providing food and drink, temporary accommodation included in Class 43) of the Trade Mark Rules, 2002 to the Trade Marks Registry, Chennai.

Tax Related Approvals and Other Registrations

1. Permanent Account Number allotted to our Company is AAACW4514C.

2. Tax Deduction Account Number allotted to our Company is BLRW00431E.

A. Wonderla Bangalore

1. A VAT registration certificate dated May 18, 2013 bearing TIN '29381132763', was issued by LVO-155, Ramanagar, Commercial Tax Assistant Officer registering our Company having its principal place of business at Wonderla Bangalore under Section 22 of Karnataka Value Added Tax Act, 2003.

2. A service tax registration dated March 7, 2007 bearing service tax code 'AAACW4514CST001', was issued by the Office of the Commissioner of Service Tax registering our Company having its premises at Jadenahalli Wonderla Bangalore under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994. The services provided by our Company as stated in the registration include advertising agency service, photography service, convention service, transport of goods by road, advertising space or time, renting of immovable property services, supply of tangible goods for use, restaurant service and accommodation service.

3. A permit to pay entertainment tax and additional tax on the basis of returns dated September 27, 2005 was issued by the Entertainment Tax Officer to our Company at 648/B, Binnamangala stage Indira Nagar, Bangalore under the Karnataka Entertainment Rules, 1959, subject to the conditions provided therein. Our Company has intimated the Entertainment Tax Officer regarding the change in the address of our Registered Office of our Company by a letter dated September 1, 2012.

4. A registration certificate dated September 3, 2003 bearing registration number 2305742-7, was issued by the Professional Tax Officer, 5th Circle, Bangalore registering our Company under the Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976.

5. A certificate granting an importer exporter code dated May 26, 2010 bearing IEC Number '0703020269' was issued by the Joint Director General of Foreign Trade, Ministry of Commerce and Industry registering our Comany under the Foreign Trade (Development and Regulation) Act, 1992 with effect from February 20, 2004.

6. A luxury tax registration certificate dated May 18, 2013 bearing number 591558474 issued by Luxury Tax Officer, LVO 155, Ramnagar.

B. Wonderla Kochi

1. A VAT registration certificate dated May 21, 2007 bearing TIN '32151315982C', was issued by the Sales Tax Officer, Commercial Taxes Department registering our Company having its principal place of business at Wonderla Kochi under Section 16 of the Kerala Value Added Tax Act, 2003. The certificate is valid from April 1, 2005 until cancelled/suspended/surrendered and subject to renewal every year as per the Kerala Value Added Tax Rules, 2005.

2. A service tax registration dated March 28, 2011 bearing service tax code 'AAACW4514CSD002', was issued by the Superintendent of Central Excise registering our Company having its premises at Wonderla Kochi under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994. The services provided by our Company as stated in the registration include providing advertising space or time, sponsorship service, credit card related services, renting of immovable property services, supply of tangible

goods for use service, photography service and transport of goods by road.

C. Wonderla Hyderabad

1. A VAT registration certificate dated October 12, 2012 bearing TIN '28725682242', was issued by the Assistant Commercial Tax Officer, Vanasthalipuram Circle, registering our Company having its principal place of business at Wonderla Hyderabad, under the Andhra Pradesh Value Added Tax Act, 2005.

2. AP Profession Tax Payer Registration Certificate dated January 21, 2014 bearing registration number 28988167912, was issued by the Deputy Commercial Tax Officer, Vanasthalipuram, registering our Company under the Andhra Pradesh Tax on Professions, Trades, Callings And Employments Act 1987, with effect from December 1, 2013.

3. AP Profession Tax Payer Enrollment Certificate dated January 21, 2014 bearing registration number 28440148438, was issued by the Deputy Commercial Tax Officer, Vanasthalipuram, registering our Company under the Andhra Pradesh Tax on Professions, Trades, Callings And Employments Act 1987, with effect from December 1, 2013.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution passed by our Board of Directors at their meeting held on December 17, 2012 subject to the approval of Shareholders through a special resolution to be passed pursuant to Section 81(1A) of the Companies Act 1956.

Our Shareholders have authorised the Issue by a special resolution pursuant to Section 81(1A) of the Companies Act 1956, passed at the EGM of our Company held on January 3, 2013.

Our Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated July 1, 2013 and June 20, 2013, respectively.

Prohibition by SEBI or Other Governmental Authorities

Our Company, our Promoters, our Directors, our Promoter Group, Group Companies and persons in control of our Company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies with which our Promoters, our Directors or persons in control of our Company are associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against our Directors or any entity our Directors are involved in as promoters or directors except as disclosed in "Outstanding Litigaton and Material Developments" on page 261 of this Red Herring Prospectus.

Prohibition by RBI

Neither our Company, our Promoters, our Promoter Group, our Directors nor our Group Companies are identified as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with the Regulation 26(1) of the SEBI Regulations as explained under the eligibility criteria calculated in accordance with the restated financial statements:

- Our Company has net tangible assets of at least ₹ 300 lakhs in each of the preceding three full years (of 12 months each), of which not more than 50.00% are held in monetary assets;
- Our Company has a minimum average pre-tax operating profit of ₹ 1,500 lakhs, calculated on a restated basis, during the three most profitable years out of the immediately preceding five years;
- Our Company has a net worth of at least ₹ 100 lakhs in each of the three preceding full years (of 12 months each);
- The aggregate of the proposed Issue and all previous issues made in the same financial year in terms of the issue size is not expected to exceed five times the pre-Issue net worth of our Company; and
- Our Company has not changed its name in the last year.

Our Company's pre-tax operating profit, net worth, net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets derived from the restated financial statements included in this Red Herring Prospectus as at, and for the last five years ended Fiscal 2013 are set forth below:

(₹ *in lakhs, unless otherwise stated*)

Particulars	Fiscal				
	2009	2010	2011	2012	2013
Net tangible assets, as restated	11,177.16	9,928.52	9,361.41	12,070.61	14,583.64
Monetary assets, as restated	47.44	123.38	42.07	259.40	300.09
Monetary assets, as restated as a % of net tangible assets, as restated	0.42%	1.24%	0.45%	2.15%	2.06%
Pre-tax operating profit, as restated	2,771.38	3,122.60	4,593.65	5,549.91	6,283.86
Net worth, as restated	4,410.98	4,859.30	7,279.25	9,533.78	12,144.79

Source: Audited financial statements, summary balance sheet, as restated and statement of profit and loss, as restated of the Company for the respective periods

i) Net tangible assets are defined as the sum of fixed assets (including capital work in progress and excluding revaluation reserves and excluding intangible assets as defined in Accounting Standard 26 issued by the Institute of Chartered Accountants of India), investments, current assets, loans and advances (excluding deferred tax assets) less current liabilities and provisions (excluding deferred tax liabilities and current and non-current portions of secured / unsecured loans and the interest accrued thereon on the secured/unsecured loans), net of provision for diminution in value.

ii) Monetary assets include cash on hand, cheques in hand and balance with banks (including the deposits accounts and interest accrued thereon) and quoted investments.

iii) 'Pre-tax operating profit', has been calculated as net profit before the aggregate of tax, extra-ordinary items, depreciation, finance costs and other income.

iv) Net worth has been defined as the aggregate of share capital, share premium and reserves and surplus (excluding revaluation reserves) as reduced by the aggregate of miscellaneous expenditure and debit balance of profit and loss account, if any.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING EDELWEISS FINANCIAL SERVICES LIMITED AND ICICI SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED APRIL 15, 2013 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKER(S) TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

   (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

   (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

   (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER's CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND**

(D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. NOT APPLICABLE

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

    (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND

    (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. - NOTED FOR COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.**

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)', AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR.

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMS ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act 2013. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 56, 60 of the Companies Act 1956 and Section 32 of the Companies Act 2013.

Caution - Disclaimer from our Company and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website http://www.wonderla.com would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement.

All information shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company, nor any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not issue, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and their respective Group Companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and their respective Group Companies, affiliates or associates or third parties, for

which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts registered under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and to FPIs, Eligible NRIs and other eligible foreign investors (viz. FVCIs, multilateral and bilateral development financial institutions). This Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Bangalore only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in reliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where these offers and sales occur. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

Disclaimer Clause of BSE

BSE has given vide its letter dated July 1, 2013 permission to this Company to use the BSE's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. BSE has scrutinised this offer document for its limited internal purpose of deciding on the matter of granting the aforsesaid permission to this Company. BSE does not in any manner

(a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

(b) warrant that this Company's securities will be listed or will continue to be listed on BSE; or

(c) take any responsibility for the financial soundness of this Company, its promoters, its management or any scheme or project of this Company.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or committed to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the NSE

As required, a copy of this offer document has been submitted to NSE. NSE has given vide its letter ref: NSE/LIST/207782-T dated June 20, 2013 permission to the Issuer to use the NSE's name in this offer document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. NSE has scrutinised this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be disctinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on NSE; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoter, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at, Overseas Towers, 7th Floor, 756-L, Anna Salai, Chennai 600 002, Tamil Nadu, India.

A copy of this Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act 2013, would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act 1956 would be delivered for registration with RoC at the Office of the Registrar of Companies, Bangalore, Karnataka situated at 'E' Wing, 2nd Floor, Kendriya Sadana, Koramangala, Bangalore 560 034, Karnataka, India.

Listing

Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within eight days after our Company becoming liable to repay it, then our Company, every Director of our Company who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest at the rate of interest of 15.00% per annum on application money, as prescribed under the SEBI Regulations,the Companies Act 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within 12 Working Days from the Bid/Issue Closing Date.

Price information of past issues handled by the BRLMs

I. Edelweiss Financial Services Limited

1. Price information of past issues handled by Edelweiss

Sl. No	Issue name	Issue size (₹ lakhs)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing) [1]	Closing price as on 10th calendar day from listing day (₹)[2]	Benchmark index as on 10th calendar day from listing day (closing) [1]	Closing price as on 20th calendar day from listing day (₹)[2]	Benchmark index as on 20th calendar day from listing day (closing) [1]	Closing price as on 30th calendar day from listing day (₹)[2]	Benchmark index as on 30th calendar day from listing day (closing) [1]
1.	Credit Analysis and Research Limited	53,997.75	750	December 26, 2012	949.00	923.95	23.19%	19417.46	934.45	19784.08	924.15	19906.41	916.60	19923.78
2.	Multi Commodity Exchange of India Limited	66,330.54	1,032	March 9, 2012	1,387.00	1,297.05	25.68%	17503.24	1,290.50	17273.37	1,240.15	17121.62	1,264.10	17222.14
3.	Future Ventures India Limited	75,000.00	10	May 10, 2011	9.50	8.30	-17.00%	18512.77	8.15	18141.40	8.15	18232.06	8.80	18394.29

Source: All share price data is from "www.bseindia.com".

Notes:

1. The BSE Sensex is considered as the Benchmark Index.

2. In case 10th/20th/30th day is not a trading day, closing price on BSE of the next trading day has been considered.

2. Summary statement of price information of past issues handled by Edelweiss

Financial year	Total no. of IPOs [1]	Total funds raised (₹ lakhs)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
April 01, 2013 - till date	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013	1	53,997.75	-	-	-	-	-	1	-	-	-	-	-	1
2012	2	141,330.54	-	-	1	-	1	-	-	-	1	-	-	1

1. Based on the date of listing

II. ICICI Securities Limited

1. Price information of past issues handled by I-Sec

Sl. No.	Issue name	Issue size (₹ lakhs)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index [(1)] on listing date (closing)	Closing price as on 10th calendar day from listing day (₹)	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day (₹)	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day (₹)	Benchmark index as on 30th calendar day from listing day (closing)
1.	Bharti Infratel Limited	417,275.96	220*	28-Dec-12	200	191.65	-12.89%	5,908.35	207.40	5,988.40	204.95	6,039.20	210.30	6,074.80
2.	Credit Analysis and Research Limited	53,997.75	750	26-Dec-12	940	922.55	23.01%	5,905.60	929.25	5,988.40	931.05	6,056.60	924.85	6,074.65
3.	Tara Jewels Limited	17,950.00	230	6-Dec-12	242	229.9	-0.04%	5,930.90	230.25	5,857.90	223.75	5,905.60	234.00	5,988.40
4.	Future Ventures India Ltd.	75,000.00	10	10-May-11	9.00	8.20	-18.00%	5,541.25	8.30	5,486.35	8.10	5,473.10	9.30	5,521.05
5.	Muthoot Finance Ltd.	90,125.00	175	6-May-11	196.60	175.90	0.51%	5,551.45	160.50	5,499.00	157.60	5,412.35	175.25	5,532.05

* *Discount of ₹ 10 per equity share offered to retail investors and premium of ₹ 10 per equity share to anchor investors. All calculations are based on issue price of ₹ 220.00 per equity share.*

- *All above data is of NSE (Website www.nseindia.com)*
- *Benchmark Index considered above in all the cases was NIFTY*
- *10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing data of the next trading date / day.*

2. Summary statement of price information of past issues handled by I-Sec

Financial year	Total no. of IPOs	Total funds raised (₹ Lakhs)	Nos. of IPO trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%

Financial year	Total no. of IPOs	Total funds raised (₹ Lakhs)	Nos. of IPO trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2013-14	0	Nil	0	0	0	0	0	0	0	0	0	0	0	0
2012-13	3	489,223.71	0	0	2	0	0	1	0	0	1	0	0	2
2011-12	2	165,125.00	0	0	1	0	0	1	0	0	1	0	0	1

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer to the websites of the BRLMs as set forth in the table below:

Sl. No	Name of the BRLM	Website
1.	Edelweiss	http://www.edelweissfin.com/FinancialServices/CapitalMarkets/InvestmentBanking/TrackRecord_ECM.aspx
2.	I-Sec	http://www.icicisecurities.com

Consents

Consents in writing of: (a) our Directors, our Compliance Officer, the statutory auditors, the legal advisors, the Bankers to the Issue, the Bankers to our Company, and (b) the BRLMs, the Syndicate Members, the Escrow Collection Bankers, Refund Bankers and the Registrar to the Issue to act in their respective capacities, will be obtained prior to the filing of this Red Herring Prospectus with the RoC as required under Sections 60 of the Companies Act 1956 and Section 32 of the Companies Act 2013.

B S R & Co. LLP, Chartered Accountants, our Auditors, have given their written consent to the inclusion of their report in the form and context in which it appears in "Financial Statements of our Company" on page 182 of this Red Herring Prospectus and of their report relating to tax benefits accruing to our Company in the form and context in which it appears in "Statement of Tax Benefits" on page 95 of this Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC.

Expert opinion

Except for the reports of the Auditors of our Company obtained pursuant to Section 58 of the Companies Act 1956 on the restated financial statements and the "Statement of Tax Benefits", included in this Red Herring Prospectus, our Company has not obtained any expert opinions.

Issue Expenses

The estimated Issue related expenses are as follows:

Expenses	Estimated expenses (₹ in lakhs) *	As a % of the total estimated Issue expenses	As a % of the total Issue size
Book Running Lead Managers (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs **	[●]	[●]	[●]
Brokerage and selling commission for Registered Brokers	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Other advisors to the Issue	[●]	[●]	[●]
Others	[●]	[●]	[●]
- Listing fees	**[●]**	**[●]**	**[●]**
- Printing and stationary	[●]	[●]	[●]
- Advertising and marketing expenses	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

* *To be completed after finalization of the Issue Price*

** *SCSBs would be entitled to a processing fee of ₹ 15 per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to SCSBs.*

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as mutually agreed between our Company and the BRLMs. The details of total fees payable to the Syndicate will be disclosed in the Prospectus in "Objects of the Issue - Issue Expenses".

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue including fees for processing of Bid cum Application Forms, data entry, printing of Allotment Advice, refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated February 18, 2013, signed among our Company and the

Registrar to the Issue, a copy of which is available for inspection at our Registered Office and Corporate Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or Allotment Advice by registered post/speed post (subject to postal rules).

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in the section "Capital Structure" on page 68 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Previous capital issue during the previous three years by listed Group Companies and associates of our Company

None of our Group Companies and associates of our Company have undertaken a capital issue in the last three years preceeding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies and associates of our Company

Our Company has not undertaken any previous public or rights issue. Except V-Guard Industries Limited, none of our Group Companies or associates of our Company have undertaken any public or rights issue in the last ten years preceeding the date of the Draft Red Herring Prospectus. Except as stated below, the proceeds from the said public issue of V-Guard Industries Limited were used in accordance with the objects of the public issue as stated in the offer document.

The objects, stated in the prospectus of V-Guard Industries Limited dated February 29, 2008 for which funds were raised through the public issue, aggregated to ₹ 6,560.00 lakhs and included setting up of an enameled copper wire factory in Coimbatore, at an estimated cost of ₹ 904.00 lakhs. However, the management decided that the company would not be benefitted by the setting up of the proposed factory on the basis of findings of the internal research and development department. The management abandoned the said proposal and the funds were set aside to be utilized for any other purpose under the head 'general corporate' in the prospectus. In furtherance of this, V-Guard Industries Limited passed a special resolution of its shareholders at the annual general meeting on July 14, 2008.

Outstanding Debentures or Bonds

Our Company does not have any outstanding debentures or bonds as of the date of filing this Red Herring Prospectus.

Outstanding Preference Shares

Our Company does not have any outstanding preference shares as on date of this Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The memorandum of understanding between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of

despatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations or the relevant Registered Broker if the Bid was submitted through Registered Brokers, as the case may be, giving full details such as name and address of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Registered Broker or the Designated Branch, as the case may be, where the ASBA Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Shareholders'/ Investors' Grievances Committee comprising Ramachandran Panjan Moothedath (Chairman), Priya Sarah Cheeran Joseph, George Joseph and Arun Kochouseph Chittilappilly as members. For details, see the section "Our Management" on page 158 of this Red Herring Prospectus.

Our Company has also appointed Santosh Kumar Barik, Company Secretary of our Company as the Compliance Officer for the Issue and he may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

28^{th} KM
Mysore Road
Bangalore 562 109
Karnataka, India
Tel: (91 80) 2201 0333
Fax: (91 80) 2201 0324
Email: investors@wonderla.com

Our Company has not received any investor complaint during the three years preceding the date of filing of the Draft Red Herring Prospectus.

Changes in Auditors

The change in our Auditors during the last three years are as follows:

Name of Auditor	Date of appointment	Date of cessation	Reason
Varma & Varma	September 18, 2011	August 9, 2012	Resignation
Deloitte Haskins & Sells	August 9, 2012	January 3, 2013	Resignation
B S R & Co. LLP	January 3, 2013	-	Appointment

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

Our Company has not re-valued its assets in the last five years.

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Companies Act, the SEBI Act, SEBI Regulations, the SCRA, the SCRR, the Memorandum and Articles of Association, the terms of this Red Herring Prospectus and the Prospectus, Bid cum Application Form, the Revision Form, and other terms and conditions as may be incorporated in the Allotment Advice and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to applicable laws, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government, Stock Exchanges, RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable, or such other conditions as may be prescribed by SEBI, the RBI and/or any other authorities while granting its approval for the Issue.

Ranking of Equity Shares

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividends, voting rights and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section "Main Provisions of Articles of Association" on page 371 of this Red Herring Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to its Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and the provisions of the Listing Agreement. The declaration and payment of dividends will be recommended by our Board of Directors and our Shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition. We shall pay dividends in cash.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] per Equity Share. The Anchor Investor Issue Price is [●] per Equity Share.

The Price Band and the minimum Bid lot size for the Issue will be decided by our Company in consultation with the BRLMs and advertised in all editions of the English national daily Financial Express, all editions of the Hindi national daily Jansatta, and Bangalore edition of the Kannada newspaper Vijayavani, at least five working days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchange for the purpose of upload on its website. The Price Band along with certain financial ratios shall be pre-filled in the electronic Bid cum Application Forms shall be made available on the website of the Stock Exchange.

At any given point of time there shall be only one denomination for the Equity Shares

Compliance with SEBI Regulations

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws and the Articles of Association, the equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;

- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Listing Agreement and our Company's Memorandum and Articles of Association.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please see the section "Main Provisions of Articles of Association" on page 371 of this Red Herring Prospectus.

Market Lot and Trading Lot

In terms of section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialised form. Allotment in the Issue will be in multiples of one, subject to (i) a minimum Allotment of [●] Equity Shares in the QIB Portion and the Non-Institutional Portion and (ii) a minimum Allotment of [●] Equity Shares in the Retail Portion, subject to availability of Equity Shares in the Retail Portion. For the method of proportionate Basis of Allotment to Retail Individual Bidders, see the section "Issue Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment" on page 356 of this Red Herring Prospectus. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Bangalore.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with section 109A of the Companies Act 1956, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with section 109A of the Companies Act 1956, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office and Corporate Office or to the registrar and transfer agent of our Company.

In accordance with section 109B of the Companies Act 1956, any person who becomes a nominee by virtue of section Section 109A of the Companies Act 1956 shall upon the production of such evidence as may be required by our Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, our Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require change in their nomination,

they are requested to inform their respective depository participant.

Minimum Subscription

If the Issuer does not receive the minimum subscription of 90% of the Issue, subject to the Issue being made for at least 25% of the post-Issue paid up Equity Share capital of our Company, in accordance with Rule 19(2)(b)(i) of the SCRR, including through devolvement of the Underwriters, as applicable, within 60 days from the Bid/Issue Closing Date, our Company will forthwith refund the entire subscription amount received within 70 days from the Bid/Issue Closing Date. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law. Further in terms of Regulation 26(4) of the SEBI Regulations, our Company will ensure that the number of Bidders to whom the Equity Shares are Allotted in the Issue will be not less than 1,000. If the number of Allottees in the proposed Issue is less than 1,000 Allottees, we shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after we become liable to pay the amount, we shall pay interest at the rate of 15.00% per annum for the delayed period as prescribed under the SEBI Regulations.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Arrangement for disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer or transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Shares, Promoter's minimum contribution and Anchor Investor lock-in in the Issue as detailed in the section "Capital Structure" on page 68 of this Red Herring Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. For details, please see the section "Main Provisions of Articles of Association" on page 371 of this Red Herring Prospectus.

ISSUE STRUCTURE

Public Issue of 14,500,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs. The Issue will constitute 25.66% of the post-Issue paid-up equity share capital of our Company.

The Issue is being made through the Book Building Process.

	QIBs[(1)]	**Non-Institutional Bidders**	**Retail Individual Bidders**
Number of Equity Shares available for allocation[(2)]	7,250,000 Equity Shares	Not less than 2,175,000 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 5,075,000 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue Size available for Allotment/allocation	50.00% of the Issue size being available for allocation to QIBs. However, up to 5.00% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion.	Not less than 15.00% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 35.00% of the Issue or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate as follows: (excluding the Anchor Investor Portion) (a) 253,750 Equity Shares shall be allocated on a proportionate basis to Mutual Funds only; and (b) 4,821,250 Equity Shares shall be allocated on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For the method of proportionate Basis of Allotment to Retail Individual Bidders, see "Illustration of Allotment to Retail Individual Bidders" on page 316 of this Red Herring Prospectus.
Minimum Bid	Such number of Equity Shares that the Bid	Such number of Equity Shares that the Bid Amount	[●] Equity Shares and in multiples of [●]

	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	Equity Shares thereafter
Maximum Bid	Such number of Equity Shares not exceeding the Issue, subject to applicable limits to the Bidder.	Such number of Equity Shares not exceeding the Issue, subject to applicable limits to the Bidder.	Such number of Equity Shares, whereby the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can Apply [3]	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, mutual fund registered with SEBI, FPIs other than Category III foreign portfolio investors, VCFs, AIFs, FVCIs, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹ 2,500 lakhs, pension fund with minimum corpus of ₹ 2,500 lakhs, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III foreign portfolio investors.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	Full Bid Amount shall be	Full Bid Amount shall be	Full Bid Amount

	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	payable at the time of submission of Bid cum Application Form. (including for Anchor Investors[4])[5]	payable at the time of submission of Bid cum Application Form.[5]	shall be payable at the time of submission of Bid cum Application Form.[5]

[1] *Our Company may, in consultation with the BRLMs, allocate up to 30.00% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. For details, see the section "Issue Procedure" on page 316 of this Red Herring Prospectus.*

[2] *Subject to valid Bids being received at or above the Issue Price. The Issue is being made in accordance with Rule 19(2)(b)(i) of the SCRR and under the SEBI Regulations, where the Issue will be made through the Book Building Process. 50.00% of the Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLMs allocate up to 30.00% of the QIB Portion to Anchor Investors on a discretionary basis. Out of the QIB Portion (excluding the Anchor Investor Portion), 5.00% will be available for allocation on a proportionate basis to Mutual Funds only. The remainder will be available for allocation on a proportionate basis to QIBs (other than Anchor Investors) and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 253,750 Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. Further, not less than 15.00% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue will be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. The allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.*

[3] *In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*

[4] *Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Forms. The balance, if any, shall be paid within the two Working Days of the Bid/Issue Closing Date.*

[5] *In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form.*

Under subscription, if any, in any category except the QIB Portion, would be met with spill-over from other categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

Withdrawal of the Issue

Our Company in consultation with the BRLMs reserves the right not to proceed with the Issue at anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLMs through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day of receipt of such notification. Our Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with

SEBI. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/Issue Programme

BID/ISSUE OPENS ON	**Monday, April 21, 2014***
BID/ISSUE CLOSES ON	**Wednesday, April 23, 2014**

* *Our Company may, in consultation with the BRLMs consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI Regulations.*

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Closing Date	April 23, 2014
Finalisation of Basis of Allotment with BSE	On or about May 3, 2014
Initiation of refunds	On or about May 5, 2014
Credit of Equity Shares to demat accounts of Allottees	On or about May 7, 2014
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about May 8, 2014

The above timetable is indicative and does not constitute any obligation on our Company or the BRLMs. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

Except in relation to the Bids received from Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m**. (IST) during the Bid/Issue Period as mentioned above at the bidding centres and designated branches of SCSBs as mentioned on the Bid cum Application Form. On the Bid/Issue Closing Date, the Bids and any revision in the Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and shall be uploaded until (i) 4.00 p.m. (IST) in case of Bids by QIB Bidders and Non-Institutional Bidders, and (ii) until 5.00 p. m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic bidding system would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days, i.e., Working Days. Neither our Company nor any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges within half an hour of such closure.

The final revision, if any, in the Price Band will be determined by our Company in consultation with the BRLMs during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20.00% on the either side i.e. the floor price can move up or down to the extent of 20.00% of

the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three Working Days after revision of Price Band subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the changes on the websites of the BRLMs and at the terminals of the Syndicate Members.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("**General Information Document**") included below under section titled "**Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to certain notified provisions of the Companies Act 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and shall not be liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

Please note that QIBs (other than Anchor Investors) and Non-Institutional Bidders can participate in the Issue only through the ASBA process. Retail Individual Bidders can participate in the Issue through the ASBA process as well as the non ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to non-ASBA Bidders. However, there is a common Bid cum Application Form for ASBA Bidders (submitted to SCSBs or to the Syndicate at the Specified Locations or to the Registered Brokers at the Broker Centers) as well as for non-ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form. In case of ASBA Bidders, an amount equivalent to the full Bid Amount will be blocked by the SCSBs.

ASBA Bidders may submit ASBA Bids to a Designated Branch (a list of such branches is available on the website of the SEBI (www.sebi.gov.in) or to the Syndicate at the Specified Locations or to the Registered Brokers at the Broker Centers. Non-ASBA Bidders are required to submit Bids to the Syndicate, only on a Bid cum Application Form bearing the stamp of a member of the Syndicate or the Registered Broker. ASBA Bidders are advised not to submit Bid cum Application Forms to Escrow Collection Banks, unless such Escrow Collection Banks are also SCSBs.

All Bidders are required to pay the full Bid Amount or, in case of ASBA Bids, ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

*SEBI by its circular (CIR/CFD/DIL/1/2011) dated April 29, 2011 ("**2011 Circular**") has made it mandatory for the non retail bidders i.e., QIBs (other than Anchor Investors) and Non Institutional Bidders to make use of the facility of ASBA for making applications for public issues. Further, the 2011 Circular also provides a mechanism to enable the Syndicate and sub-Syndicate Members to procure Bid cum Application Forms submitted under the ASBA process from prospective Bidders. SEBI by its circular (CIR/CFD/14/2012) dated October 4, 2012 ("**2012 Circular**"), has introduced an additional mechanism for prospective Bidders to submit Bid cum Application Forms (ASBA and non-ASBA applications) using the stock broker network of Stock Exchanges, who may not be Syndicate Members in the Issue. The 2012 Circular envisages enabling this facility to submit the Bid cum Application Forms in more than 1,000 locations which are part of the nationwide broker network of the Stock Exchanges and where there is a presence of the brokers' terminals, by March 1, 2013. Further, SEBI by its circular (CIR/CFD/DIL/ 4 /2013) dated January 23, 2013 ("**2013 Circular**"), in partial modification of the 2011 Circular, mandates that in order to facilitate Syndicate/ sub-Syndicate/ non-Syndicate Members to accept Bid cum Application Forms from prospective ASBA Bidders in the locations, all the SCSBs having a branch in the location of Broker Centers, notified in terms of the 2012 Circular are required to name at least one branch before March 1, 2013, where Syndicate/sub-Syndicate/ non-Syndicate Members can submit such Bid cum Application Forms.*

Please note that pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2012, certain aspects, such as withdrawal and revision of Bids, manner of allocation to Retail Individual Bidders and announcement of Price Band, have been modified. Please note that such modifications have come into effect from October 12, 2012 and all Bidders are advised to read this section carefully before participating in the Issue.

Book Building Procedure

The Issue is being made through the Book Building Process wherein 50.00% of the Issue shall be available for allocation to QIBs on a proportionate basis, provided that our Company may, in consultation with the BRLMs, allocate up to 30.00% of the QIB Portion to Anchor Investors on a discretionary basis of which one third will be reserved for domestic Mutual Funds only. Out of the QIB Portion (excluding the Anchor Investor Portion), 5.00% will be available for allocation on a proportionate basis to Mutual Funds only. The remainder will be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15.00% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue will be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. The allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis.

Under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

In case of QIBs (other than Anchor Investors) the BRLMs can reject Bids at the time of acceptance of the Bid cum Application Form provided that the reasons for such rejection shall be disclosed to such Bidder in writing. Further, Bids from QIBs can also be rejected on technical grounds, as listed in "Issue Procedure - Part B: General Information Document for Investing in Public Issues - Section 5: Issue Procedure in Book Built Issue - Grounds for Technical Rejections" on page 353 of this Red Herring Prospectus. In case of Non Institutional Bidders, Retail Individual Bidders, our Company has a right to reject Bids based on technical grounds only.

However, our Company, in consultation with the BRLMs, reserves the right to reject any Bid received from Anchor Investors without assigning any reasons.

Bidders can Bid at any price within the Price Band. The Price Band for the Issue will be decided by our Company, in consultation with the BRLMs, and the Bid lot for the Issue will be decided by our Company, in consultation with the BRLMs, and advertised in all editions of Financial Express (a widely circulated English national newspaper), all editions of Jansatta (a widely circulated Hindi national newspaper) and Bangalore edition of Vijayavani (a widely circulated Kannada newspaper), at least five Working Days prior to the Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price. Such information shall also be disclosed to the Stock Exchanges for dissemination through, and shall be pre-filled in the Bid cum Application Forms available on, the Stock Exchanges' websites.

Bidders are required to ensure that the PAN (of the sole/ First Bidder) provided in the Bid cum Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

Bid cum Application Form

Please note that there is a common Bid cum Application Form for ASBA Bidders (submitted to SCSBs or to the Syndicate at the Specified Locations or to the Registered Brokers at the Broker Centers) as well as for non-ASBA Bidders. The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis *	White
Eligible NRIs, FPIs or Foreign Venture Capital Investors, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue
Anchor Investors**	White

* *Bid cum Application Forms and the abridged Prospectus will also be available on the website of the NSE (www.nseindia.com) and BSE (www.bseindia.com)*

** *Bid cum Application Forms for Anchor Investors shall be made available at the offices of the BRLMs.*

All non-ASBA Bidders are required to submit their Bids through the Syndicate or the Registered Brokers only. ASBA Bidders are required to submit their Bids through the SCSBs (in physical or electronic form) or with the Syndicate at the Specified Locations or to the Registered Brokers at the Broker Centers, authorising SCSBs to block funds that are available in the ASBA Account specified in the Bid cum Application Form. Non-ASBA Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate or a Registered Broker for the purpose of making a Bid in terms of this Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the Syndicate or the Registered Brokers will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder. The Bidder should preserve this acknowledgment slip and should provide the same for any queries relating to non-Allotment of Equity Shares in the Issue.

Kindly note that the Syndicate/ Sub Syndicate or the Registered Broker at the Specified Locations or the Brokers Centers, as applicable, may not accept the Bid if there is no branch of the Escrow Collection Banks at that location.

ASBA Bidders bidding through a member of the Syndicate or a Registered Broker should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Locations or to a Registered Broker in a Broker Center. ASBA Bidders should also ensure that Bid cum Application Forms submitted to the member of the Syndicate in the Specified Locations or a Registered Broker at a Broker Center will not be accepted if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate or the Registered Broker to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries). ASBA Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

It is not obligatory for the Registered Broker to accept the Bid cum Application Forms. However, upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Broker to comply with the obligations set out in 2012 Circular, including in relation to uploading the Bids on the online system of the Stock Exchanges, depositing the cheque and sending the updated electronic schedule to the relevant branch of the Escrow Collection Bank (in case of Bids by Bidders other than ASBA Bidders) and forwarding the schedule along with the Bid cum Application Form to the relevant branch of the SCSB (in case of Bids by ASBA Bidders), and are liable for any failure in this regard. Upon completion and submission of the Bid cum Application Form to a Syndicate or the Registered Broker or the SCSB, the Bidder is deemed to have authorised our Company to make the necessary changes in this Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder. Upon the filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the Application Form.

To supplement the foregoing, the mode and manner of Bidding through the Bid cum Application Form is illustrated in the following chart:

Category of bidder	Mode of Bidding	To whom the application form has to be submitted

Category of bidder	Mode of Bidding	To whom the application form has to be submitted
Retail Individual Bidders	Either (i) ASBA or (ii) non-ASBA	In case of ASBA Bidders (i) If using physical Bid cum Application Form, to the Syndicate/ Sub Syndicate at the Specified Locations, or to the Designated Branches of the SCSBs where the ASBA Account is maintained, or to the Registered Brokers at the Broker Centres ; or (ii) If using electronic Bid cum Application Form, to the SCSBs, electronically through internet banking facility, where the ASBA account is maintained. In case of non-ASBA Bidder: Using physical Bid cum Application Form, to the Syndicate/ Sub Syndicate at the Specified Locations or the Registered Brokers at the Broker Centres.
Non Institutional Bidders and QIBs (excluding Anchor Investors)	ASBA (*Kindly note that ASBA is mandatory and no other mode of Bidding is permitted*)	(i) If using physical Bid cum Application Form, to the Syndicate / Sub Syndicate at the Specified Locations, to the Designated Branches of the SCSBs where the ASBA Account is maintained, or to the Registered Brokers at the Broker Centres; or (ii) If using electronic Bid cum Application Form, to the SCSBs, electronically through internet banking facility, where the ASBA Account is maintained.
Anchor Investors	Non- ASBA	To the Book Running Lead Managers.

Who can Bid?

In addition to the category of Bidders set forth under *"***– *General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue****"***, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors category; and
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

Participation by associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to subscribe to the Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and Syndicate Members may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The BRLMs and any persons related to the BRLMs or our Promoters and our Promoter Group cannot apply in the Issue under the Anchor Investor Portion.

Bids by Mutual Funds

As per the SEBI Regulations, at least one third of the Anchor Investor Portion will be reserved for domestic

Mutual Funds and 5.00% of the QIB Portion (excluding Anchor Investor Portion) is reserved for allocation to Mutual Funds on a proportionate basis. An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand in the Mutual Fund portion is greater than 253,750 Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion. With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and bidding on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their NRE Account or FCNR Account, maintained with banks authorized by the RBI to deal in foreign exchange. Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour), accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE Account or FCNR Account, as the case may be. Payment for Bids by non-resident Bidder bidding on a repatriation basis will not be accepted out of NRO Accounts.

NRIs Bidding on non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR Accounts as well as the NRO Account /Non-Resident (Special) Rupee account / Non-Resident Non-Repatriable Term Deposit Account. NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents (white in colour).

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Any QFI or FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, a QFI may participate in the Issue until January 6, 2015 (or such other date as may be specified by SEBI) or if obtains a certificate of registration as FPI, whichever is earlier.

Bids by Anchor Investors

Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in the Issue for up to 30.00% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(zd) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XI of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

(i) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 1,000.00 lakhs. A Bid cannot be submitted for over 30.00% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 1,000.00 lakhs.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/Issue Opening Date and be completed on the same day.

(v) Our Company in consultation with the BRLMs will finalize allocation to the Anchor Investors on a discretionary basis, subject to:

a. a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 1,000.00 lakhs;

b. minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 1,000.00 lakhs but up to ₹ 25,000.00 lakhs, subject to a minimum Allotment of ₹ 500.00 lakhs per Anchor Investor, and

c. minimum of five and maximum of 25 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 25,000.00 lakhs, subject to a minimum Allotment of ₹ 500.00 lakhs per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/Issue Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Issue Price is greater than the Anchor Investor Issue Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price will be payable by the Anchor Investors within two Working Days from the Bid/Issue Closing Date. If the Issue Price is lower than the Anchor Investor Issue Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

(ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(x) The BRLMs, our Promoters, Promoter Group, Group Companies or any person related to them will not

participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLMs and made available as part of the records of the BRLMs for inspection by SEBI.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see the section "Issue Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment - Allotment to Anchor Investor" on page 356 of this Red Herring Prospectus.

(xiii) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The SEBI VCF Regulations and SEBI FVCI Regulations, *inter alia* prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25.00% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25.00% of the corpus in one investee company. A category III AIF cannot invest more than 10.00% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

All Non-Resident Bidders including Eligible NRIs, FPIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian rupees will be converted into USD or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE Accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company or BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 2, 2012 sets forth prudential norms

required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

(a) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: the least of 10.00% of the respective fund in case of a life insurer or 10.00% of investment assets in case of a general insurer or reinsurer (25.00% in case of ULIPs); and

(c) the industry sector in which the investee company operates: 10.00% of the insurer's total investment exposure to the industry sector (25.00% in case of ULIPs).

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of a Bid by way of ASBA pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Bid cum Application Form.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to Bids by FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.

(b) With respect to Bids by insurance companies registered with the IRDA, in addition to the above, a certified copy of the certificate of registration issued by the IRDA must be lodged along with the Bid cum Application Form.

(c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.

(d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLMs may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the BRLMs and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of the Syndicate (except in case of electronic forms) or with respect to ASBA Bidders, ensure that your Bid is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account, or to a Registered Broker at the Broker Centres.

6. In relation to the ASBA Bids, ensure that your Bid cum Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Syndicate in the Specified Locations or with a Registered Broker at the Broker Centres, and not to the Escrow Collecting Banks (assuming that such bank is not a SCSB) or to our Company or the Registrar to the Issue;

7. With respect to the ASBA Bids, ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

8. QIBs (other than Anchor Investors) and the Non-Institutional Investors should submit their Bids through the ASBA process only;

9. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;

10. Ensure that you request for and receive a TRS for all your Bid options;

11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs or the Registered Broker (at the Broker Centres);

12. Ensure that you have funds equal to the Bid Amount in your bank account before submitting the Bid

cum Application Form under non-ASBA process to the Syndicate or the Registered Brokers;

13. With respect to non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;

14. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process;

15. Submit revised Bids to the same member of the Syndicate, SCSB or Registered Broker, as applicable, through whom the original Bid was placed and obtain a revised TRS;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;

17. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;

18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

19. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms.

20. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

21. Ensure that the category and sub-category is indicated;

22. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;

23. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

24. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the online IPO system of the stock exchanges by the Syndicate, the SCSBs or the Registered Brokers, as the case may be, match with the DP ID, Client ID and PAN available in the Depository database;

25. In relation to the ASBA Bids, ensure that you use the Bid cum Application Form bearing the stamp of the Syndicate (in the Specified Locations) and/or relevant SCSB and/ or the Designated Branch and/ or the Registered Broker at the Broker Centres (except in case of electronic forms);

26. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;

27. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at

http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries). ASBA Bidders bidding through a Registered Broker should ensure that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms;

28. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

29. In relation to the ASBA Bids, ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form; and

30. In relation to the ASBA Bids, ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Locations or from the Registered Broker at the Broker Centres, as the case may be, for the submission of your Bid cum Application Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, as applicable;

4. Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;

5. Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate, the SCSBs or the Registered Brokers only;

6. Do not submit the Bid cum Application Forms to the Escrow Collection Bank(s), our Company or the Registrar to the Issue;

7. Do not Bid on a Bid cum Application Form that does not have the stamp of the Syndicate, the Registered Brokers or the SCSBs;

8. Anchor Investors should not Bid through the ASBA process;

9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

10. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors);

11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

12. Do not submit the GIR number instead of the PAN;

13. Do not submit the Bids without the full Bid Amount;

14. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

15. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

16. If you are a QIB, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date for QIBs;

17. If you are a Non-Institutional Investor or Retail Individual Investor, do not submit your Bid after 3.00

pm on the Bid/Issue Closing Date;

18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;

19. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;

20. Do not submit more than five Bid cum Application Forms per ASBA Account;

21. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres;

22. Do not submit ASBA Bids to a member of the Syndicate in the Specified Locations unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Specified Location, for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/ list/5/33/0/0/Recognised-Intermediaries); and

23. Do not submit ASBA Bids to a Registered Broker unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Registered Broker to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment instructions

In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres three days of the week. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Issue Closing Date.

Payment into Escrow Account for non-ASBA Bidders

The payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Retail Individual Investors: "Escrow Account – WHL – R"

(b) In case of Non-Resident Retail Individual Investors: "Escrow Account – WHL – NR"

For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "Escrow Account - WHL IPO - Anchor Investor - R"

(b) In case of Non-Resident Anchor Investors: "Escrow Account - WHL IPO - Anchor Investor - NR"

Pre- Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in all editions of Financial Express (a widely circulated English national newspaper), all editions of Jansatta (a widely circulated Hindi national newspaper) and Bangalore edition of Vijayavani (a widely circulated Kannada newspaper), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Issue Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with the applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That if our Company does not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

- That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within 12 Working Days of the Bid/Issue Closing Date;

- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- That the certificates of the securities/ refund orders to Eligible NRIs shall be despatched within specified time;

- That no further Issue of Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.;

- That adequate arrangement shall be made to collect all Bid cum Application Forms under the ASBA process and to consider them similar to non-ASBA Bids while finalising the Basis of Allotment;

- Our Company shall not have recourse to the proceeds of the Issue until final approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;

Utilisation of Issue proceeds

Our Board of Directors certify that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 40 of the Companies Act 2013;

- details of all monies utilised out of Issue shall be disclosed, and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

- details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;

- the utilisation of monies received under Promoter's contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- the details of all unutilised monies out of the funds received under Promoter's contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 1956, as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956, as amended or replaced by the Companies Act 2013, the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. [Bidders/Applicants may note that this is not applicable for Fast Track FPOs.]:

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

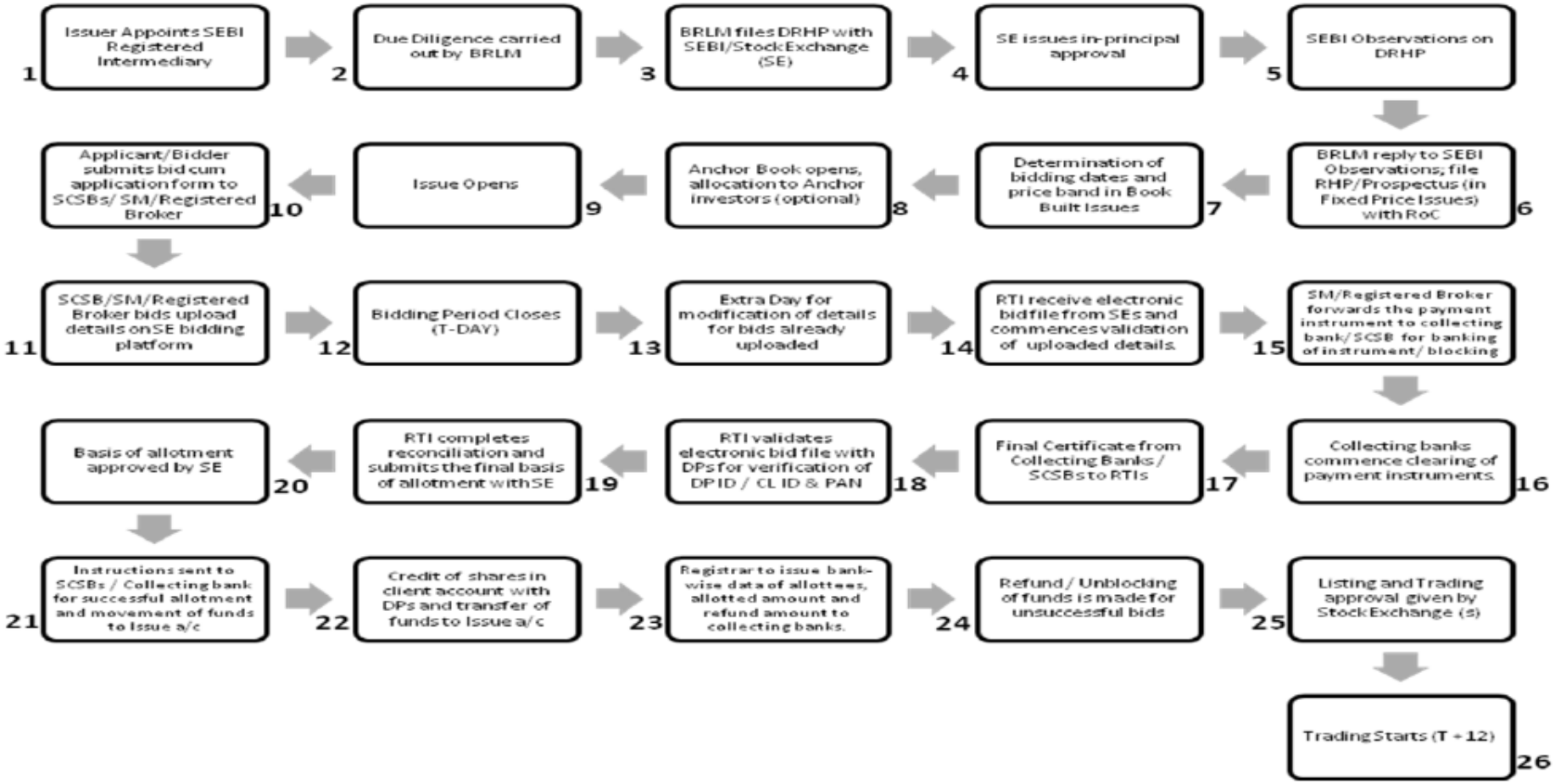
    i. Step 7 : Determination of Issue Date and Price

    ii. Step 10: Applicant submits ASBA Application Form with Designated Branch of SCSB and Non-ASBA forms directly to collection Bank and not to Broker.

    iii. Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform

    iv. Step 12: Issue period closes

    v. Step 15: Not Applicable


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchange (SE)
4 SE issues in-principal approval
5 SEBI Observations on DRHP
6 BRLM reply to SEBI Observations; file RHP/Prospectus (in Fixed Price Issues) with RoC
7 Determination of bidding dates and price band in Book Built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits bid cum application form to SCSBs/ SM/Registered Broker
11 SCSB/SM/Registered Broker bids upload details on SE bidding platform
12 Bidding Period Closes (T-DAY)
13 Extra Day for modification of details for bids already uploaded
14 RTI receive electronic bid file from SEs and commences validation of uploaded details
15 SM/Registered Broker forwards the payment instrument to collecting bank/SCSB for banking of instrument/ blocking
16 Collecting banks commence clearing of payment instruments
17 Final Certificate from Collecting Banks / SCSBs to RTIs
18 RTI validates electronic bid file with DPs for verification of DPID / CL ID & PAN
19 RTI completes reconciliation and submits the final basis of allotment with SE
20 Basis of allotment approved by SE
21 Instructions sent to SCSBs / Collecting bank for successful allotment and movement of funds to Issue a/c
22 Credit of shares in client account with DPs and transfer of funds to Issue a/c
23 Registrar to issue bank-wise data of allottees, allotted amount and refund amount to collecting banks.
24 Refund / Unblocking of funds is made for unsuccessful bids
25 Listing and Trading approval given by Stock Exchange (s)
26 Trading Starts (T + 12)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, QFIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- Qualified Foreign Investors subject to applicable law;
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be

available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Color of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants bidding/applying in the reserved category	[As specified by the Issuer]

Securities Issued in an IPO of Issue size equal to rupees ten crores or more can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA | **XYZ LIMITED - PUBLIC ISSUE - R** | **FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS**

Logo

To,
The Board of Directors
XYZ Limited

BOOK BUILDING ISSUE
IN

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S/AGENT'S STAMP & CODE
ESCROW BANK / SCSB BRANCH STAMP & CODE	SUB-BROKER'S/SUB-AGENT'S STAMP & CODE
BANK BRANCH SERIAL NO.	REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off ")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)								
		Bid Price				Discount, if any			Net Price				"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4	3	2	1	4	3	2	1	4	3	2	1	
Option 1														☐
(OR) Option 2														☐
(OR) Option 3														☐

5. Category

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. Investor Status

☐ Individual(s) - I N D
☐ Hindu Undivided Family* - H U F
☐ Bodies Corporate - C O
☐ Banks & Financial Institutions - F I
☐ Mutual Funds - M F
☐ Non-Resident Indians - N R I (Non-Repatriation basis)
☐ National Investment Fund - N I F
☐ Insurance Funds - I F
☐ Insurance Companies - I C
☐ Venture Capital Funds - V C
☐ Others (Please specify) - O T H

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | **PAYMENT OPTIONS** ☐ Full Payment ☐ Part Payment

Amount Paid (₹ in figures) (₹ in words)

☐ **(A) CHEQUE/ DEMAND DRAFT (DD)**

Cheque/DD No. Dated D D M M Y Y

Drawn on (Bank Name & Branch)

☐ **(B) ASBA**

Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filling up the Bid Cum Application Form given overleaf.

8A. SIGNATURE OF SOLE/ FIRST APPLICANT

Date : _____, 2011

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA option ONLY)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

XYZ LIMITED | **Acknowledgement Slip for Syndicate Member / SCSB**

Bid cum Application Form No.

DPID / CLID

PAN

Amount Paid (₹ in figures) Bank & Branch

Cheque / DD/ASBA Bank A/c No.

Stamp & Signature of Banker

Received from Mr./Ms.

Telephone / Mobile Email

TEAR HERE

XYZ LIMITED

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Syndicate Member / SCSB

Cheque / DD/ASBA Bank A/c No.

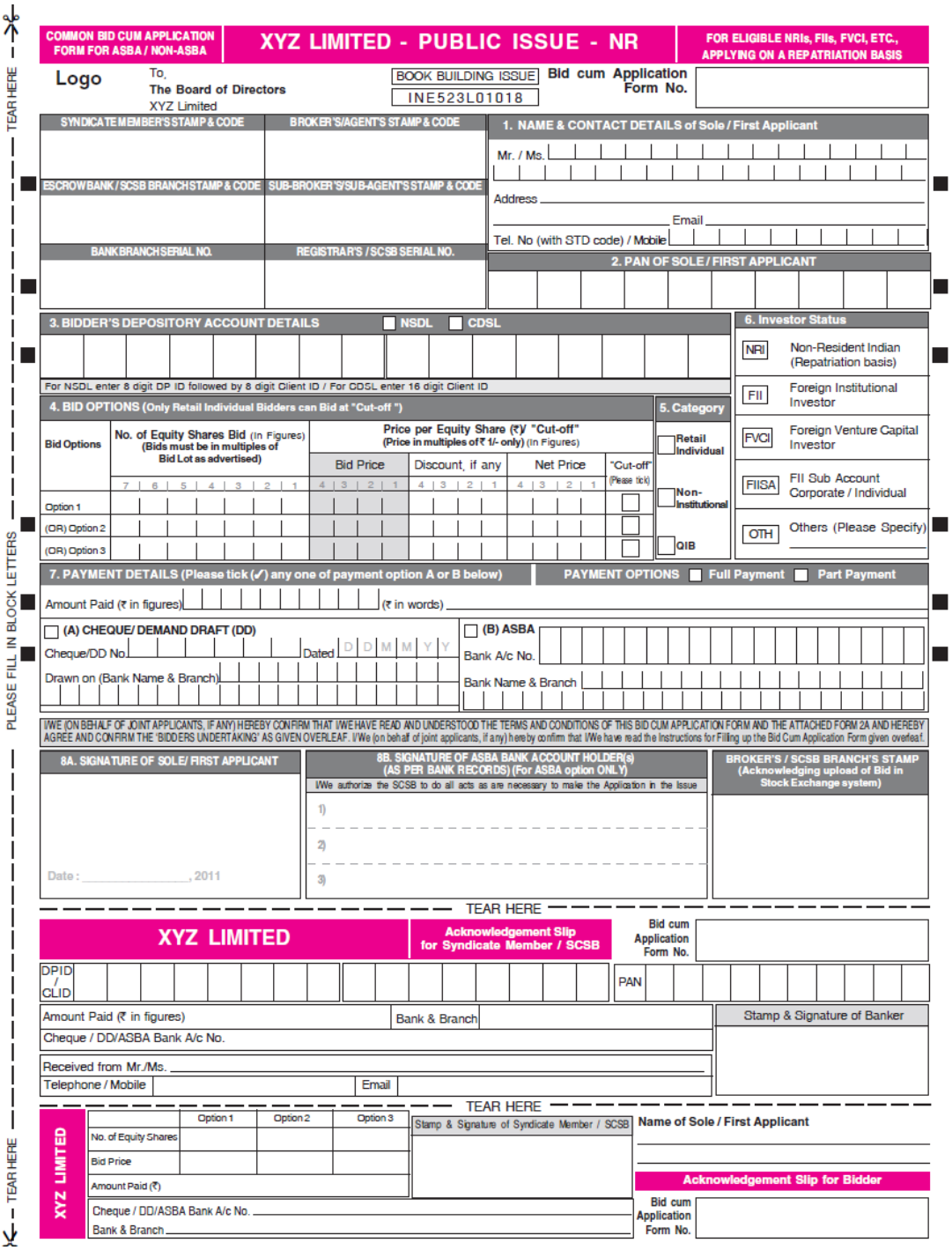
Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE


COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA

XYZ LIMITED - PUBLIC ISSUE - NR

FOR ELIGIBLE NRIs, FIIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS

TEAR HERE

Logo

To,
The Board of Directors
XYZ Limited

BOOK BUILDING ISSUE
INE523L01018

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER'S/AGENT'S STAMP & CODE

ESCROW BANK / SCSB BRANCH STAMP & CODE

SUB-BROKER'S/SUB-AGENT'S STAMP & CODE

BANK BRANCH SERIAL NO.

REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off ")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1					
(OR) Option 2					
(OR) Option 3					

5. Category

Retail Individual

Non-Institutional

QIB

6. Investor Status

NRI Non-Resident Indian (Repatriation basis)

FII Foreign Institutional Investor

FVCI Foreign Venture Capital Investor

FIISA FII Sub Account Corporate / Individual

OTH Others (Please Specify)

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)

PAYMENT OPTIONS Full Payment Part Payment

Amount Paid (₹ in figures) (₹ in words)

(A) CHEQUE/ DEMAND DRAFT (DD)

Cheque/DD No. Dated D D M M Y Y

Drawn on (Bank Name & Branch)

(B) ASBA

Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filling up the Bid Cum Application Form given overleaf.

8A. SIGNATURE OF SOLE/ FIRST APPLICANT

Date : , 2011

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA option ONLY)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)

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XYZ LIMITED

Acknowledgement Slip for Syndicate Member / SCSB

Bid cum Application Form No.

DPID / CLID

PAN

Amount Paid (₹ in figures)

Bank & Branch

Stamp & Signature of Banker

Cheque / DD/ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Syndicate Member / SCSB

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Cheque / DD/ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

4.1.1 **FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT**

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application

Form/Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favor of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and all communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who –

(a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act, 1956. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT**

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application

Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can

Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.

In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least Rs. 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 30% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5 : CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) Upto 30% of the QIB Category can be allocated by the Issuer, on a discretionary basis [subject to the criteria of minimum and maximum number of anchor investors based on allocation size], to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer

to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FIIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.

(c) QIBs and NIIs can participate in the Issue only through the ASBA mechanism.

(d) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").

(e) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for non-ASBA Bidders:**

(a) Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers of the Stock Exchange. The details of Broker Centres along with names and contact details of the Registered Brokers are provided on the websites of the Stock Exchanges.

(b) **For Bids made through a member of the Syndicate**: The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form

and submit the same to the members of the Syndicate at Specified Locations.

(c) **For Bids made through a Registered Broker:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the Registered Broker.

(d) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.

(e) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

(f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.

(g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 **Payment instructions for ASBA Bidders**

(a) ASBA Bidders may submit the Bid cum Application Form either

i. in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or

ii. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

iii. in physical mode to a member of the Syndicate at the Specified Locations or

iv. Registered Brokers of the Stock Exchange

(b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) **ASBA Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(g) **ASBA Bidders bidding through a Registered Broker** should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms.

(h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 12 Working Days of the Bid/Issue Closing Date.

4.1.7.3 **Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying

on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.

(b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.

(c) All communications in connection with Bids/Applications made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.

ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.

iv. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker

v. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.

(d) The following details (as applicable) should be quoted while making any queries -

i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

ii. name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted or

iii. In case of Non-ASBA bids cheque or draft number and the name of the issuing bank thereof

iv. In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

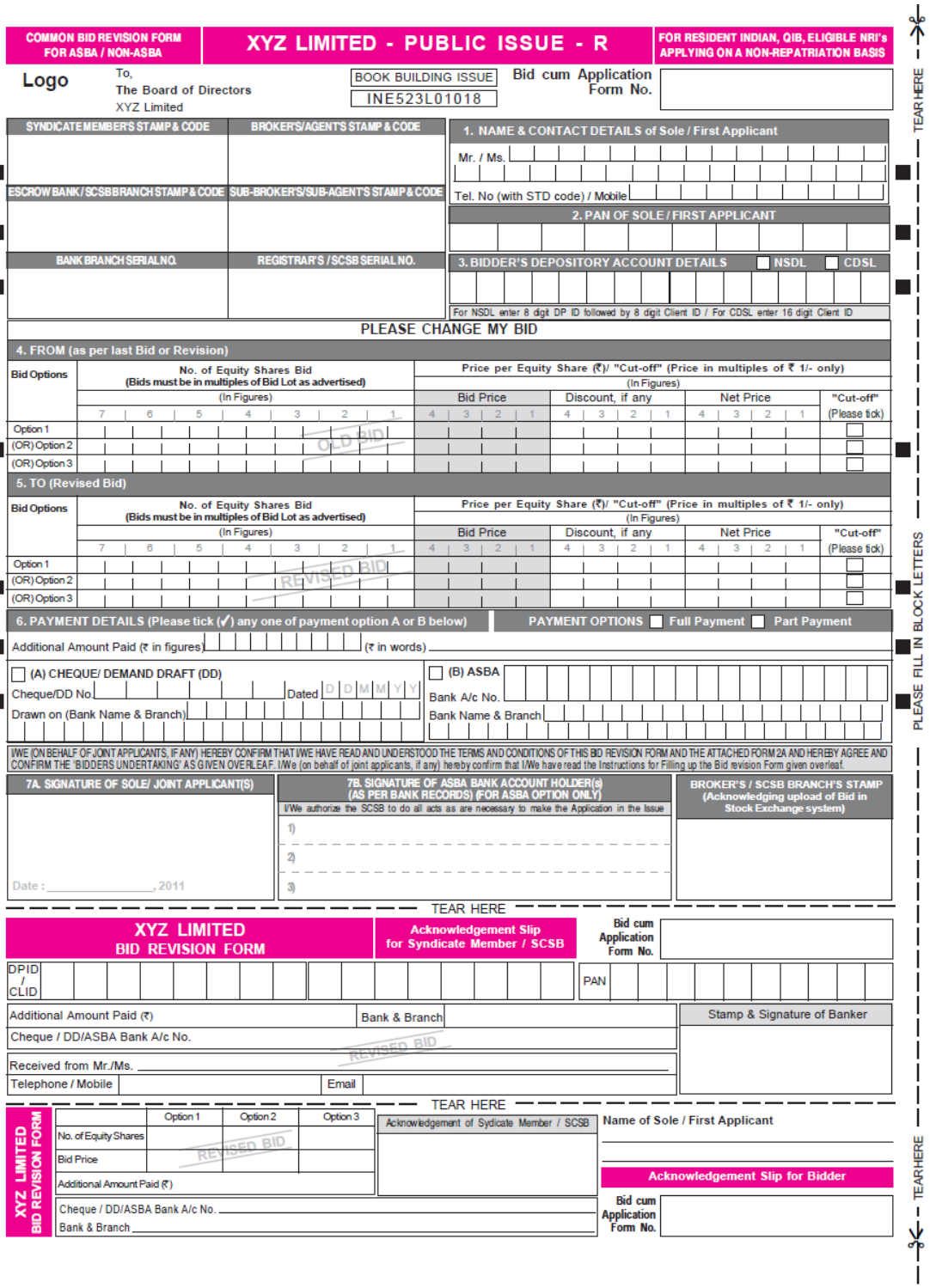
(a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:



COMMON BID REVISION FORM FOR ASBA / NON-ASBA

XYZ LIMITED - PUBLIC ISSUE - R

FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS

Logo

To,
The Board of Directors
XYZ Limited

BOOK BUILDING ISSUE
INE523L01018

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER'S/AGENT'S STAMP & CODE

ESCROW BANK / SCSB BRANCH STAMP & CODE | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE

BANK BRANCH SERIAL NO. | REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (as per last Bid or Revision)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1	OLD BID				☐
(OR) Option 2					☐
(OR) Option 3					☐

5. TO (Revised Bid)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1	REVISED BID				☐
(OR) Option 2					☐
(OR) Option 3					☐

6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment

Additional Amount Paid (₹ in figures) (₹ in words)

☐ (A) CHEQUE/ DEMAND DRAFT (DD)
Cheque/DD No. Dated D D M M Y Y
Drawn on (Bank Name & Branch)

☐ (B) ASBA
Bank A/c No.
Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filling up the Bid revision Form given overleaf.

7A. SIGNATURE OF SOLE/ JOINT APPLICANT(S)	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (FOR ASBA OPTION ONLY)	BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____, 2011	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	

TEAR HERE

XYZ LIMITED
BID REVISION FORM

Acknowledgement Slip for Syndicate Member / SCSB

Bid cum Application Form No.

DPID / CLID | PAN

Additional Amount Paid (₹) | Bank & Branch | Stamp & Signature of Banker

Cheque / DD/ASBA Bank A/c No.

REVISED BID

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED BID REVISION FORM

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price	REVISED BID		
Additional Amount Paid (₹)			

Acknowledgement of Syndicate Member / SCSB

Cheque / DD/ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3**: **NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders or refunded from the Escrow Account in case of non-ASBA Bidder.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) With respect to the Bids, other than Bids submitted by ASBA Bidders/Applicants, any revision of the Bid should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the Bid.

(b) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(c) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same member of the Syndicate/Registered Broker or the same Designated Branch (as the case may be) through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(d) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate / Registered Broker to whom the original Bid was submitted.

(e) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(f) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders/Applicants or refunded from the Escrow Account in case of non-ASBA Bidder/Applicant.

4.2.4 FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

(a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed Rs. 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple

applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

(a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

(b) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft

("Non-ASBA Mechanism").

(c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 **Instructions for non-ASBA Applicants:**

(a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).

(b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).

(c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.

(d) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

(e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.

(f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.3.5.2 **Payment instructions for ASBA Applicants**

(a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.

(b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.

(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.3.5.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 **Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Non-ASBA Application	1) To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form 2) To Registered Brokers
ASBA Application	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres (b) To the Designated branches of the SCSBs where the ASBA Account is maintained

(a) Bidders/Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection banks. Bid cum Application Form/ Revision Form submitted to the escrow collection banks are liable for rejection.

(b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.

(c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(d) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.

(b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/ any of the Registered Brokers to register their Bid.

(c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price

less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.

(d) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until finalization of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) In case a RII wishes to withdraw the Bid after the Bid/Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalization of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to

i. the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,

ii. the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,

iii. the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or

iv. With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications by OCBs; and

(c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;

(e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(g) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(h) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(k) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(l) Bids/Applications at Cut-off Price by NIIs and QIBs;

(m) Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids/Applications by ASBA Bidders, the amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(o) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(p) Bids/Applications for a Bid/Application Amount of more than Rs. 200,000 by RIIs by applying through non-ASBA process;

(q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(t) With respect to ASBA Bids/Applications, inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

(u) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;

(v) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;

(w) Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);

(x) ASBA Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

(y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in Retail category is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.

(c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors.*

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs. 20 to Rs. 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding ("Alternate Book Building Process").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to

revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Syndicate Members/SCSB and/or Bankers to the Issue or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor is will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:

i. not more than 30% of the QIB Portion will be allocated to Anchor Investors;

ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to Rs. 10 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within 12 Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to three lakh rupees, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer

and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, within 60 days from the Bid/Issue Closing Date, the Issuer may forthwith, without interest refund the entire subscription amount received. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at the rate prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and other applicable laws.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.

(b) **In case of Non-ASBA Bid/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allocation/ allotment to Bidders/Applicants.

(c) In case of non-ASBA Bidders/Applicants, the Registrar to the Issue may obtain from the depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Bidders/Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

(d) In the case of Bids from Eligible NRIs and FIIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

(a) **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Bidders/Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Bidders/Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders/Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **Direct Credit**—Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(d) **RTGS**—Bidders/Applicants having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

(e) For all the other Bidders/Applicants, including Bidders/Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc Bidders/Applicants may refer to RHP/Prospectus.

8.3.2 Mode of making refunds for ASBA Bidders/Applicants

In case of ASBA Bidders/Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid /Issue Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/

Term	Description
	Issue Closing Date
Bid/Issue Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Friday (except public holidays)

Term	Description
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time

Term	Description
	employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/Applicants (excluding the ASBA Bidders/Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for

Term	Description
	Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.

Term	Description
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least two working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act, 1956 after the Pricing Date, containing the Issue Price ,the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
Qualified Foreign Investors or QFIs	Non-Resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI. Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus

Term	Description
Refund Account(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/Applicants), if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than Rs. 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member

Term	Description
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Bids from ASBA Bidders/Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All days other than a Sunday or a public holiday on which commercial banl are open for business, except with reference to announcement of Price Ban and Bid/Issue Period, where working day shall mean all days, excludin Saturdays, Sundays and public holidays, which are working days fo commercial banks in India

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), issued Circular 1 of 2013 ("**Circular 1 of 2013**"), which with effect from April 5, 2013, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on April 4, 2013. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, Circular 1 of 2013 will be valid until the DIPP issues an updated circular (expected on April 5, 2013 and effective from April 5, 2014).

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("**FDI**") Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the Securities Act any state securities laws in the United States, and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act 1956, and the SEBI Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

1. The regulations mentioned hereinafter and the remaining clauses of Table A and the provisions of the Companies Act, 1956 shall apply to this Company.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3. Share Capital

The authorized share capital of the Company shall be as per Clause V of the Memorandum of Association of the Company with power to increase, reduce, consolidate or subdivide the Capital in accordance with the provisions of the Companies Act, 1956.

4. Increase of capital by the Company how carried into effect

The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97of the Act.

5. Redeemable Preference Shares Reduction of capital

Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption. The Company should comply with all the provisions of the Act, in this regard.

6. Reduction of capital

The Company may (subject to the provisions of section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce

i. the share capital;

ii. any capital redemption reserve account; or

iii. any share premium account in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

7. Purchase of own Shares

Notwithstanding anything contained in these articles, but subject to the conditions, restrictions and/or limitations contained in Sections 77A, 77AA, and 77B and other applicable provisions, if any, of the Companies Act, 1956 and the provisions of any other statutes, as may be amended from time to time, the Company may purchase its own shares or securities (referred to as Buy-Back) under section 77A (1).

8. Sub-division consolidation and cancellation of Shares

Subject to the provisions of Section 94 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

MODIFICATION OF RIGHTS

9. Modification of rights

Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall *mutatis mutandis* apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted. The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking *pari passu* therewith.

SHARES, CERTIFICATES AND DEMATERIALISATION

10. Restriction on allotment and return of allotment

The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act

11. Further issue of shares

(1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier ,it is proposed to increase the subscribed capital of the Company by allotment of further Shares whether out of unissued share capital or out of increased share capital then:

(a) Such further Shares shall be offered to the persons who at the date of the offer are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares at that date.

(b) Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not being less than 30 days from the date of the offer and the offer, if not accepted, will be deemed to have been declined.

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to them in favour of any other person, and the notice referred to in sub-clause (b) shall contain a statement of this right, provided that the Directors may decline, without assigning any reason, to allot any Shares to any person in whose favour any Member may renounce the Shares offered to him.

(d) After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given declines to accept the Shares offered, the Board of Directors may dispose them off in such manner and to such person(s) as they may think in their sole discretion fit.

(2) Notwithstanding anything contained in sub-clause (1) hereof, the further Shares aforesaid may be offered to any person(s) (whether or not those persons include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever.

(a) If a Special Resolution to that effect is passed by the Company in the General Meeting; or

(b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting, (including the casting vote, if :any, of the Chairman) by Members who, being entitled to do so, vote in person, or where proxies are allowed by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

(3) Nothing in sub-clause (c) of clause (1) hereof shall be deemed;

(a) To extend the time within which the offer should be accepted; or

(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the persons in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:

(i) To convert such debentures or loans into Shares in the Company; or

(ii) To subscribe for Shares in the Company (whether such option is conferred in these Articles or otherwise).

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans, or is in conformity with the rules, if any, made by that government in this behalf, and

(b) In the case of debentures or loans other than debentures issued to, or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in the General Meeting before the issue of the debentures or the raising of the loans.

12. Shares under control of Directors

Subject to the provisions of Section 81 of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares

either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

13. Power to offer Shares/options to acquire Shares

a. Without prejudice to the generality of the powers of the Board under Article 14 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.

b. In addition to the powers of the Board under Article 13(i), the Board may also allot the Shares referred to in Article 13(i) to any trust, whose principal objects would *inter alia* include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 13(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.

c. The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 13(i) and (ii) above.

14. Application of premium received on Shares

The company issue shares at a premium and transfer the sum to the securities premium account and utilize the balance in the account in accordance with the provisions of Section 78 of the Act.

15. Power of General Meeting to authorize Board to offer Shares/Options to employees

a. Without prejudice to the generality of the powers of the General Meeting under Article 12 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose

b. In addition to the powers contained in Article 15(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.

16. Shares at a discount

The Company may issue at a discount Shares in the Company of a class already issued, by complying the provisions of Section 79 of the Act

17. Installments of Shares to be duly paid

If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.

18. The Board may issue Shares as fully paid-up for consideration other than cash

Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares, which may be so issued, may be issued as fully paid-up or partly paid up Shares.

19. Acceptance of Shares

Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member

20. Deposit and call etc., to be debt payable

The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

21. Liability of Members

Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.

22. Dematerialisation of securities

Definitions

"**Beneficial Owner**" "Beneficial Owner" means a person whose name is recorded as such with a Depository.

"**SEBI**" means the Securities and Exchange Board of India.

"**Bye-Laws**" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;

"**Depositories Act**" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;

"**Depository**" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;

"**Record**" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;

"**Regulations**" mean the regulations made by SEBI;

"**Security**" means such security as may be specified by SEBI.

22. A. Dematerialisation of securities

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

22. B. Options to receive security certificates or hold securities with depository

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.

22. C. Securities in depositories to be in fungible form

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.

22.D. Rights of depositories and beneficial owners

(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.

22. E. Depository To Furnish Information

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

22. F. Option to Opt out in respect of any security

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 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.

22. G. Sections 83 and 108 of the Act not to apply

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.

22. H. Service of Documents

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.

22. I. Distinctive number of Securities held in a Depository

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.

22. J. Register and Index of Beneficial Owner

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.

23. Share certificate

(a) Every Member or allotee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name.

(b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.

24. Limitation of time for issue of certificates

Every Member shall be entitled, without payment, to one or more Certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors may from time to time to approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of the Issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case maybe. Every Certificate of Shares shall be under the seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe or approve, provided that in respect of a Share or Shares held jointly by several persons, the company shall not be borne to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.

25. Issue of New Certificate in Place of One Defaced, Lost or Destroyed

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being

given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutates mutandis apply to debentures of the Company.

26. The first name joint holder deemed sole holder

If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.

Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutates mutandis apply to debentures of the Company.

27. Company not bound to recognize any interest in Shares other than that of registered holder

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

28. Trust recognized

(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.

29. Funds of Company not to be applied in purchase of Shares of the Company

No funds of the Company shall except as provided by Section 77 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 78, 80 and 100 to 105 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for

the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

UNDERWRITING AND BROKERAGE

30. Commission may be paid

Subject to the provisions of Section 76 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed in the case of the Shares five percent of the price at which the Shares are issued and in the case of debentures two and half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.

31. Brokerage

The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.

32. Commission to be included in the annual return

Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Part I of Schedule V to the Act.

INTEREST OUT OF CAPITAL

33. Interest out of capital

Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant which cannot be made profitable for lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid-up, for the period at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provisions of the plant.

DEBENTURES

34. Debentures with voting rights not to be issued

(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.

(b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act.

(c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act.

(d) Certain charges (which expression includes mortgage) mentioned in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 125 of the Act.

(e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.

(f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 113 of the Act) within three months after the allotment of its debentures or

debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.

(g) The Company shall comply with the provisions of Section 118 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof.

(h) The Company shall comply with the provisions of Section 124 to 145 (inclusive) of the Act as regards registration of charges.

35. Term of Issue of Debenture

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into sharers of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

CALLS

36. Directors may make calls

(a) Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution)make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.

(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

(c) The option or right to call on shares shall not be given to any person except with the sanction of the Company in general meetings.

37. Notice of call when to be given

Not less than one month notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.

38. Call deemed to have been made

A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.

39. Directors may extend time

The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time to call or any of the Members, the Board of Directors may deem fairly entitled to such extension but no Member shall be entitled to such extension as of right except as a matter of grace and favour

40. Amount payable at fixed time or by installments to be treated as calls

If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.

41. When interest on call or installment payable

If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding 9% percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part.

42. Evidence in action by Company against share holder

On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

43. Payment in anticipation of calls may carry interest

The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same, become presently payable.

The provisions of this Article shall mutatis mutandis apply to the calls on Debentures of the Company.

LIEN

44. Partial payment not to preclude forfeiture

Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

45. Company to have lien on Shares/ Debentures

The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member whether solely or jointly with others and upon

the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interests in any Share/ Debenture shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures. Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares. All the fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

46. As to enforcing lien by sale

The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:-

(a) Unless a sum in respect of which the lien exists is presently payable; or

(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members;

(c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.

47. Application of proceeds of sale

(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and

(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).

FORFEITURE OF SHARES

48. If money payable on Shares not paid notice to be given

If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

49. Sum payable on allotment to be deemed a call

For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

50. Form of notice

The notice shall name a day, (not being less than fourteen days form the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-¬payment at or before the time and at the place

appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.

51. In default of payment Shares to be forfeited

If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.

52. Notice of forfeiture to a Member

When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members.

53. Forfeited Shares to be the property of the Company and may be sold etc.

Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

54. Member still liable for money owning at the time of forfeiture and interest

Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding 9% percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.

55. Effects of forfeiture

The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved. There shall not be any forfeiture of unclaimed dividends before the claim becomes barred by law.

56. Power to annul forfeiture

The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

57. Declaration of forfeiture

(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.

(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.

(d) Any such purchaser or allotee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.

(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.

58. Provisions of these articles as to forfeiture to apply in case of non-payment of any sum.

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

59. Cancellation of shares certificates in respect of forfeited Shares

Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.

60. Evidence of forfeiture

The declaration as mentioned in Article 57(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

61. Validity of sale

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

62. Surrender of Shares

The Directors may subject to the provisions of the Act, accept a surrender or any share from any Member desirous of surrendering on such terms and conditions as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

63. No transfers to minors etc.

No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.

64. Form of transfer

The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

65. Application for transfer

(a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee.

(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

66. Execution of transfer

The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with.

67. Transfer by legal representatives

A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.

68. Register of Members etc when closed

The Board of Directors shall have power on giving not less than seven days pervious notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding 30 days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

69. Directors may refuse to register transfer

Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instruments of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company or any account whatsoever except when the company has a lien on the shares. Transfer of shares / debentures in whatever lot shall not be refused.

70. Death of one or more joint holders of Shares

In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.

71. Titles of Shares of deceased Member

The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 109A and 109B of the Companies Act.

72. Notice of application when to be given

Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

73. Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)

Subject to the provisions of the Act and Article 71 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".

74. Refusal to register nominee

Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

75. Person entitled may receive dividend without being registered as a Member

A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.

76. No fees on transfer or transmissions

No fee shall be charged for registration of transfer, transmission Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar documents.

77. Transfer to be presented with evidence of title

Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

78. Company not liable for disregard of a notice prohibiting registration of transfer

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

SHARE WARRANTS

79. Power to issue share warrants

The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

80. Deposit of share warrants

(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant

(b) Not more than one person shall be recognized as depositor of the Share warrant.

(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

81. Privileges and disabilities of the holders of share warrant

(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.

(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

82. Issue of new share warrant coupons

The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

83. Share may be converted into stock

The Company may, by Ordinary Resolution:

(1) Convert any fully paid up Share into stock, and

(2) Reconvert any stock into fully paid-up Shares.

84. Transfer of stock

The several holders of such stock may transfer there respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit.

Provided that the Board may, form time-to-time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose.

85. Right of stock holders

The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.

86. Regulation applicable to stock and share warrant

Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Share holder" in these regulations shall include "stock" and "stock holder" respectively.

MEETING OF MEMBERS

87. Annual General Meeting

The Company shall in each calendar year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. The Company shall comply with the provisions of Section 166 of the Act, while convening Annual General Meeting.

88. Report statement and registers to be laid before the Annual General Meeting

The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director’s Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.

89. Extra-Ordinary General Meeting

All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting. The Company should comply with all the provisions Act, relating to calling and convening of Extra Ordinary General Meeting.

90. Length of notice of Meeting

(i) A General Meeting of the Company may be called by giving not less than twenty-one days clear notice in writing.

(ii) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:

(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and

(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.

Provided that where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.

91. Contents and manner of service of notice

(1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.

(2) Subject to the provisions of the Act notice of every General Meeting shall be given;

(a) to every Member of the Company, in any manner authorised by sub-sections (1) to (4) Section 53 of the Act;

(b) to the persons entitled to a Share in consequence of the death, or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for ,the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and

(c) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of Members of the Company.

Provided that, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.

(3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.

92. Special and ordinary business and explanatory statement

(1) (a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to:

(i) the consideration of the accounts, balance sheet the reports of the Board of Directors and Auditors;

(ii) the declaration of dividend;

(iii) the appointment of Directors in the place, of those retiring; and

(iv) the appointment of, and the fixing of the remuneration of the Auditors, and

(b) In the case of any other meeting, all business shall be deemed special

(2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item, of business, including in particular the nature of the concern or interest, if any, therein of every Director.

Provided that, where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.

(3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

93. Omission to give notice not to invalidate proceedings

The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.

PROCEEDINGS OF MEETING OF MEMBERS

94. Notice of business to be given

No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.

95. Quorum

Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite be present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 187 of the Act.

96. If quorum not present when Meeting to be dissolved and when to be adjourned

If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjournment meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.

97. Resolution passed at adjourned Meeting

Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

98. Chairman of General Meeting

At every General Meeting the Chairman of the Board of Directors shall take the Chair. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default of their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.

99. Business confined to election of Chairman whilst the Chair is vacant

No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.

100. Chairman may adjourn Meeting

(a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place.

(b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.

(c) When a Meeting is adjourned for 30 days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting.

(d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.

101. How questions are decided at Meetings.

Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.

102. Chairman's declaration of result of voting on show of hands.

A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.

103. Demand for poll

Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

104. Time of taking poll

A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.

105. Chairman's casting vote

In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.

106. Appointment of scrutineers

Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.

107. Special notice

Where by any provision contained in the Act or in these Articles, special notice is required for any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

108. Restriction on exercise of voting rights of Members who have not paid calls

No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

109. Number of Votes to which Member entitled

Every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference share¬holder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.

110. Votes of joint Members

If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares

stand shall for the purpose of these Articles be deemed joint holders thereof.

111. Representation of body corporate

A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body corporate could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.

(b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.

112. Voting in person or by proxy

Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act.

113. Rights of Members to use votes differently

On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

114. Proxies

Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself provided always that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall contain the aforesaid clause.

115. No proxy to vote on a show of hands

No proxy shall be entitled to vote by a show of hands.

116. Instrument of proxy when to be deposited

The instrument appointing a proxy shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

117. Form of Proxy

Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.

118. Validity of votes given by proxy notwithstanding revocation of authority

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.

DIRECTORS

119. Number of Directors

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve. The appointment of the directors exceeding 12 will be subject to the provisions of Section 259 of the Act.

120. First Directors

The persons hereinafter named shall be the first Directors of the Company:-

1. Mr. Kochouseph Chittilappilly;

2. Mrs. Sheela Kochouseph;

3. Mr. K. Vijayan;

4. Mr. Mithun K. Chittilappilly.

121. Debenture Directors

Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.

122. Nominee Director or Special Director

In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by the government, authority, person, firm, institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation who appointed such Special Director may if the agreement so provide, appoint another Director in his place. But he shall be counted in determining the number of retiring Directors.

123. Limit on number of retaining Directors

The appointment of special directors are subject to the provisions of Section 256 of the Act and number of such Directors appointed shall not exceed in the aggregate one third of the total number of Directors for the time being in office.

124. Alternate Director

Subject to the provisions of Section 313 of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held.

125. Directors may fill in vacancies

The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.

126. Additional Directors

The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.

127. Qualification shares

A Director need not hold any qualification shares.

128. Directors' sitting fees

The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.

129. Extra remuneration to Directors for special work

Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.

Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:

(i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or

(ii) by way of commission if the Company by a Special Resolution authorized such payment.

130. Travelling expenses incurred by Directors on Company's business

The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.

131. Director may act notwithstanding vacancy

The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number, of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.

132. Board consent necessary for certain contracts

Consent of the Board of Directors is necessary for a director, or his relative or other entities in which the director or relative is interested, for entering into contracts, with the company, of the kinds specified in Section 297 of the Act.

133. Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Wholetime Director

When the Company:-

(a) enters into a contract for the appointment of a Managing Director or Wholetime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or

(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.

134. Disqualification of Directors

The provisions relating to disqualification of directors of the Act, shall apply to this Company.

135. Removal of Directors

(a) The Company may subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office.

136. Director may be director of companies promoted by the Company

A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.

ROTATION AND APPOINTMENT OF DIRECTORS

137. Rotation of Directors

Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.

138. Retirement of Directors

The non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.

139. Retiring Directors

Subject to the provisions of Section 256 of the Act and provisions of these Articles, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 169, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.

140. Ascertainment of Directors retiring by rotation and filling of vacancies

Subject to Section 288 (5) of the Act, the Directors retiring by rotation under Article 139 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.

141. Eligibility for re-election

A retiring Director shall be eligible for re-election and shall act as a Director through out and till the conclusion of the Meeting at which he retires.

142. Company to fill vacancies

Subject to Sections 258, 259 and 294 of the Act, the Company at the General Meeting, at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto.

143. Provision in default of appointment

(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.

(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:

(i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost.

(ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed.

(iii) he is not qualified or is disqualified for appointment

(iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or

(v) the provision of the sub-section (2) of section 263 of the Act is applicable to the case.

144. Company may increase or reduce the number of Directors or remove any Director

Subject to the provisions of Section 252,255 and 259 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.

145. Appointment of Directors to be voted individually

(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.

(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.

(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

146. Notice of candidature for office of Directors except in certain cases

(1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given atleast fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director.

(2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office by serving individual notices on the Members not less than seven days before the Meeting provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located of which one is published in the English language and the other in the regional language of that place.

(3) Every person (other than Director retiring by rotation or otherwise or person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.

(4) A person other than:-

(a) a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or

(b) an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 252 of the Act ,appointed as a Director re- appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within 30 days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.

147. Disclosure by Directors of their holdings of their Shares and debentures of the Company

Every Director and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any

such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.

MANAGING DIRECTOR

148. Powers to appoint Managing Director

Subject to the provisions of Section 267, 268, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

(a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 1956.

(b) Subject to the provisions of Sections 255 of the Act, the Managing Director shall not be while he continues to hold that office, subject to retirement by rotation.

149. Remuneration of Managing Director

Subject to the provisions of Section 267, 268, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

(a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 1956.

(b) Subject to the provisions of Sections 255 of the Act, the Managing Director shall not be while he continues to hold that office, subject to retirement by rotation.

150. Special position of Managing Director

Subject to any contract between him and the Company, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

151. Powers of Managing Director

The Director may from time to time entrust to and confer upon a Managing Director or Wholetime Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.

152. First Managing Director of the Company

Mr. Kochouseph Chittilappilly will be the first Managing Director of the Company. He will occupy the position for a period of five years from the date of the incorporation of the Company.

The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.

153. Signing of cheques and receipts

Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company.

154. Delegation of Powers

The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.

155. Other provisions relating to appointment

Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

156. Appointment and powers of Manager

The Board may, from time to time, appoint any Manager (under Section 2(24) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient.

PROCEEDINGS OF THE BOARD OF DIRECTORS

157. Meeting of Directors

The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 285 of the Act allow otherwise, Directors shall so meet at least once in every three months and atleast four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.

The provisions of the Act, relating to quorum required for Board Meeting shall apply to Company.

158. Procedure when Meeting adjourned for want of quorum

If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.

159. Chairman of Meeting

The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.

160. Question at Board meeting how decided

Subject to the provisions of Section 316, 372A and 386 of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.

161. Powers of Board meeting

A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.

162. Directors may appoint Committee

The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.

163. Meeting of the Committee how to be governed

The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.

164. Circular resolution

(a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 162 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held.

(b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or

by a majority of such of them as are entitled to vote on the resolution.

165. Acts of Board or Committee valid notwithstanding defect in appointment

All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

166. General powers of management vested in the Board of Directors

The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Provided that the Board shall not, except with the consent of the Company in General Meeting:-

(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;

(b) remit, or give time for the repayment of, any debut due by a Director,

(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;

(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;

(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;

(i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)

(ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.

167. Certain powers to be exercised by the Board only at Meetings

(1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;

(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,

(b) the power to issue Debentures,

(c) the power to borrow moneys otherwise than on Debentures,

(d) the power to invest the funds of the Company, and

(e) the power to make loans

Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c) (d) and (e) to the extent specified below:

(2) Every resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.

(3) Every resolution delegating the power referred to in sub-clause (1) (d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.

(4) Every resolution delegating the power referred to in sub-clause (1) (e)above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.

168. Certain powers of the Board

Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:

(1) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

(2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.

(3) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

(4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or

in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

(5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.

(6) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.

(7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.

(8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon.

(9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.

(10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.

(11) Subject to the provisions of Sections 291, 292, 295, 372Aand all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.

(12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.

(13) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.

(14) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company.

(15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time

to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.

(16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

(17) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general conferred by this sub-clause.

(17A) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.

(18) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.

(19) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill up any vacancies

therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.

(20) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.

(21) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

(22) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.

(23) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.

(24) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

(25) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

(26) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.

(27) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.

(28) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.

(29) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.

(30) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.

(31) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.

(32) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.

MINUTES

169. Minutes to be made

(1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within 30 days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.

(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:

(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of 30 days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.

170. Minutes to be evidence of the proceeds

(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.

Books of minutes of General Meeting to be kept

(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 196 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.

171. Presumptions

Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or

Liquidators made at the meeting shall be deemed to be valid.

THE SECRETARY

172. Secretary

The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Secretary's Qualification) Rules 1975.

173. The Seal, its custody and use

(a) The Board shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

(b) Safe Custody of Seal The Common Seal shall be in the safe custody of the Director or the Secretary for the time being of the Company.

(c) Affixing of Seal on deeds and instruments'

On every deed or instrument on which the Common Seal of the Company is required to be affixed, the Seal be affixed in the presence of a Director or a Secretary or any other person or persons Authorised in this behalf by the Board, who shall sign every such deed or instrument to which the Seal shall be affixed.

(d) Affixing of Seal on Share Certificates

Notwithstanding anything contained in Clause (c) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are Authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Issue of Share Certificates) Rules in force for the time being.

(e) Removal of Common Seal outside the office premises

The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office inside or outside for affixture and for return to safe custody to the Registered Office.

DIVIDENDS AND CAPITALISATION OF RESERVES

174. Division of profits

(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;

(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.

175. The Company at General Meeting may declare dividend

The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall

comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.

176. Dividends out of profits only

No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.

177. Interim dividend

The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.

178. Debts may be deducted

(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.

179. Capital paid-up in advance as interest not to earn dividend

Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

180. Dividends in proportion to amounts paid-up

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.

181. No Member to receive dividend while indebted to the Company and the Company's right in respect thereof

No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone of jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.

182. Effect of transfer of Shares

A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.

183. Dividend to joint holders

Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.

184. Dividend how remitted

The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.

185. Notice of dividend

Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.

186. Reserves

The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.

187. Dividend to be paid within time required by law.

The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-

(a) where the dividend could not be paid by reason of the operation on any law; or

(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or

(c) where there is dispute regarding the right to receive the dividend; or

(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or

(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

188. Unpaid or Unclaimed dividend

Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days open a special account in that behalf in any scheduled bank called "Unpaid Dividend of WONDERLA HOLIDAYS LIMITED" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by Company to the Investor Education and Protection Fund established under section 205C of the Companies Act, 1956. The Company shall comply with the provisions of Section 205A of the Act, while transferring, the balance amount lying in the unpaid dividend account, to the fund established u/s 205C of the Act.

No unclaimed or unpaid dividend shall be forfeited by the Board.

189. Set-off of calls against dividends

Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.

190. Dividends in cash

No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.

191. Capitalisation of Profit

(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;

(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or

(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or

(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)

(3) A share premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

192.

(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid equity shares, if any; and

(b) generally do all acts and things required to give effect thereto.

(2) The Board shall have full power:

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable in fractions; and also

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment up by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.

193. Fractional certificates

(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and

(b) Generally do all acts and things required to give effect thereto.

(2) The Board shall have full power:

(a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, and also

(b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.

(3) Any agreement made under such authority shall be effective and binding on all such Members.

(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

ACCOUNTS

194. Books to be kept

The Board of Directors shall keep or cause to be kept proper books of account.

195. Inspection of Books

The Board shall from time to time determine whether and to what extend and at what times and places and under what conditions or regulations the accounts and books of the Company or any one of them shall be open to the inspection of members not being Directors and no member (not being a director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by Board.

196. Statements of accounts to be furnished to General Meeting

The Board of Directors shall from time to time in accordance with Sections 210,211,212, 216 and 217 of the Act, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the

Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.

197. Accounts to be audited

Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.

198. Appointment of Auditors

Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 224 to 229 and 231 of the Act.

REGISTERS AND DOCUMENTS

199. Registers and documents to be maintained by the Company

The Company is required to maintain all the Registers and documents required as per the Act.

200. Inspection of Registers

Inspection of Registers is permitted subject to the provisions of the Act.

WINDING UP

201. Distribution of assets

If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

202. Distribution in specie or kind

(a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.

(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in

accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.

(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.

203. Right of shareholders in case of sale

A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.

204. Directors and others right to indemnity

Subject to the provisions of Section 201 of the Act, every Director of officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

205. Director, officer not responsible for acts of others

Subject to the provisions of Section 201 of the Act no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRECY CLAUSE

206. Secrecy Clause

Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

207. No Member to enter the premises of the Company without permission

No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material have been entered or will be entered into by our Company. These contracts, copies of which are attached to the copy of this Red Herring Prospectus, to be delivered to the RoC for registration and copies of the documents referred to hereunder, are available for inspection at our Registered Office and Corporate Office from 10.00 a.m. to 4.00 p.m. on Working Days during the Bid/Issue Period.

Material Contracts to the Issue

1. Issue Agreement dated April 10, 2013 between our Company and the BRLMs.

2. Agreement dated February 18, 2013 between our Company and the Registrar to the Issue.

3. Escrow Agreement dated March 25, 2014 among our Company, the BRLMs, the Escrow Collection Banks, Refund Bank(s) and the Registrar to the Issue.

4. Syndicate Agreement dated March 25, 2014 between our Company and the members of the Syndicate.

5. Underwriting Agreement dated [●] among our Company and the Underwriters.

Material Documents

1. Our Memorandum and Articles of Association, as amended from time to time.

2. Our certificate of incorporation dated November 18, 2002 and fresh certificate of incorporation dated January 11, 2013.

3. Board resolution of our Company, dated December 17, 2012, and shareholders' resolution of our Company dated January 3, 2013, authorizing the Issue and other related matters.

4. Board resolutions dated April 13, 2013 and March 31, 2014 approving the Draft Red Herring Prospectus and this Red Herring Prospectus, respectively.

5. Board resolution dated February 22, 2013 appointing Arun Kochouseph Chittilappilly as our Managing Director and setting out the terms and conditions of his appointment.

6. Agreement dated March 27, 2013 between our Company and Arun Kochouseph Chittilappilly setting out the terms and conditions of his appointment as our Managing Director.

7. Board resolution dated February 22, 2013 appointing Kochouseph Chittilappilly as our Vice Chairman and setting out the terms and conditions of his appointment.

8. Agreement dated March 27, 2013 between our Company and Kochouseph Chittilappilly setting out the terms and conditions of his appointment as our Vice-Chairman.

9. Report of the Auditors dated February 25, 2014 and Restated Financial Statements dated February 25, 2014, prepared as per Indian GAAP and mentioned in the "***Financial Statements of our Company***".

10. Copies of annual reports of our Company for the last five Fiscals.

11. The statement of tax benefit report dated February 28, 2014, prepared by the Auditors as mentioned in "***Statement of Tax Benefits***".

12. Consent of the Auditors, as experts, for inclusion of their report on accounts and their report on the statement of tax benefit in the form and context in which they appear in this Red Herring Prospectus.

13. Consents of Bankers to our Company, BRLMs, lenders, Syndicate Members, Registrar to the Issue, Bankers to the Issue, Refund Bankers, legal counsels, IPO Grading Agencies, Directors of our Company, Company Secretary and Compliance Officer, as referred to act, in their respective capacities.

14. In-principle listing approvals dated July 1, 2013 and June 20, 2013 from the BSE and the NSE, respectively.

15. Tripartite Agreement dated December 3, 2012 among our Company, NSDL and the Registrar to the Issue.

16. Tripartite Agreement dated October 31, 2012 among our Company, CDSL and the Registrar to the Issue.

17. Due diligence certificate dated April 15, 2013 to the SEBI from the BRLMs.

18. IPO Grading Report by CRISIL Limited dated February 26, 2014.

19. SEBI Observations letter no. SRO/NMK/WHL/OW19576//2013 dated August 7, 2013.

20. Scheme of arrangement for the amalgamation of Veega Holidays and Parks Private Limited with our Company.

21. Report detailing the valuation of assets and liabilities in relation to the scheme of arrangement for the amalgamation of Veega Holidays and Parks Private Limited with our Company dated February 20, 2009.

22. Certificate indicating funds deployed issued by Varma & Varma dated February 28, 2014.

23. Sanction letters dated October 30, 2012 and February 18, 2013 for a term loan of ₹ 5,000.00 lakhs issued by State Bank of Travancore.

24. Sale deeds executed by our Company between February 2012 to May 2013 and title opinions issued between November 2011 to October 2013, with respect to 49.57 acres of land acquired at Ranga Reddy District of Andhra Pradesh for setting up Wonderla Hyderabad.

25. Valuation report for 54 acres of land at Ranga Reddy District issued by G.Vishnu Vardhan Reddy dated September 8, 2011.

26. Development plan sanctioned by our Board for the proposed amusement park project Wonderla Hyderabad.

27. Certificates by the independent architect, M/s. Matrix Consultants, dated October 16, 2013 and October 30, 2013 in relation to the development plan of Wonderla Hyderabad and our letter dated October 18, 2013.

28. Company's letter addressed to State Bank of Travancore dated November 19, 2013 intimating them with the details of pending litigations involving 8 acres and 7.95 acres of land acquired by our Company in Ranga Reddy District of Andhra Pradesh and the acknowledgment letter issued by State Bank of Travancore dated December 20, 2013.

29. In-house appraisal report dated February 7, 2013 prepared by State Bank of Travancore for the sanction of term loan of Rs 5000 lakhs to our Company.

30. Quotations/ purchase orders placed by the Company, as disclosed in the section titled "Objects of the Issue" on page 79 of this Red Herring Prospectus.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

All relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

_____ **George Joseph**
(Chairman and Non-Executive Director)

_____ **Kochouseph Chittilappilly**
(Vice Chairman and Whole Time Director)

_____ **Arun Kochouseph Chittilappilly**
(Managing Director)

_____ **Priya Sarah Cheeran Joseph**
(Non-Executive Director)

_____ **Ramachandran Panjan Moothedath**
(Non-Executive Director)

SIGNED BY VICE PRESIDENT FINANCE

_____ **Nandakumar T.**
(Vice President - Finance)

Date: March 31, 2014

Place: Bengaluru

CRISIL RESEARCH

CONFIDENTIAL

Ref.: WHL \ KM \ 20-02-14\ 189

Dated: February 26, 2014

Mr Arun Kochouseph Chittilappilly
Managing Director
Wonderla Holidays Ltd
28th KM, Mysore Road
Bengaluru 562 109

Dear Mr. Chittilappilly

Ref: CRISIL IPO Grading for the Initial Public Offer of Equity Shares of Wonderla Holidays Ltd

We refer to your request for an IPO Grading and the Grading Agreement for the captioned equity issue.

CRISIL has, after due consideration, assigned a CRISIL IPO Grade "4/5" (pronounced "four on five") to the captioned equity issue. This grade indicates that the fundamentals of the Issue are above average relative to other listed equity securities in India.

The assigned grade is a one-time assessment valid for a period of 60 calendar days only from the date of this letter. In the event of your company not opening the captioned issue within a period of 60 days from the above date, or in the event of any change in the size/structure of the issue, a fresh letter of revalidation from CRISIL shall be necessary.

As per our Grading Agreement, CRISIL shall disseminate the assigned Grade through its publications and other media once the company agrees to the same.

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Mohit Modi
Director, Equity Research

Kamna Motwani
Senior Research Analyst, Equity Research

A CRISIL IPO Grading is a one-time assessment and reflects CRISIL's current opinion on the fundamentals of the graded equity issue in relation to other listed equity securities in India. A CRISIL IPO Grading is neither an audit of the issuer by CRISIL nor is it a credit rating. Every CRISIL IPO Grading is based on the information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the grading is based. A CRISIL IPO Grading is not a recommendation to buy / sell or hold the graded instrument; it does not comment on the issue price, future market price or suitability for a particular investor.

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Wonderla Holidays Ltd

One-time assessment

CRISIL IPO Grade 4/5 (Above Average)

February 26, 2014

Grading summary

CRISIL Research has assigned a CRISIL IPO grade of '**4/5**' (pronounced 'four on five') to the proposed IPO of Wonderla Holidays Ltd (Wonderla). This grade indicates that the fundamentals of the IPO are **above average** relative to the other listed equity securities in India. However, this grade is not an opinion on whether the issue price is appropriate in relation to the issue fundamentals. The grade is not a recommendation to buy, sell or hold the graded instrument, its future market price or suitability for a particular investor.

The grade is driven by Wonderla's established position in the Indian amusement park industry. The company has been present in the amusement park industry since 2002 and currently operates two parks – one in Kochi (Kerala) and one in Bengaluru (Karnataka). Over the years, by continuously adding new attractions, by keeping the entry charges affordable and by maintaining safety and hygiene standards, the company has been able to increase footfalls including repeat visitors as well as attract organised visits from schools, colleges and corporates. Footfalls have grown at 10.4% CAGR during FY09-13. The company has set up an in-house ride manufacturing facility which enables it to reduce capex and maintenance cost. Wonderla is further strengthening its position in South India by setting up amusement parks in Hyderabad (Andhra Pradesh) and Chennai (Tamil Nadu).

The grade is supported by the company's healthy operating margins, strong cash flow from operations and average RoCE of 40.1% over the past three years. It also takes into account Wonderla's highly experienced top management and strong second line of management. CRISIL Research believes that given the lack of avenues of entertainment in India, a large youth population (who are the main visitors to amusement parks) and increasing spend on leisure and entertainment supported by rising income levels, prospects of the domestic amusement park industry are bright.

However, the grade has also taken into account risks such as inability of the company to acquire suitable land parcels for future expansions, a likely decline in the company's returns due to increase in scale of operations and competition. Considering the larger investments required in new parks compared with older parks and low returns generated by new parks in the initial years of operations, new parks are likely to pull down the company's overall returns. Also, increasing competition, especially a new entrant at Wonderla's existing or proposed location, may impact footfalls in Wonderla's parks. Further, the company's inability to maintain safety and hygiene standards, decline in discretionary spends and change in seasonal patterns may adversely impact the business.

Wonderla's operating income has grown at 22% CAGR to ₹1.4 bn during FY09-13, led by ~10% CAGR in footfalls. The company has been able to maintain its EBITDA margin at more than 45% during FY09-13. PAT has grown at a four-year CAGR of 27% to ₹337 mn in FY13, while the average RoE during FY09-13 has been ~32%.

About the company

Wonderla Holidays Ltd (Wonderla), founded in 2002, is one of the largest amusement park operators in India. It currently operates two amusement parks situated in Kochi and Bengaluru under the brand name Wonderla and a resort in Bengaluru under the name Wonderla Resorts. The company is promoted by Mr Kochouseph Chittilappilly (promoter of V-Guard Industries) and Mr Arun Kochouseph Chittilappilly. Promoters and the promoter group hold 95.48% stake in the company while the remaining 4.52% stake is held by employees of the company and group companies.

The company commissioned its first amusement park in Kochi in 2000 under the name Veegaland and the second amusement park in Bengaluru in 2005 under the name Wonderla. Veega Holidays and Parks Pvt. Ltd, which owned and operated Veegaland, was merged with Wonderla with effect from April 1, 2008 and both the parks now operate under the name Wonderla. Wonderla Resort started operations in March 2012.

Issue details

Type of issue	Fresh issue
Shares offered to public	14.5 mn
Shares offered as per cent of post issue equity (dilution)	25.66%
Object of the issue	■ To set up an amusement park in Hyderabad ■ General corporate purposes
Amount proposed to be raised	Not available at the time of grading
Price band	Not available at the time of grading
Lead managers	Edelweiss Financial Services Ltd, ICICI Securities Ltd

Source: DRHP, Company

Use of IPO proceeds

Particulars	Deployment of IPO proceeds (₹ mn)
To set up an amusement park in Hyderabad	1,780.88
General corporate purposes	NA
Total	**NA**

Source: DRHP, Company

Shareholding pre- and post-issue

	Pre-issue		Post-issue (estimated)	
Category of equity shareholders	**No. of equity shares**	**%**	**No. of equity shares**	**%**
Promoters and promoter group	40,100,222	95.48	40,100,222	70.97
Others	1,899,778	4.52	16,399,778	29.03
Total	**42,000,000**	**100.00**	**56,500,000**	**100.0**

Source: Company, CRISIL Research

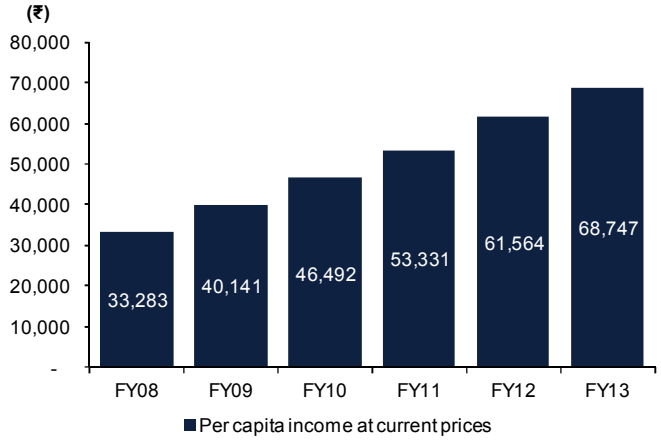
Detailed Grading Rationale

A. Business Prospects

Indian amusement park industry to benefit from rising discretionary spend, large youth population,...

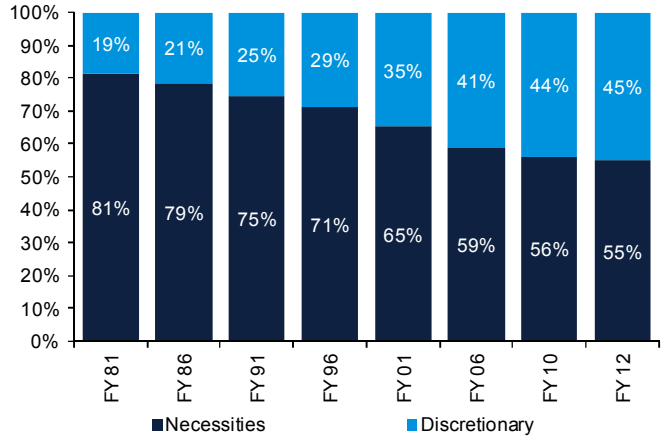
India's increasing discretionary spending on the one hand and a large young population on the other work in favour of the amusement park industry. India's per capita income has grown at a five-year CAGR of 16%. More importantly, the share of discretionary spending in overall expenses has increased rapidly from 19% in FY1981 to 45% in FY12 (Figure 2). This has led to higher spending on leisure and entertainment activities such as vacations, visits to multiplexes, restaurants and amusement parks. Also, according to Census 2011, almost 30% of the Indian population is below 14 years of age - an age bracket that is more likely to drive a family's visit to an amusement park. With a sizeable population in the 15-35 age group, interest in amusement parks is also expected to rise.

Figure 1: Per capita income has risen…



Source: CSO, CRISIL Research

Figure 2: … so has the share of discretionary spending



Source: CSO, CRISIL Research

... lack of entertainment options and an underpenetrated market

In India, within-city entertainment options are mostly limited to malls and movie theatres. Hence, there is a lack of full-day entertainment avenues. Amusement parks are equipped to plug this gap. Further, amusement parks keep crowds engaged for a full day at a cost of ~₹800-1,000 per person (including entry ticket and food and beverages) compared with ~₹200 (in tier I cities) paid for a two-three-hour movie and, hence, are cost effective too. As per industry sources, India has ~150 amusement parks with less than 20 large parks; most of the large parks are located in metro/tier I cities. In contrast, the US has over 400 amusement parks. Given the large youth population and rising income levels (and, hence, increasing affordability), CRISIL Research believes that the amusement park industry in India is underpenetrated and new parks with new and innovative offerings are likely to get a good response.

Wonderla - a well-established player; strong growth in footfalls during FY09-13

Wonderla has been present for the past 13 years and currently operates two amusement parks (with both land and water rides), one each in Kochi (Kerala) and Bengaluru (Karnataka). The Kochi park was set up in 2000 (under the name Veegaland and was re-named Wonderla in 2008) and the Bengaluru park was set up in 2005. Both parks get visitors from not only their respective states but also from Andhra Pradesh and Tamil Nadu.

With continuous addition of new attractions, entry charges at affordable rates and by maintaining high standards of safety and hygiene, the company has been able to generate repeat footfalls and attract organised visits from schools, colleges and corporates. Driven by these factors, the company's revenues have grown at 22% CAGR and footfalls have grown at 10.4% CAGR during FY09-13. However, in 9MFY14, revenue growth slowed down to 9.9% y-o-y as footfalls declined by

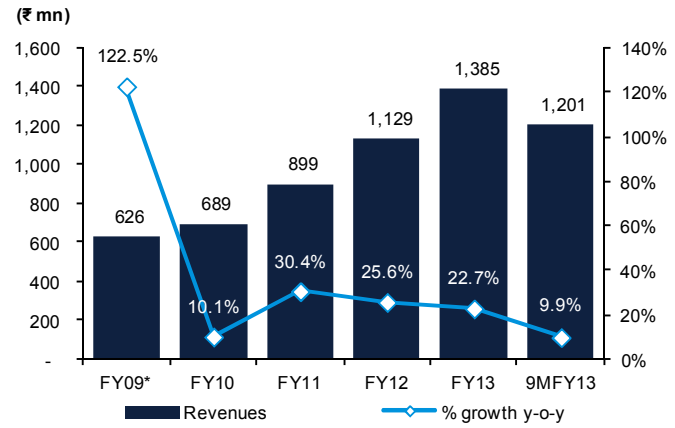
3.5% over the same period; the reason being footfalls in Kochi declined by 11% in 9MFY14 - due to early onset of monsoons and excess rainfall - even though footfalls in Bengaluru grew by 4.6%.

Table 1: Details of Wonderla's existing parks

	Wonderla Kochi	Wonderla Bengaluru
Year of commissioning	2000	2005
Area (acres)	93.17	81.75
Distance from centre of city (Km)	15	28
Capex incurred (₹ mn)	650	900
Attractions		
Land-based rides	33	35
Water-based rides	22	20
No. of employees	274	309
No. of restaurants	7	7
Yearly footfalls (FY13)	1.21	1.13
Yearly revenues (FY13)	584	718

Source: Company, DRHP

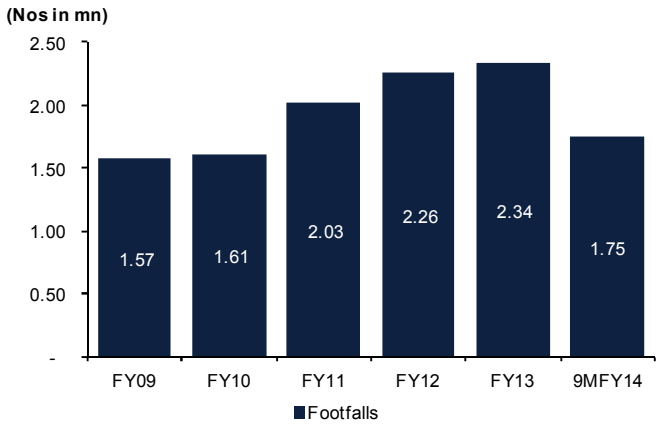
Figure 3: Revenue CAGR of 22% over FY09-13



* FY09 revenue growth was 122.5% due to consolidation of Veega Holidays and Parks Pvt. Ltd

Source: Company, CRISIL Research

Figure 4: Footfall CAGR of 10.4% over FY09-13



Source: Company, CRISIL Research

Expanding to Hyderabad and Chennai; litigations on Hyderabad land are risks

Wonderla is setting up its third amusement park – spread across 49.57 acres and located 29 km from Hyderabad; initially the park will be spread across 27 acres and is expected to be operational in September 2015. For setting up this park, the company has a planned capex of ₹2.5 bn, which would be funded mainly through the IPO proceeds; it has already acquired the land and is in the process of attaining regulatory approvals. The company has chosen Hyderabad because of the city's infrastructural and demographic factors. It is India's sixth largest city with a population of ~7 mn. The infrastructural set-up has encouraged the setting up of biotechnology, pharmaceuticals, IT and ITeS industries in the city; these industries typically attract a large number of young professionals, who, as we have already mentioned, are a driving force for the growth of the amusement park industry. Competition for Wonderla in Hyderabad is currently limited though a few other players have announced their plans to set up amusements parks in the city. Existing parks in Hyderabad include Ramoji Film City, a film-based theme park (and, hence, not a direct competitor), Mount Opera (has smaller, low-thrill rides) and Ocean Park (predominantly a water park). Based on the aforementioned factors, we believe

that an amusement park of Wonderla's scale is likely to attract significant footfalls in Hyderabad. Hence, we believe that the Hyderabad park will help the company further strengthen its presence in South India. The company also plans to set up a park in Chennai and is currently looking for a suitable land.

Litigations on Hyderabad land have delayed the execution, may impact scalability of park in future

The date of commissioning of the Hyderabad park has been postponed to September 2015 from April 2015 as execution of the project has been delayed. There are two pending litigations on 14.7 acres of the total land acquired to set up the park. According to the management, these litigations came to their notice only in the past six months. The management has indicated that initially the park will be set up across 27 acres which excludes the land under litigations. Hence, no further delay is expected in setting up the park. However, the area under litigation would be required for future expansion. If the company is not awarded the ownership of the remaining land, its ability to grow revenues from the park would be impacted; this is a key risk.

Wonderla Resort to boost footfalls but is low on returns

Wonderla started its hospitality business, Wonderla Resort, next to its Bengaluru-based park in March 2012. It is a three-star resort with 84 rooms and was set up with an investment of ₹280 mn. According to the management, they set up the resort based on feedback received from visitors who felt there was a need for an accommodation near the amusement park. This is in line with the global amusement park industry where most amusement parks have attached resorts. The resort will help the company attract visitors for corporate events, parties and wedding functions and should help in increasing footfalls at the park.

Wonderla Resort generated revenues of ₹59 mn in FY13 with occupancy of ~35% and average room rent (ARR) of ~₹3,700. It incurred a loss of ₹19 mn at the EBITDA level and ₹50 mn at the net level due to low occupancy. In 9MFY13, the occupancy further declined to 27% due to reduction in business from some corporate clients. However, revenues grew by 7% y-o-y due to 14% increase in ARR and higher food and beverages (F&B) sales. Losses at the EBITDA level declined to ₹1 mn from ₹18 mn in 9MFY13 due to increase in ARR and F&B sales.

We believe that the company may find it difficult to significantly ramp up occupancy levels as the resort is expected to get visitors mostly on weekends and during school vacations. Hence, margin generated by the resort may not be adequate. The management currently has no plans to open resorts at other locations (Kochi and Hyderabad). We believe that while the resort business is likely to increase footfalls in the Bengaluru park, it may not generate adequate returns. However, it is not expected to put any significant pressure on the overall profitability and returns of the company as it is a small investment (11% of 9MFY14 gross block, 17% of pre-IPO net worth, 15% of pre-IPO capital employed) compared with the overall net worth of the company post dilution.

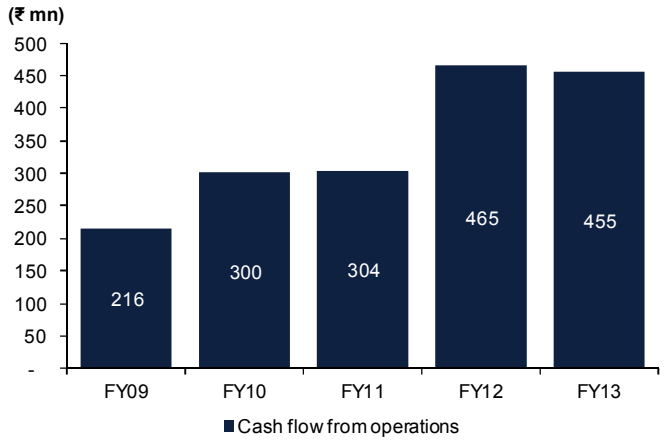
Lower capex and maintenance cost due to in-house ride manufacturing facility

To leverage the operational experience in the amusement park industry, Wonderla has developed an in-house manufacturing facility in Kochi to construct the rides used in its amusement park; it has constructed 42 rides till date. This has helped the company to reduce capex incurred on the rides; as per the management, the cost of a ride manufactured in-house is one-third of the cost of procuring the ride externally. This has also helped the company to build its in-house maintenance capabilities, thereby reducing the cost of maintenance and down-time for a ride.

Wonderla has been able to generate healthy cash flow from operations and high RoCE…

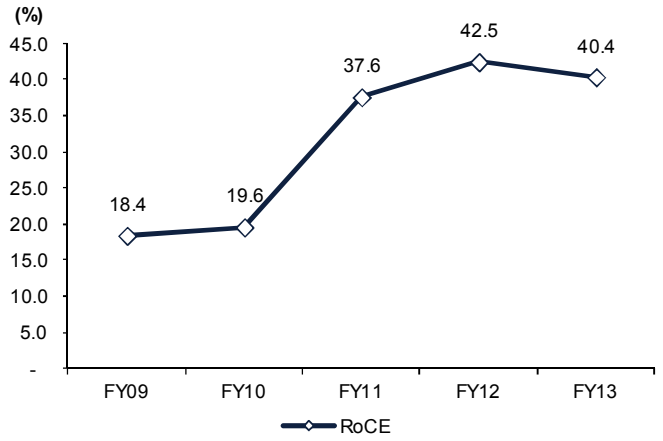
Wonderla has been able to maintain EBITDA margin of over 45% over the past five years. Further, the business is a negative working capital business as most payments are received upfront (ticket sales). Also, incremental capex per park is ₹25-50 mn per year which is small compared to the overall investment. These coupled with healthy growth in footfalls have resulted in healthy cash flow from operations (growth of 20.5% CAGR over FY09-13). Further, RoCE has increased from 18.4% in FY09 to 40.4% in FY13.

Figure 5: Wonderla has been able to generate healthy cash flow from operations



Source: Company, CRISIL Research

Figure 6: RoCE has improved due to higher operating leverage



Source: Company, CRISIL Research

… but returns may be under pressure as scale of operations increases

With the addition of new parks in Hyderabad and Chennai, the number of parks operated by Wonderla will double. Thereafter, the company plans to add one new park every three-four years. Investments in new parks are likely to be significantly higher than the cost of establishment of the Kochi and Bengaluru parks due to sharp increase in cost of land. Also, generally, an amusement park generates high RoCE after seven-eight years of commencement of operations once the assets reasonably depreciate and asset turnover picks up. Considering the above factors, the new parks are expected to pull down the company's overall returns in the first few years of operations.

New players are entering the industry…

India's amusement park industry is estimated to be worth ₹70 bn. It has grown at 15-20% CAGR over the past few years. Driven by its future potential, this industry is expected to see significant investments. Some of the large projects which have been commissioned recently and those in the pipeline are:

- Adlabs Imagica: This theme park is located on the Mumbai-Pune Expressway near Khopoli, Maharashtra (73 km from Mumbai) and is built across 110 acres (300 acres acquired) at a total capex of ₹16.5 bn. This park became operational in April 2013. The park currently has 21 rides; a water park and a 300-room hotel will be added over the next one year. The tickets for the amusement park are priced at ₹1,250-1,500 per person.
- Theme park in Surat: Atlanta Ltd (a Mumbai-based infrastructure company, businesses include EPC and BOT for road infrastructure, contract mining, residential and commercial real estate and tourism infrastructure), in association with the Government of Gujarat, is setting up a 3,500-acre theme park under a public-private partnership. This park will be located near the sea coast, 20 km from Surat, at an expected investment of ₹95 bn.
- Amusement parks in NCR and Jaipur: International Amusement Ltd (the company which operated Appu Ghar in New Delhi) is planning to set up the following amusement parks in North India:
  - Adventure Island and Metro Park, Rohini, New Delhi: This is a 50:50 JV with Unitech and is spread across 62 acres. A 200,000-sq ft shopping mall, a 35-acre artificial lake and a 24-acre amusement park with 26 land rides are already operational. The company plans to add a water park at this location.

- Entertainment City, Noida, Uttar Pradesh: This is a JV with the Unitech group and is spread across 147 acres. A 1,000,000-sq ft mall and an amusement park are already operational. The company plans to add a water park at this location.
- Jaipur Mega Tourism City, Jaipur, Rajasthan: This project is expected to come up on a 300-acre land allotted to the company by the Jaipur Development Authority for a lease period of 99 years. It is being planned as a two-three-day destination having offerings such as amusement park, water park, retail outlets, golf course and hotels. The total cost of the project is expected to be ₹25 bn, to be incurred in phases over the next six-seven years.
- Appu Ghar, Gurgaon, Haryana: To be developed over 58 acres, this project is expected to have an amusement park, water park, sports club and a retail complex. The land has been allotted to the company by Haryana Urban Development Authority.

Currently, there are no amusement parks planned at locations where Wonderla is present. However, entry of new players in the future is likely to impact footfalls at Wonderla's parks and is a key risk. Also, increasing competition may impact future expansion plans of the company.

… but Wonderla has early-mover advantage

Wonderla has a first-mover advantage at its existing locations, Kochi and Bengaluru. Since it set up operations 13 years ago in Kochi and eight years ago in Bengaluru, the company's cost of establishment is considerably lower than that of new entrants, which would enable it to competitively price its entry tickets. Even at the new proposed locations such as Hyderabad, the company is likely to have an edge over any new entrant in the industry due to its vast experience in running amusement parks. Also, the in-house ride manufacturing and maintenance capabilities are expected to keep Wonderla's costs (both capex as well as maintenance) lower than that of competitors.

Inability to acquire suitable land for future expansions is a key risk

Location of an amusement park is critical for its success as location has a bearing on footfalls. Hence, the inability to acquire a suitable land for future expansions, or delays in land acquisition (as the land is generally acquired from multiple parties), is a potential key risk.

Maintaining safety and hygiene standards is essential for future growth

Ensuring the safety of visitors on the rides is critical for the smooth operation of an amusement park. Wonderla ensures all safety and hygiene standards are met and it has stringent checks in place for the same. However, any accident in the future or inability to maintain hygiene standards may adversely impact footfalls and are potential risks.

Footfalls may be impacted by decline in discretionary spending, seasonal changes

Since amusement park visits are a part of discretionary spending, a decline in discretionary spending due to macroeconomic factors may impact the number of visitors. Also, footfalls in amusement parks are seasonal in nature, driven by favourable weather, vacations and popular festive holidays. Wonderla's parks see the maximum number of visitors during April-June and October-December. Typically, monsoon months are a lean period. Going forward, change in seasonal patterns may impact footfalls, as was seen in 9MFY14 (Kochi), and is a risk.

B. Financial Performance

Wonderla's operating income has grown at a four-year CAGR of 22% to ₹1.4 bn in FY13. Amusement park footfalls have grown at a CAGR of 10.4% and revenue per footfall has grown at a CAGR of 9% over the same period. FY13 revenues also include ₹59 mn from Wonderla Resort, which opened in March 2012.

Despite the decline in EBITDA margin in FY12 and FY13, the company has been able to maintain EBITDA margin of over 45% in the past five years. In FY12, it declined by ~300 bps y-o-y due to increase in power tariff both in Kerala and Karnataka, and revision in salary structure. In FY13, it further declined y-o-y by ~300 bps due to the commissioning of the Wonderla Resort which incurred losses in the first year of operations.

PAT was up at a four-year CAGR of 27% to ₹337 mn in FY13. PAT margin improved from 14.5% in FY10 to 24.3% in FY13 due to lower depreciation as a percentage of sales following increase in utilisation of assets due to rise in footfalls. Also, the company repaid debt as cash flows generated from operations were healthy, which reduced the net debt to equity to 0.2x in FY13 from 0.9x in FY10. This led to reduction in interest cost and further boosted PAT margin.

(₹ mn)	FY09	FY10	FY11	FY12	FY13	9MFY14
Total operating income	626	689	899	1,129	1,385	1,202
EBITDA	286	322	465	552	636	570
EBITDA margin	45.8%	46.7%	51.8%	48.9%	45.9%	47.5%
Adjusted net profit/(loss)	132	100	192	295	337	310
Adjusted net margin	21.0%	14.5%	21.4%	26.2%	24.3%	25.8%
Adjusted EPS (₹)	5.1	2.4	4.6	7.0	8.0	7.4
RoCE (%)	18.4	19.6	37.6	42.5	40.4	NM
RoE (%)	42.2	21.0	31.9	35.7	31.7	NM
No of equity shares (mn)	26	42	42	42	42	42
Net worth	457	490	716	937	1,191	1,505
Net debt-equity ratio (x)	1.4	0.9	0.2	0.2	0.2	0.1
Cash flow from operations	216	300	304	465	455	358

Source: Company, CRISIL Research

C. Management Capabilities and Corporate Governance

Highly experienced promoters manage the operations of the company

Wonderla is promoted by Mr Kochouseph Chittilappilly and his son Mr Arun Kochouseph Chittilappilly who lead the operations of the company as the vice chairman and managing director, respectively. Mr Kochouseph Chittilappilly, who has 14 years of experience in the amusement park industry, started the company's first park in Kochi in 2000. Along with Mr Arun Kochouseph Chittilappilly (joined the company in 2003), he has been able to expand the business and rapidly increase footfalls and revenues.

Top management is supported by a strong professional second line of management

Wonderla has highly experienced professionals handling key responsibilities. Most people in Wonderla's second line of management have been brought in from group company V-Guard Industries. The operations of the company are overseen by Mr Sivadas M (senior general manager – operations) who has been associated with the company since 2000 and has over 25 years of experience in technical and general administration. Mr Nandkumar T is the vice president – finance and has 16 years of experience in accounts and finance. Mr Ajikrishnan A G is the deputy general manager technical and has been associated with the company since 2006. He has 16 years of experience in the field of engineering and is currently responsible for managing the technical aspects of the company, including developing of new plans for various projects, managing and undertaking civil/construction, mechanical and electrical works. Based on our interactions with some of the personnel from the second line, we believe that the second line is highly competent. Further, they are updated with the latest developments in the industry as they visit amusement parks located abroad on a regular basis.

Board includes experienced independent directors from diverse backgrounds

Wonderla's board comprises five directors, of whom two are independent, which meets clause 49 of SEBI's listing guidelines. Chairman Mr George Joseph is an independent director; he has over 40 years of experience in the banking industry and was previously the chairman and managing director of Syndicate Bank. Mr Ramchandran Panjan Moothedath is the other independent director on the board and has over 30 years of experience. He had set up Jyothy Laboratories Ltd in 1983 and is currently the chairman and managing director of the same. Both the independent directors have been associated with the company since 2011.

Board processes in place, management is forthcoming with information

All the major decisions are discussed at the board meetings, and the independent directors receive the necessary documents in advance. The company currently has three committees (audit, remuneration and investor grievances) and all are chaired by independent directors. The company's quality of disclosure can be considered good judged by the level of information and details furnished in the DRHP, websites and other publicly available data. Based on our interactions with the management, we believe that the management is transparent and forthcoming with information.

Annexure I

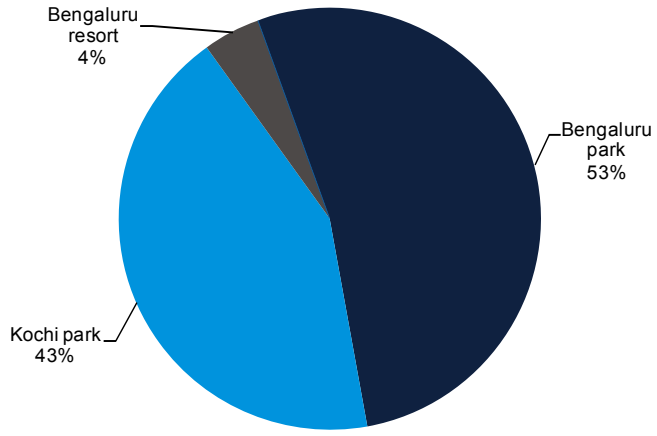
Business profile

Wonderla is one of the largest amusement park companies in India and currently operates two amusement parks – one in Kochi and one in Bengaluru. The company has been present in this industry since 2000 when it started its Kochi park. The Bengaluru park was commissioned in 2005. Wonderla also operates a resort in the premises of its Bengaluru park, which it started in March 2012. The rides are a mix of imported, domestically procured and in-house manufactured.

Wonderla's amusement park revenues are seasonal with maximum footfalls on weekends and during school vacations. The April to June (summer vacations) and October to December (holiday season) quarters are typically the peak quarters accounting for 35% and 25% of revenues respectively. Revenue streams for the amusement parks are ticket sales, sale of products (mainly merchandise and packaged food) and revenue share from restaurants located inside the park. Ticket sales accounted for ~87% of amusement park revenues in FY13. The company sells all packaged food at MRP. It controls the menu, quality and pricing at the restaurants present in the premises of the park, and also has a team for overall supervision of operations.

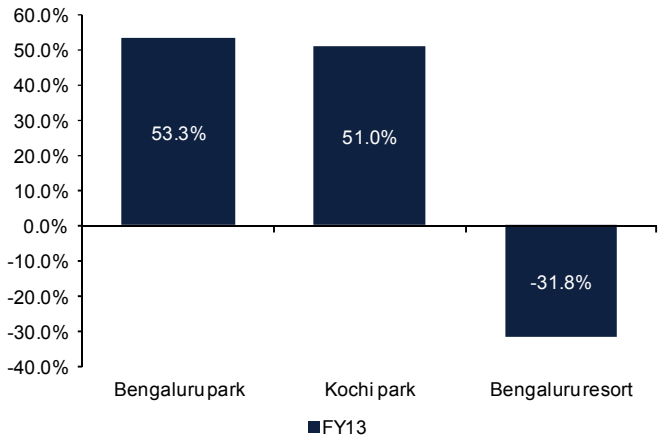
Marketing and sales promotions are done through direct and indirect modes. Under the direct mode of marketing, Wonderla's in-house marketing team reaches out to the potential customer base directly by conducting activities such as personal sales, college activation plans, kiosk activity plans at college festivals, etc. The company uses the indirect mode to widen its reach beyond the regions of its presence. It has engaged sales promotion agents and tour operators across southern India on a revenue sharing basis. The company also has a separate marketing team to target schools and colleges which report bulk footfalls; according to the management, 800 out of 1,000 schools located in Bengaluru visit Wonderla regularly. Also, a number of corporates conduct their events such as annual picnic and off-sites at Wonderla's parks.

Figure 7: FY13 revenue break-down



Source: Company, CRISIL Research

Figure 8: FY13 EBITDA margin profile



Note: Margin excludes corporate expenses

Source: Company, CRISIL Research

Annexure II: Profile of the Directors

Name	Designation	Age	Qualification	Yrs of Experience	Directorships / partnership in other entities
George Joseph	Chairman, non-executive director (independent)	63	Bachelor's degree in commerce	40+	*Other directorships:* 1. Muthoot Finance Ltd
Kochouseph Chittilappilly	Vice chairman, whole-time director	62	Post graduate degree in physics from Calicut University	35+	Other directorships: 1. V-Guard Industries Ltd 2. Veegaland Developers Pvt. Ltd 3. Pearl Spot Resorts Ltd 4. Vindico Properties Pvt. Ltd 5. Formose Properties Pvt. Ltd 6. Eventus Properties Pvt. Ltd 7. K Chittilappilly Foundation Trusts 1. Thomas Chittilappilly Trust
Arun Kochouseph Chittilappilly	Managing director	34	Master's degree in industrial engineering from Swinburne University of Technology, Australia	10+	Other directorships: 1. Eventus Properties Pvt. Ltd
Ramchandran Panjan Moothedath	Non-executive director (independent)	66	Diploma in financial management from University of Mumbai	30+	Other directorships: 1. Jyothy Laboratories Ltd 2. Sivasakhti Ayurvedic Research Centre Ltd 3. Jyothy Fabricare Services Ltd 4. Jyothy Consumer Products Ltd 5. Jyothy Consumer Products Marketing Ltd Foreign companies: 1. Jyothy Kallol Bangladesh Ltd Trusts: 1. Jyothy Laboratories Ltd Employees Group Gratuity Assurance Scheme 2. Jyothy Laboratories Ltd – Superannuation Scheme
Priya Sarah Cheeran Joseph	Non-executive director	34	Post graduate degree in public health from University of Melbourne, Australia	10+	Other directorships: Nil

Source: Company, DRHP

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