

**Caravela Casino Goa Private Limited**

**Audited Financial Statements for the Year Ended 31st March, 2014**

**AMIT DESAI & CO  
Chartered Accountants  
43, Sunbeam Apartment,  
3A Pedder Road, Mumbai 400 026.  
Email id : amitdesaiandco@gmail.com**

## INDEPENDENT AUDITORS' REPORT

To the Members of Caravela Casino (Goa) Private Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Caravela Casino (Goa) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. In our opinion the provision of the Companies (Auditor's Report) Order, 2003, ("the Order"), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 are not applicable.
2. As required by Section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956 on the said date.

For Amit Desai & Co  
Chartered Accountants  
Firm's Registration No. 130710W



*Mayur H. Shah*

(Mayur Shah)  
Partner @

Membership No. 147928



Mumbai: 26th May, 2014

**Caravela Casino Goa Private Limited**  
**Balance Sheet As At 31st March, 2014**

(Amount in Rupees)

| Particulars   | Note No. | As at            |                  |
|---|----------|------------------|------------------|
|   |          | 31st March, 2014 | 31st March, 2013 |
| <b>I. EQUITY AND LIABILITIES</b>                                    |          |                  |                  |
| <b>Shareholders' Funds</b>  |          |                  |                  |
| (a) Share Capital   | 2        | 100,000          | 100,000          |
| (b) Reserves & Surplus  | 3        | (164,883)        | (125,052)        |
|   |          | (64,883)         | (25,052)         |
| <b>Current Liabilities</b>  |          |                  |                  |
| (a) Short-Term Borrowings   | 4        | 50,000           | 50,000           |
| (b) Trade Payables  | 5        | 15,168           | 11,236           |
| (c) Other Current liabilities                                       | 6        | 1,686            | -                |
| <b>TOTAL</b>  |          |                  | <b>36,184</b>    |
| <b>II. ASSETS</b>   |          |                  |                  |
| <b>Current Assets</b>   |          |                  |                  |
| Cash & Bank Balance   | 7        | 1,971            | 36,184           |
| <b>TOTAL</b>  |          | <b>1,971</b>     | <b>36,184</b>    |
| Significant Accounting Policies & Notes to the Financial Statements | 1-11     |                  |                  |

As Per Our Report of Even Date  
 For Amit Desai & Co  
 Chartered Accountants



*Mayur H. Shah*  
 (Mayur Shah)  
 Partner



Mumbai: 26th May, 2014

For and on behalf of Board of Directors

*[Signature]*  
 Director

*[Signature]*  
 Director

**Caravela Casino Goa Private Limited**  
**Statement of Profit & Loss For The Year Ended 31st March, 2014**

(Amount in Rupees)

| <u>Particulars</u>   | <u>Note No.</u> | <u>Year Ended 31st March, 2014</u> | <u>Year Ended 31st March, 2013</u> |
|--|-----------------|------------------------------------|------------------------------------|
| <b><u>Income:</u></b>  |                 |                                    |                                    |
| Other Income   | 8               | 7,865                              |                                    |
| Total Revenue  |                 | 7,865                              | -                                  |
| <b><u>Expenses:</u></b>  |                 |                                    |                                    |
| Finance Costs  | 9               | 306                                | 7,865                              |
| Other Expenses   | 10              | 47,390                             | 45,066                             |
| Total Expenses   |                 | 47,696                             | 52,931                             |
| Loss Before Exceptional and Extraordinary Items and Tax              |                 | (39,831)                           | (52,931)                           |
| Exceptional Items  |                 | -                                  | -                                  |
| Loss Before Extraordinary Items and Tax                              |                 | (39,831)                           | (52,931)                           |
| Extraordinary Items  |                 | -                                  | -                                  |
| Loss Before Tax  |                 | (39,831)                           | (52,931)                           |
| Tax Expense  |                 |                                    |                                    |
| - Current Tax  |                 | -                                  | -                                  |
| Loss for the Year  |                 | (39,831)                           | (52,931)                           |
| Basic and Diluted Earning Per Share<br>(Face Value of Rs. 10/- Each) |                 | (3.98)                             | (5.29)                             |
| Significant Accounting Policies & Notes to the Financial Statements  | 1-11            |                                    |                                    |

As per Our Report of Even Date  
 For Amit Desai & Co  
 Chartered Accountants

*Mayur H. Shah*

(Mayur Shah)  
 Partner

Mumbai 26<sup>th</sup> May, 2014



For and on behalf of Board of Directors

*[Signature]*  
 Director

*[Signature]*  
 Director

**Caravela Casino (Goa) Private Limited**  
**Cash Flow Statement for the Year Ended 31st March, 2014**

(Amount in Rupees)

| Sr. No. | Particulars   | Year Ended 31st March, 2014 | Year Ended 31st March, 2013 |
|---------|---|-----------------------------|-----------------------------|
| A.      | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                    |                             |                             |
|         | Net Profit Before Tax and Extraordinary Items                 | (39,831)                    | (52,931)                    |
|         | <u>Adjustments For</u>  | -                           | -                           |
|         | Cash Flow before Changes in Working Capital                   | (39,831)                    | (52,931)                    |
|         | <u>Adjustments For</u>  |                             |                             |
|         | Increase / (Decrease) in Trade Payables & Other Liabilities   | 5,618                       | 6,824                       |
|         | Net Cash Flow from/(used in) Operating Activities (A)         | (34,213)                    | (46,107)                    |
| B.      | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                    | -                           | -                           |
|         | Net Cash Flow from/(used in) Investing Activities (B)         | -                           | -                           |
| C.      | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                    |                             |                             |
|         | Proceeds from Short Term Borrowings                           | -                           | 50,000                      |
|         | Net Cash Flow from/(used in) Financing Activities (C)         | -                           | 50,000                      |
|         | Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C) | (34,213)                    | 3,893                       |
|         | Cash & Cash Equivalents as at Beginning of the Year           | 36,184                      | 32,291                      |
|         | Cash & Cash Equivalents as at the End of the Year             | 1,971                       | 36,184                      |

**Notes :**

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the ICAI.
- Previous Year's figures have been regrouped wherever necessary to conform to the current year's classifications.

As Per Our Report of Even Date  
 For Amit Desai & Co  
 Chartered Accountants

*Mayur H. Shah*

(Mayur Shah)  
 Partner



For and on behalf of Board of Directors

*[Signature]*  
 Director

*[Signature]*  
 Director

Mumbai: 26<sup>th</sup> May, 2014

Note: 1

**Statement of Significant Accounting Policies**

a. **Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention, on accrual basis and in accordance with the generally accepted accounting principles in India ("GAAP"), and comply with the 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 September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

b. **Revenue Recognition**

- i Sale of Properties & Services are recognized when significant risks and rewards of ownership are passed on to customers or when the full / complete services have been provided. Sales are stated at contractual realizable value.
- ii. The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

c. **Fixed Assets**

There are no Fixed Assets owned by the Company.

d. **Depreciation**

No Depreciation provided as there are no Fixed Assets.

e. **Investments**

There are no Investments held by the Company

f. **Inventories**

There are no inventories held by the Company.

g. **Foreign Currency Transactions**

The Company has not received or paid any Foreign Exchange during the year.

h. **Borrowing Costs**

Borrowing costs that are directly attributable to and incurred on acquiring qualifying assets (assets that necessarily takes a substantial period of time for its intended use) are capitalized. Other borrowing costs are recognized as expenses in the period in which same are incurred.

i. **Taxation**

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the year.

i. **Current Tax**

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

ii. **Deferred Tax**

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. 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 carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

j. **Impairment of Assets**

The Company evaluates all its assets for assessing any impairment and accordingly recognizes the impairment, wherever applicable, as provided in Accounting Standard 28, "Impairment of Assets".

k. **Employee Benefit Expense**

There are no employees in the Company, hence provisions of Accounting Standard -15, "Employee Benefits" will not be applicable.



l. **Provisions, Contingent Liabilities and Contingent Assets**

- a) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and the amount of which can be reliably estimated.
- b) Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future event not wholly within the control of the Company.
- c) Contingent Assets are neither recognized nor disclosed in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

m. **Miscellaneous Expenditures**

Miscellaneous Expenditures are fully charged off in the year in which they are incurred.

2 **Share Capital:**

|  | As at 31st March, 2014 |         | As at 31st March, 2013 |         |
|--|------------------------|---------|------------------------|---------|
|  | No.                    | Rs.     | No.                    | Rs.     |
| <b>Authorised:</b>                           |                        |         |                        |         |
| Equity Shares Of Rs.10/- Each                | 10,000                 | 100,000 | 10,000                 | 100,000 |
| Total  |                        | 100,000 |                        | 100,000 |
| <b>Issued, Subscribed And Fully Paid-Up:</b> |                        |         |                        |         |
| Equity Shares Of Rs. 10/- Each               | 10,000                 | 100,000 | 10,000                 | 100,000 |
| Total  |                        | 100,000 |                        | 100,000 |

a) **Reconciliation of the Equity Shares at the Beginning and at the End of the Reporting Year**

| Particulars                        | As at 31st March, 2014 |         | As at 31st March, 2013 |         |
|------------------------------------|------------------------|---------|------------------------|---------|
|                                    | Equity Shares          |         | Equity Shares          |         |
|                                    | No.                    | Rs.     | No.                    | Rs.     |
| At the Beginning of the Year       | 10,000                 | 100,000 | 10,000                 | 100,000 |
| Issued During the Year             | -                      | -       | -                      | -       |
| Bought Back During the Year        | -                      | -       | -                      | -       |
| Outstanding at the End of the Year | 10,000                 | 100,000 | 10,000                 | 100,000 |

b) **Terms/Rights Attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders

c) **Details of Shareholders Holding More Than 5 % Shares in the Company**

| Particulars         | As at 31st March, 2014 |              | As at 31st March, 2013 |              |
|---------------------|------------------------|--------------|------------------------|--------------|
|                     | No. of Shares held     | % of Holding | No. of Shares held     | % of Holding |
| Delta Corp Limited* | 10,000                 | 100          | 10,000                 | 100          |

\*Delta Leisure and Entertainment Private Limited merged with Delta Corp Limited w.e.f. 01.04.2013.

(Amount in Rupees)

| 3 <b>Reserves &amp; Surplus</b>                                  | As at 31st March |           |
|--|------------------|-----------|
|  | 2014             | 2012      |
| <b>Surplus / (Deficit) as per Statement of Profit &amp; Loss</b> |                  |           |
| Opening Balance  | (125,052)        | (72,121)  |
| (+) Net Loss For the Current Year                                | (39,831)         | (52,931)  |
| Closing Balance  | (164,883)        | (125,052) |
| Total  | (164,883)        | (125,052) |





| (Amount in Rupees) |  |                  |               |
|--------------------|--|------------------|---------------|
| 4                  | Short -Term Borrowings   | As at 31st March |               |
|                    |  | 2014             | 2013          |
|                    | Unsecured  |                  |               |
|                    | Loan from a Related Party<br>(Interest Free and Repayable on Demand) | 50,000           | 50,000        |
|                    | <b>Total</b>   | <b>50,000</b>    | <b>50,000</b> |

| (Amount in Rupees) |                                      |                  |               |
|--------------------|--------------------------------------|------------------|---------------|
| 5                  | Trade Payables                       | As at 31st March |               |
|                    |                                      | 2014             | 2013          |
|                    | - Micro, Small and Medium Enterprise | -                | -             |
|                    | - Others                             | 15,168           | 11,236        |
|                    | <b>Total</b>                         | <b>15,168</b>    | <b>11,236</b> |

Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006.  
Company has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 as well as whether they have file required memorandum with the prescribed authorities. Based on the confirmations, if any, received the detail of outstanding are as under:

| (Amount in Rupees)  |                  |      |
|---|------------------|------|
| Particulars   | As at 31st March |      |
|   | 2014             | 2013 |
| The principal amount remaining unpaid at the end of the year  | -                | -    |
| The interest amount remaining unpaid at the end of the year   | -                | -    |
| The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year   | -                | -    |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006  | -                | -    |
| The amount of interest accrued and remaining unpaid at the end of each accounting year  | -                | -    |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006 | -                | -    |

| (Amount in Rupees) |                           |                  |          |
|--------------------|---------------------------|------------------|----------|
| 6                  | Other Current Liabilities | As at 31st March |          |
|                    |                           | 2014             | 2013     |
|                    | Duties and Taxes          | 1,686            | -        |
|                    | <b>Total</b>              | <b>1,686</b>     | <b>-</b> |

| (Amount in Rupees) |                                  |                  |               |
|--------------------|----------------------------------|------------------|---------------|
| 7                  | Cash & Bank Balance              | As at 31st March |               |
|                    |                                  | 2014             | 2013          |
|                    | <u>Cash and Cash Equivalents</u> |                  |               |
|                    | Balances with Bank               |                  |               |
|                    | Current Account                  | 1,971            | 36,184        |
|                    | <b>Total</b>                     | <b>1,971</b>     | <b>36,184</b> |

| (Amount in Rupees) |              |                       |          |
|--------------------|--------------|-----------------------|----------|
| 8                  | Other Income | Year Ended 31st March |          |
|                    |              | 2014                  | 2013     |
|                    | Misc. Income | 7,865                 | -        |
|                    | <b>Total</b> | <b>7,865</b>          | <b>-</b> |

| (Amount in Rupees) |                       |                       |              |
|--------------------|-----------------------|-----------------------|--------------|
| 9                  | Finance Costs         | Year Ended 31st March |              |
|                    |                       | 2014                  | 2013         |
|                    | Interest              | 306                   | -            |
|                    | Other Borrowing Costs | -                     | 7,865        |
|                    | <b>Total</b>          | <b>306</b>            | <b>7,865</b> |



| 10 Other Expenses         | Year Ended 31st March |        |
|---------------------------|-----------------------|--------|
|                           | 2014                  | 2013   |
| Auditor's Remuneration    |                       |        |
| - Audit Fees              | 28,090                | 28,090 |
| - Company Law Matters     | 15,730                | -      |
| - Out of Pocket Expenses  | 365                   | 430    |
|                           | 44,185                | 28,520 |
| Filing Fees               | 705                   | 816    |
| Legal & Professional Fees | -                     | 15,730 |
| Miscellaneous Expenses    | 2,500                 | -      |
| Total                     | 47,390                | 45,066 |

#### 11 Notes to the Financial Statements

- a In the opinion of the Directors there were no Contingent liabilities as at the Balance Sheet date.
- b Segment Disclosures  
Since there is only one segment in which Company is operating, segment reporting as required under the Accounting Standard 17 on Segment Reporting issued by the Institute of Chartered Accountants of India is not applicable.
- c Various Debit and Credit balances are subject to confirmations/reconciliation and consequent adjustments, if any. The Company is of the view that reconciliation(s), if any, arising out of final settlement of accounts with these parties is not likely to have any material impact on the accounts. The Current Assets, Loan and Advances are stated in the Balance Sheet at the amounts which are at least realizable in ordinary course of business.
- d The Net Worth of the Company is completely eroded, however, the Management has confirmed to provide the financial support to the Company.
- e Related Party Disclosures

Related parties and transactions with them during the year as identified by the Management are given below:

(i) Holding Company:

Delta Corp Limited (DCL)\*

\*Delta Leisure and Entertainment Private Limited (DLEPL) merged with Delta Corp Limited w.e.f. 01.04.2013.

(ii) Other Related Party Where Common Control Exists:

Highstreet Cruises & Entertainment Private Limited (HCEPL)



Details of transactions carried out with Related Parties in the ordinary course of Business:

(Amount in Rupees)

| Particulars of Transactions             | Holding Company |        | Other Related Party Where<br>Common Control Exists |       | Total  |        |
|---|-----------------|--------|--|-------|--------|--------|
|   | 13-14           | 12-13  | 13-14  | 12-13 | 13-14  | 12-13  |
| <b>Loan Taken</b>                       |                 |        |  |       |        |        |
| DCL                                     | -               | 50,000 | -  | -     | -      | 50,000 |
| <b>Total :</b>                          | -               | 50,000 | -  | -     | -      | 50,000 |
| <b>Sharing of Resources *</b>           |                 |        |  |       |        |        |
| HCEPL                                   | -               | -      | -  | -     | -      | -      |
| <b>Total :</b>                          | -               | -      | -  | -     | -      | -      |
| <b>Closing Balance as on 31st March</b> |                 |        |  |       |        |        |
| <b>Unsecured Loan</b>                   |                 |        |  |       |        |        |
| DCL                                     | 50,000          | 50,000 | -  | -     | 50,000 | 50,000 |
| <b>Total :</b>                          | 50,000          | 50,000 | -  | -     | 50,000 | 50,000 |

\*Transactions are of non-monetary consideration.



f Earnings Per Share:

(Amount in Rupees)

| Particulars   | 2013-14  | 2012-13  |
|---|----------|----------|
| Net Loss after Tax (Rs.)  | (39,831) | (52,931) |
| Numerator used for calculating Basic Earnings per Share   | (39,831) | (52,931) |
| Weighted average number of Equity Shares used as denominator for calculating Basic & Diluted Earnings Per Share | 10,000   | 10,000   |
| Basic and Diluted Earnings Per Share (Rs.)  | (3.98)   | (5.29)   |
| Nominal Value Per Equity Share (Rs.)  | 10       | 10       |

g Previous Year Comparatives

Previous year's figures have been regrouped/ rearranged/ recasted/reclassified wherever necessary to conform to current year's classification.



Mumbai : 26<sup>th</sup> May, 2014

For and on behalf of the Board of Directors

*[Signature]*  
Director

*[Signature]*  
Director