

# distinguished







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**“I believe we are a distinguished company with distinguished businesses and distinguished opportunities. We are ambitious and just beginning our journey. We are very excited about the next few years as we grow our businesses.”**

Dear Shareowners,

Welcome to a distinguished company.

We may be a relatively small company by size, but certainly not by ambition. We are a company that is extremely proud of what we have chosen to be part of. A lot of thought has gone into identifying businesses that are diverse, but have significant growth potential and entry barriers that are difficult to break. And we have attained leadership. We like to lead by thought, and execution.

Owing to the global recession which has occurred in the last eighteen months, led by the collapse of the global financial services industry and subsequent slowing down of world economies, very few companies have been able to expand globally. Delta Corp Limited, however, was one of them. Even in trying times, we continued to invest and build unique, distinguished and diverse businesses. We also demerged the textile business into a separate company. In a challenging year like 2008-09, we recorded revenues of Rs.10,862.76 lacs and grew our Balance Sheet to Rs.63,865.48 lacs, in the process of building two large businesses.

Consider this.

Two of our major initiatives, entertainment & gaming through the dominance of the casino opportunity in India and the real estate business through our Joint Venture Delta Corp East Africa Limited (DCEAL) in East Africa are a representation of our ability to think different, and think big.

Let us consider the casino gaming business. With the government of Goa easing regulations for casinos, Goa is equipped to be the gaming capital of India. And this is where we have established a leadership position. Of the six licenses that were issued, Delta Corp, today operates two gaming casinos – Casino Royale and King's Casino – and has a significant investor interest in a third Casino.

What differentiates our dominance is not just having the largest off-shore casino in the country, Casino Royale, with state-of-the-art offerings, but also creating an infrastructure that will help us unleash the growth potential of this business.

Going forward, we are starting a 42 room hotel (on board the MV Royale Flotel) catering to Casino Royale, which will lead to more visitations with the offer of convenient accommodation for guests visiting the casino.

We are also exploring the possibility of establishing ourselves in the onshore (land) casino gaming segment. Going forward, the Company is looking at setting up two onshore casinos in Goa, one each in North and South Goa. We also have an in-principle expression of Interest (EoI) for an onshore casino in Daman.



Next is our real estate business.

For this purpose, we have chosen East Africa. In our view, it is one of the fastest growing regions, especially with concern to countries like Kenya, Uganda and Tanzania. We are excited about the real estate opportunity, for both the demand for residential and commercial property as well as the shortfall in supply leading to capital appreciation. As a business model, we will be leasing the commercial properties to participate in capital appreciation in the long run.

DCEAL, our joint venture with a subsidiary of Reliance Industries Limited, India's largest private sector company, will help us dominate this space in East Africa. DCEAL has already acquired ten parcels of land, admeasuring approximately 803,720 square feet in Nairobi. Two commercial projects are already under development in upcoming commercial areas of Nairobi. DCEAL also owns a commercial property by the name of 'Delta House' in Nairobi, which was developed by DCEAL, following which, the said property has been leased out.

We continue to receive rental income of over Rs.250 million from our property in Prabhadevi, Mumbai in India. We are also currently consulting on three projects of Peninsula Land Limited, a leading real estate company.

And that is still not all. Our business interests extend into the segments of aviation and hospitality as well.

Our subsidiary, AAA Aviation Pvt. Ltd., is a licensed Non-Scheduled Operator (NSOP), operating its fleet for charter flights. Delta Corp also sees huge potential in the hospitality segment in India and has entered

into a joint venture with Peninsula Land Limited called PLL-Delta Hotels Private Limited, for the setting up of 3 and 4 star business hotels in urban locations in Western and Southern India.

As we roll out and execute our businesses of entertainment and gaming, and real estate together with aviation and hospitality, we are building a team of talented leaders to take our ambition forward, and with force. Mr. Ashish Kapadia is the new Managing Director of the Company, who as an entrepreneur has established and managed several businesses. He has experience in various industries including paints, textiles, polyester, financial services and aviation.

I believe we are a distinguished company with distinguished businesses and distinguished opportunities. We are an ambitious force to be reckoned with, and we are still young in our journey. We are very excited about the next few years as we roll our businesses. With your support and continued guidance, we will deliver consistent shareholder value.

Yours Sincerely,

**Jaydev Mody**  
Chairman



**Distinguished opportunity.  
Distinguished growth.  
Distinguished value.**



We believe in taking the road less traveled. We like identifying businesses that have infinite possibilities. We like to think big. We like to lead by thought.

We are a distinguished company.

Distinguished opportunity. Distinguished growth. Distinguished value.

Consider this.

The casino gaming business in the US forms 29% of the total gaming business next only to lottery. In India the lottery business is a USD 12.5 billion industry. And the casino gaming business?

Less than USD 50 million (Around 0.4% of the lottery business). That's a distinguished opportunity.

Indians love to bet. Be it on lottery, horse races, cricket or casinos. As India didn't have much to offer in the casino gaming segment, Indians travelled abroad so that they could bet and win. But that's not the case anymore.

Delta Corp Limited has given India its biggest off-shore live casino in Goa, Casino Royale that can cater to 888 customers at a time, including approximately 450 gaming customers. It has four operational decks with a 10,098 sq ft gaming area having 50 gaming tables and 30 slot machines. The Company also operates a 2,000 square feet off-shore casino called King's Casino and has 35% equity in Advani Hotels and Resorts which runs Casino Goa aboard the vessel 'Caravela', India's first off-shore gaming casino. Delta Corp operates two and has a strategic interest in the third of the five off-shore casino licenses given in Goa till date. That's the dominance.

Now consider this.

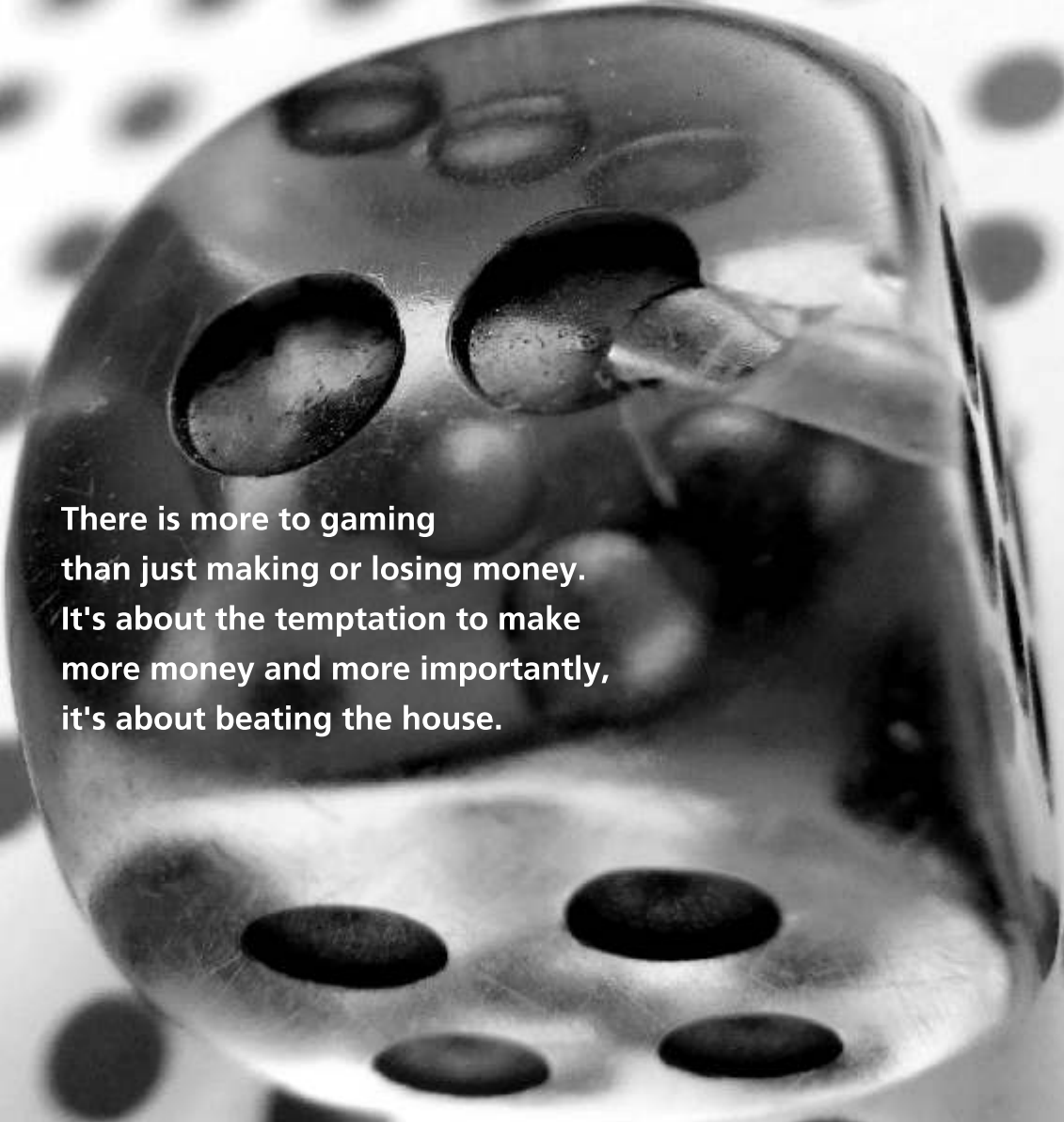
Africa is one of the most promising destinations and it will be India in next fifteen years. As the economies of Kenya, Uganda and Tanzania grow, the real estate opportunity looks massive. We prefer to call it distinguished.

Delta Corp Limited, in partnership with a wholly-owned subsidiary of Reliance Industries Limited is one of the largest real estate development companies in East Africa. With approximately 2 million square feet of development potential and a land bank of 803,720 square feet, this is the next big opportunity for the Company.

We are leaders by far in both the businesses. Both are new age businesses. Both have massive entry barriers. Both have infinite possibilities. Both have a steep growth curve. Both the businesses are in its infancy overlooking an opportunity that itself has massive growth possibilities. Apart from this, we have business interests in the aviation and hospitality segments as well.

We are focused and ready. To grow the opportunities. And to grow through them. It's a matter of time before Goa becomes India's answer to Las Vegas and Delta Corp Limited, a company that created this.

We believe we are a distinguished company that has identified distinguished opportunities in distinguished areas that will achieve distinguished growth and have the potential to create distinguished value for our distinguished shareowners.



There is more to gaming  
than just making or losing money.  
It's about the temptation to make  
more money and more importantly,  
it's about beating the house.





There is a sudden thrill in beating the house. And this temptation and excitement keeps getting people back. Again and again.

Globally, gaming and casino is a USD 310.6 billion market. The casinos segment contributes revenues of USD 63.8 billion, amounting to 20.5% of the market. Some of the most popular destinations in the world include Las Vegas, Atlantic City and Macau. To just gauge the impact of casinos on the economy, consider this.

Around 54.5 million people visited the Las Vegas casinos making 376 million trips in 2007 and contributed over USD 12.8 billion to the city alone. And the casinos there earn an EBIDTA margin in excess of 40%!

The casino gaming business in India is just shaping up. The business is in its infancy. The opportunity isn't.

Consider this.

Indians bet around USD 12.5 billion on lottery. In just one World Cup cricket match, Indians bet over USD 1.5 billion! To bet and to win is something everyone loves. And Indians are no different. 70% of the visitors at Nepal's casinos, the closest casino gaming venue before Goa allotted off-shore casino licenses, are Indians.


That's what makes the opportunity distinguished. There is an existing demand. But almost no supply. Indians spend money and go to Nepal, Genting and Macau. Time we get supply to the demand and not the other way around.

Goa is set to be India's Las Vegas.

Goa became the first location in the country to license live casino gaming. Six licenses have been issued so far for off-shore live casinos, of which two are with Delta Corp (Casino Royale and King's Casino) and we hold 35% equity in the company that owns the third and oldest live gaming casino (Casino Goa on board the vessel Caravela).

Till there is mankind and till there are human emotions of temptation and excitement, this opportunity will continue to grow. It is indeed distinguished.





We like to lead.  
We like to dominate.  
And we will continue to dominate  
the casino gaming business in India.



The casino gaming opportunity in India is just warming up. From just one off-shore casino, the Goa Government issued five more licenses. Delta Corp identified this opportunity early and went ahead to build a dominant business in this distinguished space. It got two licenses and acquired a 35% strategic interest in the first off-shore casino in India, Casino Goa aboard the vessel Caravela.

What distinguished Delta are not just the licenses and its dominance but the sheer thought leadership to dominate this space through infrastructure that is unparalleled and will support the creation of Goa as India's Las Vegas.

Consider this.

We like to think big. After all, gaming in casinos is about the aura and ambience. We created Casino Royale, the largest off-shore casino on the Mandovi River in Goa which can cater to 888 customers at a time including around 450 gaming customers. The casino has four operational decks with 50 gaming tables and 30 slot machines. All live gaming activities like American Roulette, Black Jack, Stud Poker, Baccarat, Pontoon, Flush, and Texas Hold'em are offered.

We invested in the best of food for our guests. There is a 6,000 square feet restaurant on board which is managed by the renowned China Garden. There is an amphitheatre, bar and helipad on the sun deck.

There are separate gaming zones to cater to the VIP and VVIP guests.

We also operate another off-shore casino called King's Casino. This has a capacity of 150 people. It offers live gaming options like American Roulette, Black Jack, Poker and Flush.

We have created distinguished infrastructure to support the growth.

- The casinos are serviced by a modern fleet of 6 fully air conditioned feeder boats (Gulf Crafts) with luxurious interiors.
- The Company has an infrastructure of 2 jetties (with 2 more in the pipeline) for smooth transit of guests. The Company has also acquired riverine land of 810.85 square metres at Betim and 2,700 square metres at Reis Magos village to develop jetties which will provide feeder services to the casinos. Both these jetties are on the opposite side of River Mandovi to the existing jetties. This will enable the Company to attract a significantly larger audience from both North and South Goa.
- The current boarding points for feeder boats for the casinos are Noah's Ark and Barco Lento. Noah's Ark is a floating restaurant on a beautiful, hand-crafted, wooden cruise boat serving world class food and wine. It also has a jetty allotted to it. Barco Lento is a floating bar and restaurant which offers a whole host of amenities including valet parking and a crèche.

The Company has around 35% equity in Advani Hotels and Resorts which runs Casino Goa. With this, Delta Corp dominates the casino gaming scene in India.

**Distinguished opportunity.**  
**Distinguished infrastructure.**  
**Distinguished ambience.**

**Distinguished Delta.**





In less than one year of operations  
we have grown to over 61,500 visitation's in our casinos.  
Expect more.





The last few years have been dedicated by Delta Corp to invest in and create the requisite infrastructure and lay the foundation on which it can not only build the company but also write the future of the casino gaming business in India.

We believe that the excitement and thrill of gaming is fundamental to human nature and Goa is the right destination for the same. There is something about Goa that resonates well with the gaming business. It just feels right. Like Las Vegas. Like Macau.



Casino Royale



King's Casino

If the beginning was as distinguished as the opportunity, so is the future.

Our first endeavour is now to create awareness about the casino gaming business in Goa and our casinos as a preferred destination. To achieve this, we are launching an advertising campaign in all major cities and have tied – up with the Times of India for promotional activities. We are also working on tie-ups with five star properties in Goa, travel agents and airlines. Also, a loyalty programme is in the pipeline to reward and incentivise regular highrollers.

We are building a distinguished business in this space.

Delta Corp is exploring options to make a foray into the onshore (land) casino gaming segment as well. And emerge as a leader. Over the next twelve to eighteen months, the Company is looking at setting up two onshore casinos in Goa, one each in North and South Goa. A 42-key hotel is in the pipeline on board the vessel 'MV Royale Flotel'. This will be attached to Casino Royale. Besides this, Delta Corp has an in-principle expression of Interest (EoI) for an onshore casino in Daman.

With its dominance and expertise in this space, the Company is well poised to enter into management contracts with existing players in Goa and penetrate new markets as they open up.

**The future is here.  
Distinguished and bright.**





 **DELTA**

**Africa is a land of opportunities.  
Africa is where India was 15 years back.**



Business is about identifying opportunities which others don't. That creates a distinguished and sustainable competitive advantage. Think of a Singapore or a Japan and think what if you were there before anyone else.

That's how we see East Africa.

East Africa (Kenya, Uganda and Tanzania) to us represents significant and distinguished opportunities. We have decided to focus on this region. We are building a significant business in the real estate sector. We believe the real estate market there is at an inflection. The increase in population and increased stability are the foundation to a potentially high growth real estate business. In our view, East Africa is one of the fastest developing and most promising regions in the time to come. And there is a scarcity of organized real estate developers in the region.



Delta Corner



Delta Centre

In short, a distinguished opportunity.

We chose the partnership model to build the real estate business there. And we partnered the best. The Company formed a 54:46 JV, Delta Corp East Africa Limited (DCEAL), with a wholly owned subsidiary of Reliance Industries Limited in January 2008 to explore opportunities in this space. DCEAL has acquired 803,720 square feet of land with a development potential of close to two million square feet. One project is already leased out. Two other projects are currently under development in Nairobi. Because the market is in its infancy, we only lease, keeping the opportunity for capital appreciation open.

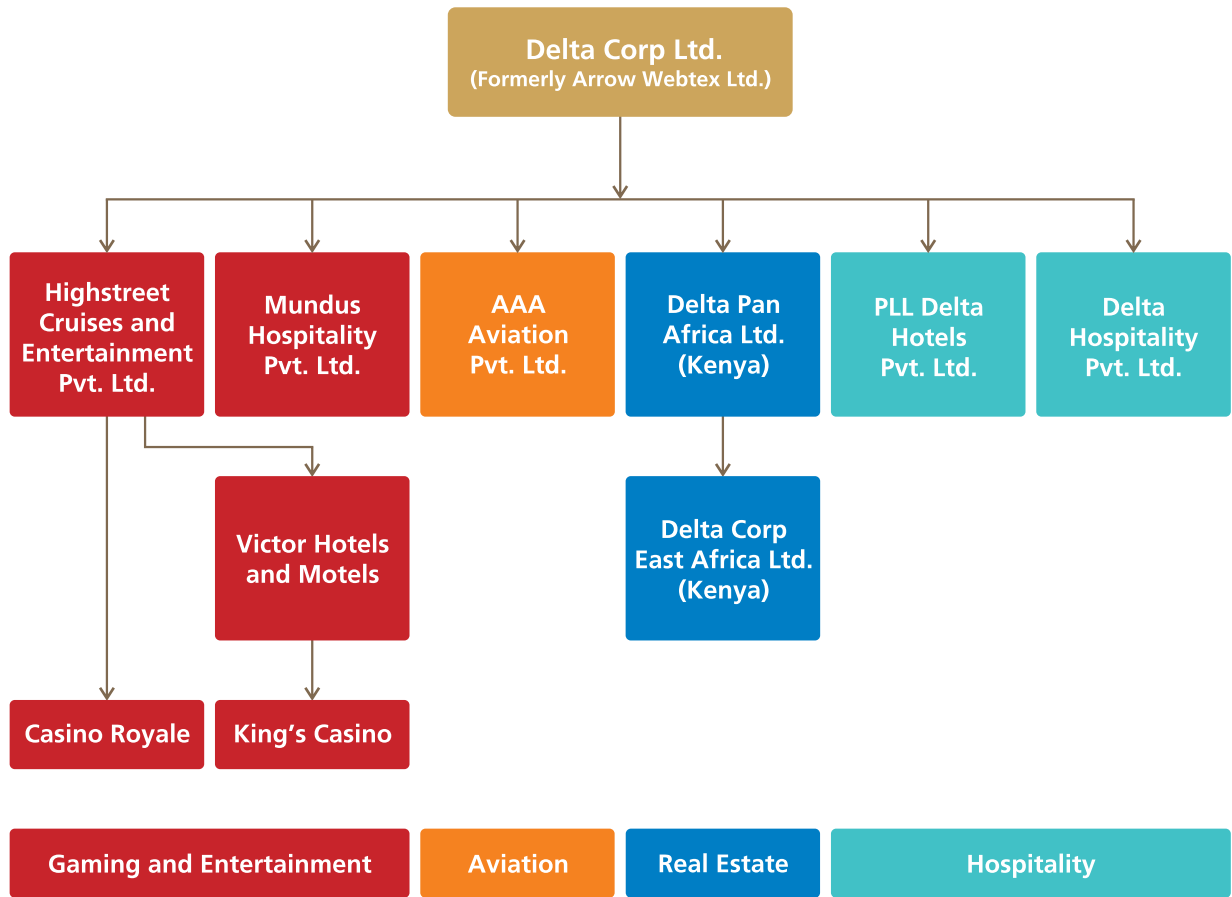
Besides, we also have a credible and distinguished real estate portfolio in India. With roots into real estate, the Company made a foray into the real estate leasing and consultancy services business in 2003. In India, currently, the Company generates consulting income from three ongoing projects of Peninsula Land Limited, a leading real estate company. Delta Corp also owns a prime property (Trade Plaza) in Prabhadevi, Mumbai which is spread over approximately 135,000 square feet. The building has been leased out and the Company receives lease income in excess of Rs. 250 million every year from this property.

Real estate is an important part of Delta Corp's diverse business interests. Going forward, the Company may look at other markets globally to establish its presence as a global real estate player.

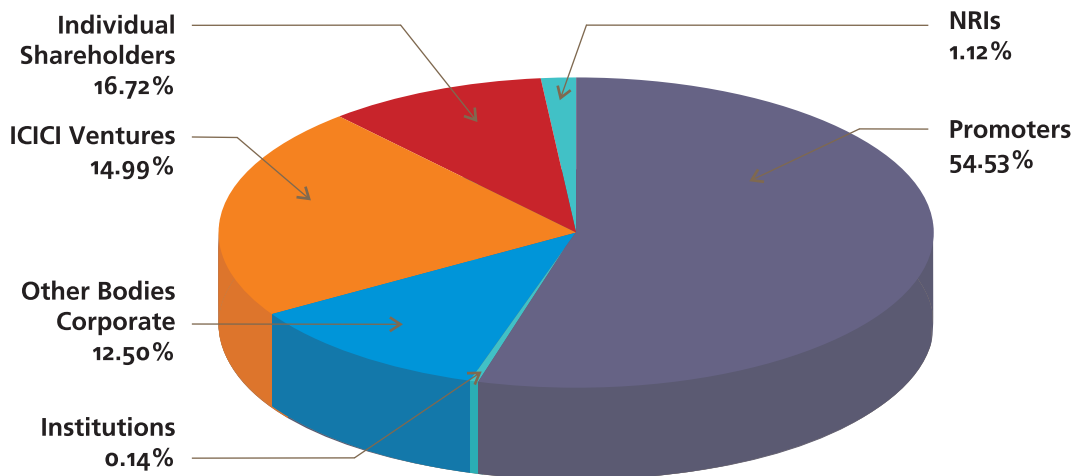
**Distinguished East Africa.  
Distinguished Real Estate.**

**Distinguished Delta.**

# COMPANY STRUCTURE



## SHAREHOLDING







**Our journey began in 1983 as Arrow Webtex.**

**We currently operate in the following business segments :**

### Entertainment & Gaming

- 2 off-shore casinos in Goa - Casino Royale and King's Casino
- 35% stake in the third and oldest offshore casino in Goa – Casino Goa
- In-principle Expression of Interest (EoI) for a casino in Daman

### Real Estate

- East Africa - 54:46 JV with a wholly-owned subsidiary of Reliance Industries Limited
- Rental income from Trade Plaza, a property developed by Delta Corp in Mumbai
- Income from consultancy services in real estate

### Hospitality

- PLL-Delta Hotels Pvt. Ltd. – a 50:50 JV with Peninsula Land Limited, a leading Indian real estate company, to set up 3 and 4 star hotels in western and southern India

### Aviation

- NSOP license for flight chartering services

**Our differentiator and Pride**

### Casino Royale

- India's largest casino vessel at 31,900 square feet
- Live gaming area – 10,098
- Can cater to 888 customers at a time including 450 gaming customers
- 4 operational decks with 50 gaming tables and 30 slot machines
- Separate gaming zones for VIP and VVIP guests
- Amphitheatre and helipad on the sun deck
- 6000 square feet of restaurant managed by the famous China Garden
- Helipad
- A 42-key floating hotel will be attached to the casino
- 6 high-speed feeder boats for ferrying guests

### King's Casino

- A 2000 square feet gaming casino
- Capacity of 150 people
- The Company plans to increase the size of the vessel in the near future





**Mr. Jaydev Mody**  
**Chairman**

Mr. Jaydev Mody, 54 years of age, is a well known businessman and has been in business for more than 32 years. He has more than 22 years of experience in the field of real estate development and has been instrumental in building and developing Crossroads, one of the first shopping malls of international standards in India. He has been instrumental in the development of several large residential complexes, office complexes and retail destinations in and around Mumbai. He is currently involved in the development of Ashok Towers, Ashok Gardens, Peninsula I.T. Park, etc. and other landmark projects with international standard amenities.



**Mr. Ashish Kapadia**  
**Managing Director**

Mr. Ashish Kapadia, 39 years of age, holds a bachelor's degree in commerce. Mr. Kapadia is an entrepreneur having established and managed several businesses. He has experience in various industries inter alia including paints, textiles, polyester, financial services and aviation. Mr. Kapadia was appointed as a non-executive director on our Board on October 1, 2008. On April 27, 2009 he was appointed as the Managing Director of Delta Corp Limited.



**Ms. Ambika Kothari**

Ms. Ambika Kothari, 32 years of age, has done her graduation in Economics from Wellesley College, Wellesley. She has expertise in Financial and Managerial Accounting which she has studied at MIT Sloan School of Management, Cambridge as well as in Quantitative Methods in Business and Economics which she pursued at Harvard University. Her experience also extends to the fields of business administration and management, team building and analysis. Her career trail includes stints with reputed international analyst firms such as Rhone Group LLC, New York, Goldman Sachs & Company, New York and Moody's Investor Service, Singapore. She was an active member of the Financial Women's Association, Singapore and gave valuable contributions as Committee Member of INSEAD Professional Women Forum, Singapore. Currently, she is an active participant in the activities of the IMC Young Entrepreneurs Wing in India.



**Mr. Mahesh S. Gupta**

Mr. Mahesh S. Gupta, 53 years of age, holds an Honours Degree in B.Com; L.L.B (Gen.), Fellow Member of The Institute of Chartered Accountants of India and also of The Institute of Company Secretaries of India. He has an outstanding academic record and is a rank holder and a silver medalist in Company Secretaries Final Examination. As Group Managing Director of the Ashok Piramal Group, he oversees all the businesses of the Ashok Piramal Group which comprises mainly of Real Estate (Peninsula Land Limited), Textiles (Morarjee Textiles Limited, Integra Apparels & Textiles Limited), Engineering (Miranda Tools Private Limited, PMP Components Private Limited, PMP Bakony Wiper Systems Limited and PAL International s.r.o.). Mr. Gupta has over 3 decades of professional experience in business management and in all aspects of Corporate Finance such as treasury management, mergers and acquisitions, strategic planning, direct taxation, company law matters, etc. Mr. Gupta was awarded the CFO of the Year Award (2001), Special Commendation for Financial Excellence (Mergers & Acquisitions Category) by IMA (formerly known as EIU), New Delhi. Mr. Gupta is on the Board of several listed companies.



## Mr. Rajesh Jaggi

Mr. Rajesh Jaggi, 40 years of age and a Management professional from Babson Graduate School of Business, Boston, U. S. A. He has over 12 years of involvement and expertise in every sector of the real estate business, from sourcing and construction of ventures to management, facility management, marketing and sales of diverse asset classes. He was the Executive Director at Orbit Group of Companies, a prominent Real Estate Group. Mr. Jaggi has been associated with high profile mega projects in the Indian real estate scenario, ranging from establishing of 'Crossroads' – the first world-class mall in India - as a brand name, to creating various innovative processes of mall management and facility management with Peninsula Facility Management Services Private Limited. Mr. Jaggi's previous experience as Executive Director at Orbit Group of Companies has equipped him with the knowledge and operational skills required to make a difference in the real estate sector.



## Mr. Rajeev A. Piramal

Mr. Rajeev A. Piramal, 33 years of age, he holds a Bachelors Degree in Business Administration from Baldwin Wallace College, Cleveland, U.S.A. Mr. Piramal began his career as a Management Trainee at Nicholas Piramal India Limited (now known as Piramal Healthcare Limited) before joining Crossroads where he was responsible for the entire mall operations. Mr. Piramal has significant expertise of over 6 years in the real estate sector and is currently involved in project planning and execution and has been instrumental in formulating the strategies for the Real Estate Business of the Company. His name has featured in the top 50 Young Achievers selected by India's largest circulated newsweekly magazine (India Today, 2006).



## Dr. Vrajesh Udani

Dr. Vrajesh Udani, 53 years of age, is a leading Pediatric Neurologist. He is a consultant at the P.D. Hinduja National Hospital and Medical Research Centre. He is also an Assistant Professor of Paediatrics at the Grant Medical College and JJ Group of Hospitals, Mumbai. He is also a Member of the Indian Academy of Paediatrics and Neurological Society of India.



## Mr. Sudarshan Bajoria

Mr. Sudarshan Bajoria, 35 years of age, has been with ICICI Venture since 2000. Prior to this, he has over 2 years of industry experience at Reliance Industries Limited. He brings a blend of experience in investment management, business development, appraisal, valuation and structuring. He has been with real estate practice for last 2 years. He was involved in the Acquisition of property at Worli, Mumbai for GlaxoSmithKline and purchase & later sale of property at Cyber Gateway, Hitech City, Hyderabad. Prior to association with real estate practice, he has worked on multiple investments across sectors. He has also executed several exits of portfolio companies of the earlier funds managed by ICICI Venture including sale to strategic investors. He is also on the board of various companies.





**Mr. Nileesh A. Shah**

**Executive Vice-Chairman, Delta Corp East Africa Limited**

Mr. Nileesh Shah, 53 years of age, is a certified chartered accountant. Mr. Shah has been instrumental in the incorporation and management of number of companies in Africa including Creative Exports Limited which is engaged in the business of supplying emergency aid equipment to NGOs operating out of East Africa and Shah Kanji Lalji and Sons (Kenya) Limited, which is engaged in the business of import & distribution of fertilizers. He has over 30 years of experience in the conduct of various successful businesses in East Africa.



**Mr. Madabhushi Soundararajan**

**Managing Director, Delta Corp East Africa Limited**

Mr. Madabhushi Soundararajan, 59 years of age, is a holder of a Masters Degree (Arts) from Madras University (India) and a Certificate in International Banking (New York University, USA). He has 33 years local and international work experience in commercial and investment banking having previously held senior positions with State Bank of India (India and U.S), Standard Chartered Bank (India and Kenya) and Commercial Bank of Africa Limited (Executive Director-Corporate Banking).

Mr. Soundararajan joined CFC Group in March 2000 as the Managing Director of CFC Financial Services Company and took up the position in CFC Bank as Director - Corporate Banking in October 2002. In June 2005, he was appointed Managing Director of CFC Bank. Mr. Soundararajan sits on the boards of several companies including the Central Depository & Settlement Corporation Limited, CFC Life Assurance Limited, CFC Financial Services Limited, Heritage A.I.I. Insurance Company Limited and Heritage A.I.I. Insurance Company (Tanzania) Limited.



**Mr. Sylvester Mutharia**

**Director, Delta Corp East Africa Limited**

Mr. Sylvester Mutharia, 44 years of age, is the CEO of TMS Consulting Group Limited, retained by Delta to provide the full range of technical and project management services exclusively for Delta's projects. Mr. Mutharia obtained BA in Building Economics from University of Nairobi (1987) and is a post graduate degree in Business Administration from USIU, Nairobi (2000). Mr. Mutharia is a corporate member and the current chairman of the Institute of Quantity Surveyors of Kenya; he is also an associate member of the Chartered Institute of Arbitrators, Kenya branch.

Mr. Mutharia has been invited to join the Board of Delta as a non executive director to guide and advise on technical aspects of property development.



**Mr. Ashish Kapadia**

**Managing Director**

Mr. Ashish Kapadia, 39 years of age, holds a bachelor's degree in commerce. Mr. Kapadia is an entrepreneur having established and managed a several businesses. He has experience in various industries inter alia including paints, textiles, polyester, financial services and aviation. Mr. Kapadia was appointed as a non-executive director on our Board on October 1, 2008. On April 27, 2009 he was appointed as the Managing Director of Delta Corp Limited.



**Mr. Arun Kapoor**

**Group Chief Executive Officer**

Mr. Arun Kapoor, 47 years of age, is a multi-lingual, multi-cultural graduate from Mumbai and completed his Degree in Hotel Management from Switzerland has over 25 years of rich experience in Hospitality and General Management. He has worked with Fortune 500 companies like Office Depot and Phillips with his last assignment being with Phillips. He has traveled around the globe and carries with him expertise in areas of Hospitality and Service.



**Mr. Anil Malani**

**President (Operations), Highstreet Cruises and Entertainment Private Limited**

Mr. Anil Malani, 42 years of age, is a bachelor of commerce from Mumbai University and has over 25 years of experience having been involved in versatile businesses ranging from hospitality, entertainment, information technology, electronics & office automation. He has in the past been associated with Esquire group of companies, Aims International Ltd., Amazon Food & Beverages Pvt. Ltd. (Garcia's Famous Pizza) with his last assignment being with Clover Solar Pvt. Ltd. He has traveled around the globe extensively and has the distinction of being the fifth resident Indian to stay in Prague for 18 months (1991-1992) just after the velvet revolution.



**Mr. Hardik Dhebar**

**Group Chief Financial Officer**

Mr. Hardik Dhebar, 34 years of age, holds a Post Graduate Diploma in Finance from the Welingkar Institute of Management, and has an experience of over 13 years in finance and treasury operations. He has in the past worked with the Piramal group of companies, including holding positions of responsibility in Nicholas Piramal India Limited, Peninsula Land Limited and Morarjee Textiles Limited.





**Mr. Narinder Punj**

**Managing Director, Highstreet Cruises and Entertainment Private Limited**

Mr. Narinder Punj, 54 years of age, is Bachelor of commerce from St. Xavier's College, Kolkata and has more than 30 of experience in the hospitality, entertainment and gaming industries. He has in the past been associated with various hotels, land based and cruise-based casinos inter alia including Hotel Holiday Inn, Juhu, Hotel Al-Mansour Melia, Baghdad, Royal Caribbean Cruise Lines, Royal Viking Lines, Norwegian Cruise Lines, Casino Poland, Casino Goa and Casino Bucharest, in various designations including casino inspector, assistant casino manager and casino director of the said casinos.



**Captain Vijay Kumar Madan**

**Director, AAA Aviation Private Limited**

Captain Vijay Kumar Madan, 51 years of age, is masters in science in defense studies from Chennai University and has more than 30 years of experience in the aviation industry. Capt. Vijay Kumar Madan is an experienced pilot who is credited with raising and operationalising a non-scheduled aviation company in 2005 in India. He has been actively involved in all facets of raising, managing day to day operations of a chartered aviation services company, including construction of hangar, helipads, storage and other engineering facilities. He in the past has been the Director Operations and Futuristic Planning at Aviation Directorate (Army Headquarters), managing a fleet of 207 helicopters.



**Mr. Bora Ozel**

**General Manager, Highstreet Cruises and Entertainment Private Limited**

Mr. Bora Ozel, 40 years of age, has more than 20 years of experience in the casino and hospitality industry. In the past he has been the assistant casino manager in Casino Goa, surveillance executive with Star Cruises Ship Board Hotel & Casino Hong Kong, Thailand, Singapore, Taiwan, Japan, Malaysia, China, Australia and inspector, pit manager and shift manager with Oasis Casino Resort & Hotel (CAP), Jericho, Israel.



### **THE BOARD OF DIRECTORS**

Mr. Jaydev Mody	Chairman
Ms. Ambika Kothari	
Mr. Ashish Kapadia	Managing Director
Mr. Mahesh Gupta	
Mr. Rajeev Piramal	
Mr. Rajesh Jaggi	
Mr. Sudarshan Bajoria	
Dr. Vrajesh Udani	

### **Group Chief Financial Officer**

Mr. Hardik Dhebar

### **Company Secretary & Compliance Officer**

Mr. Hitesh Kanani

### **Registered Office**

Clover Classic, G-4,  
Ground Floor, North Main Road,  
Koregaon Park, Pune - 411 001, Maharashtra.  
Website: [www.deltacorp.in](http://www.deltacorp.in)

### **Statutory Auditors**

M/s. Amit Desai & Co  
Chartered Accountants

### **Bankers**

Axis Bank Limited  
ABN Amro Bank  
Yes Bank

### **Share Transfer Agents**

Freedom Registry Limited  
(Formerly Amtrac Management Services Limited)  
Plot No. 101 / 102, MIDC,  
19th Street, Satpur,  
Nasik - 422 007, Maharashtra.  
Phone : (0253) 2354032  
Facsimile : (0253) 2351126  
e-mail : [amtrac\\_nsk@sancharnet.in](mailto:amtrac_nsk@sancharnet.in)

### **Shares Listed on**

Bombay Stock Exchange Limited  
National Stock Exchange of India Limited



Notice is hereby given that the 18th Annual General Meeting of members of Delta Corp Limited will be held on Friday, 25th September, 2009 at 1.30 p.m. at Peninsula Centre, No. 4, Galaxy Co-Op. Housing Society, Off Dhole Patil Road, Pune - 411 001, Maharashtra, to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2009 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Preference Shares and Equity Shares.
3. To appoint a Director in place of Dr. Vrajesh Udani, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Mahesh Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), M/s. Amit Desai & Company, Chartered Accountants and M/s. Haribhakti & Company, Chartered Accountants, be and are hereby appointed as Joint Statutory Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company, at a remuneration as may be decided by the Board of Directors of the Company.”

**Special Business:**

6. **Appointment of Mr. Ashish Kapadia as a Director of the Company.**

To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956

(including any statutory modification or re-enactment thereof for the time being in force), Mr. Ashish Kapadia, who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and in accordance with Articles of Association of the Company and whose term of office expires at the commencement of this meeting and in respect of whom notice under Section 257 of the Companies Act, 1956, has been received from a member, signifying his intention to propose Mr. Ashish Kapadia, as a candidate for the office of the Director of the Company, together with necessary deposits, be and is hereby appointed as Director of the Company.”

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ONLY ON A POLL AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. An explanatory statement under Section 173 of the Companies Act, 1956, in respect of Item No. 6 to be transacted at the Meeting is appended hereto.
3. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from 18th September, 2009 to 25th September, 2009 (both days inclusive).
4. Members are requested to note that the name of the Company's Registrars and Share Transfer Agent was changed from Amtrac Management Services Limited to Freedom Registry Limited with effect from 16th April, 2009. However the address of the Company's Registrars and Share Transfer Agent remains the same.
5. Members who hold shares in physical form are requested to notify immediately any change in their addresses to the Registrars and Share





Transfer Agents of the Company and to their respective Depository Participants, in case shares are held in electronic mode.

6. Section 109A of the Companies Act, 1956, permits nomination by shareholders of the Company in prescribed Form No. 2B. Shareholders are requested to avail this facility. The duly filled in and signed Form No. 2B should be sent to the Registrars and Share Transfer Agents of the Company at their Nasik address.
7. In order to render better and efficient services, we request you to consolidate the multiple folios which are in the same names and in identical order. Consolidation of folios does not amount to transfer of shares and therefore no stamp duty or other expenses are payable by you. In case you decide to consolidate your folios, you are requested to forward your share certificates to the Registrars and Share Transfer Agents of the Company at their Nasik address.
8. The Company, consequent upon the introduction of the Depository System (DS), entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Members, therefore, have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. In view of the numerous advantages offered by the Depository System, members holding shares of the Company in physical form are requested to avail of the facility of dematerialization.
9. To prevent fraudulent transactions, we urge the Members to exercise due diligence and notify the Company of any change in address/ stay in abroad or demise of any shareholder as soon as possible. Members are requested not to leave their demat account dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
10. Electronic Clearing Service (ECS) helps in quick remittance of dividend without possible loss/delay in postal transit. Members are requested to fill-in the form which is available with the Company's Registrars and Share Transfer Agents and forward the same to the Company's Registrars and Share Transfer Agents, if the shares are held in physical form and to the Depository Participant in case the shares are held in dematerialized form.
11. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 10 days before the Annual General Meeting, so that the same can be suitably replied.
12. At the ensuing Annual General Meeting, Dr. Vrajesh Udani and Mr. Mahesh Gupta, shall retire by rotation and being eligible, offer themselves for re-appointment and Mr. Ashish Kapadia shall also be confirmed as Director of the Company at the same meeting. The particulars of Dr. Vrajesh Udani, Mr. Mahesh Gupta and Mr. Ashish Kapadia, pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges are forming the part of this Notice.

**By Order of the Board of Directors**

**Hitesh Kanani  
General Manager  
Company Secretary and Legal**

Mumbai, 28th July, 2009.

**Registered Office:**

Clover Classic, G-4, Ground Floor,  
North Main Road, Koregaon Park,  
Pune - 411 001, Maharashtra.



## ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### ITEM NO. 5

The Board of Directors of the Company has recommended to appoint M/s. Haribhakti & Company, Chartered Accountants, as Joint Statutory Auditors of the Company with M/s. Amit Desai & Company, Chartered Accountants, who retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

M/s. Amit Desai & Company and M/s. Haribhakti & Company, have given their consent to act as Joint Statutory Auditors, if appointed /re-appointed.

None of the Directors of the Company are interested in this resolution, except as a member of the Company.

### ITEM NO. 6

The Board of Directors appointed Mr. Ashish Kapadia, as an Additional Director of the Company with effect from 1st October, 2008 at their Meeting held on 30th September, 2008. Subsequently the Board of Director appointed Mr. Ashish Kapadia as a Managing Director of the Company at their meeting held on 27th April, 2009 and the same was confirmed by the members of the Company at the Extra Ordinary General Meeting held on 22nd May, 2009.

Under Section 260 of the Companies Act, 1956, Mr. Ashish Kapadia holds office as Director up to the date of the forthcoming Annual General Meeting.

The Company has received notice from a member, under Section 257 of the Companies Act, 1956, signifying his intention to propose the appointment of Mr. Ashish Kapadia as Director of the Company. Subsequent to his appointment as a Director, he will continue to act as a Managing Director of the Company as per the terms and conditions mentioned in the Notice of the Extra Ordinary General Meeting held on 22nd May, 2009 and which was duly approved by the members of the Company.

Mr. Ashish Kapadia is not disqualified from being appointed as Director in terms of Section 274 (1) (g) of the Companies Act, 1956.

Brief profile of Mr. Ashish Kapadia, as required under Clause 49 of the Listing Agreement entered with the Stock Exchanges, is forming the part of this Notice.

Save and except, Mr. Ashish Kapadia, no other Directors of the Company are interested in the resolution, except as a member of the Company.

**By Order of the Board of Directors**

**Hitesh Kanani**  
**General Manager**  
**Company Secretary and Legal**

Mumbai, 28th July, 2009.

**Registered Office:**

Clover Classic, G-4, Ground Floor,  
North Main Road, Koregaon Park,  
Pune - 411 001, Maharashtra.

**ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR  
RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING  
(IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)**



**Dr. Vrajesh Udani**

**Date of Birth**

27th December, 1955

**Date of Appointment**

15th March, 2007

**Qualification**

Dr. Vrajesh Udani is a Pediatric Neurologist.

**Profile and Expertise**

Dr. Vrajesh Udani is a consultant at the P.D. Hinduja National Hospital and Medical Research Centre. He is also an Assistant Professor of Paediatrics at the Grant Medical College and JJ Group of Hospitals, Mumbai. He is also a Member of the Indian Academy of Paediatrics and Neurological Society of India.

**Number of shares held in the Company, Individually or Jointly/ on a beneficial basis.**

Dr. Vrajesh Udani holds 70,000 Equity Shares of the Company

**Directorships held in other Companies**

Richtime Realty Private Limited

**Memberships/Chairmanships of Committees of other public companies (includes only Audit Committee and Shareholders/Investors Grievances Committee)**

Nil



**Mr. Mahesh Gupta**

**Date of Birth**  
30th June, 1956

**Date of Appointment**  
15th March, 2007

**Qualification**

Mr. Mahesh Gupta holds an Honours Degree in B.Com; L.L.B (Gen.), Fellow Member of The Institute of Chartered Accountants of India and also of The Institute of Company Secretaries of India.

**Profile and Expertise**

He as Group Managing Director of the Ashok Piramal Group, oversees all the businesses of the Ashok Piramal Group which comprises mainly of Real Estate (Peninsula Land Limited), Textiles (Morarjee Textiles Limited, Integra Apparels & Textiles Limited), Engineering (Miranda Tools Private Limited, PMP Components Private Limited, PMP Bakony Wiper Systems Limited and PAL International s.r.o.). Mr. Gupta has over 3 decades of professional experience in business management and in all aspects of Corporate Finance such as treasury management, mergers and acquisitions, strategic planning, direct taxation, company law matters, etc. Mr. Gupta was awarded the CFO of the Year Award (2001), Special Commendation for Financial Excellence (Mergers & Acquisitions Category) by IMA (formerly known as EIU), New Delhi. Mr. Gupta is on the Board of several listed companies.

**Number of shares held in the Company, Individually or Jointly/ on a beneficial basis.**

Mr. Mahesh Gupta holds 46,500 Equity Shares of the Company

**Directorships held in other Companies**

- Ashok Piramal Management Corporation Limited
- Boom Realty Private Limited
- Ceat Limited
- Champs Elysee Enterprises Private Limited
- City Parks Private Limited
- Delta Magnets Limited
- Morarjee Textiles Limited
- Peninsula Investment Management Company Limited
- Peninsula Land Limited
- Peninsula Pharma Research Centre Private Limited
- Renato Finance & Investments Private Limited
- RPG Life Sciences Limited
- Topvalue Brokers Private Limited

**Memberships/Chairmanships of Committees of other public companies (includes only Audit Committee and Shareholders/Investors Grievances Committee)**

- Ceat Limited-[Member of Audit Committee & Chairman of Shareholders/Investors Grievances Committee]
- Delta Magnets Limited-[Chairman of Audit Committee]
- Morarjee Textiles Limited-[ Member of Share Transfer Committee]
- Peninsula Land Limited-[ Member of Share Transfer Committee]
- Peninsula Investment Management Company Limited- [ Member of Audit Committee]
- RPG Life Sciences Limited-[ Member of Audit Committee & Shareholders and Investors Grievances Committee]



**Mr. Ashish Kapadia**

**Date of Birth**

20th September, 1969

**Date of Appointment**

1st October , 2008

**Qualification**

Mr. Ashish Kapadia, holds a bachelor's degree in commerce.

**Profile and Expertise**

Mr. Kapadia is an entrepreneur having established and managed a several businesses. He has experience in various industries inter alia including paints, textiles, polyester, financial services and aviation. Mr. Kapadia was appointed as a non-executive director on our Board on October 1, 2008. On April 27, 2009 he was appointed as the Managing Director of Delta Corp Limited.

**Number of shares held in the Company, Individually or Jointly/ on a beneficial basis.**

Mr. Ashish Kapdia is not holding any Share in the Company

**Directorships held in other Companies**

- Aryanish Finance and Investment Private Limited
- Delta Magnets Limited
- Delta Real Estate Consultancy Private Limited
- Dacapo Brokerage India Private Limited
- Elixir Infotech Private Limited
- Freedom Registry Limited
- Freedom Training Academy Private Limited
- Highstreet Cruises and Entertainment Private Limited
- Mundus Hospitality Private Limited
- Newplaza Multitrade Private Limited

**Memberships/Chairmanships of Committees of other public companies (includes only Audit Committee and Shareholders/Investors Grievances Committee)**

- Delta Magnets Limited – [Member of Share Transfer and Investors Grievance Committee]



Your Directors present their 18th Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2009.

**Financial Highlights**

(Rupees in Lacs)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2009	Year ended 31.03.2008	Year ended 31.03.2009	Year ended 31.03.2008
Income for the year	<b>4389.64</b>	6500.66	<b>10862.76</b>	10651.02
Profit before Interest, Depreciation and Tax	<b>3601.93</b>	3574.99	<b>4853.39</b>	4950.50
Finance Charges	<b>(2491.83)</b>	(994.19)	<b>(3061.16)</b>	(1384.81)
Profit before Depreciation and Taxes	<b>1110.10</b>	2,580.80	<b>1792.23</b>	3,565.72
Depreciation	<b>(69.48)</b>	(215.27)	<b>(331.09)</b>	(238.50)
Provisions for Taxation/ Deferred Tax	<b>(204.30)</b>	(793.66)	<b>(561.01)</b>	(1,326.93)
Prior Period Items / Extra Ordinary Items	<b>(4.96)</b>	(13.90)	<b>68.29</b>	(15.29)
Profit on Discontinued Operations	-	-	-	10.60
Profit / (Loss) from Associates	-	-	<b>(0.45)</b>	(0.28)
Minority Interest	-	-	<b>(308.37)</b>	(346.72)
Net Profit for the Current Year	<b>831.37</b>	1,557.97	<b>659.60</b>	1,648.60
Earlier Years Balance Brought forward	<b>271.75</b>	312.58	<b>173.91</b>	124.11
Net Profit available for Appropriation	<b>1103.12</b>	1,870.55	<b>833.51</b>	1,772.71
Appropriation:				
Proposed dividend on Equity Shares	<b>(301.06)</b>	(542.11)	<b>(301.06)</b>	(542.11)
Proposed dividend on Preference Shares	<b>(97.91)</b>	(97.91)	<b>(97.91)</b>	(97.91)
Dividend Distribution Tax	<b>(67.80)</b>	(108.77)	<b>(67.80)</b>	(108.77)
Transfer to General Reserves	<b>(250.00)</b>	(850.00)	<b>(250.00)</b>	(850.00)
Balance carried to Balance Sheet	<b>386.36</b>	271.75	<b>1164.75</b>	173.91

**Dividend**

Your Directors are glad to recommend dividend @ 8 % on the Preference Share Capital (i.e. Rs. 0.80 per Preference Share of Rs. 10/- each) and @ 20 % on the Equity Share Capital (i.e. Rs. 0.20 per Equity Share of Re. 1/- each) of the Company.

**Operations**

During the year under review, your Company recorded a total income of Rs. 10862.76 lacs (Consolidated) and Net Profit of Rs. 833.51 lacs (Consolidated). For further information kindly refer to Management Discussion and Analysis Report, forming a part of this report.

**Demerger of Textiles Business**

During the year, the Scheme of Arrangement between Company and M/s. Arrow Textiles Limited for Demerger of Textiles Division of the Company was approved by the Hon'ble High Court (Judicature at Bombay) vide its order dated 22nd August, 2008. Pursuant to the Scheme, the

Textile division of the Company was transferred to M/s. Arrow Textiles Limited and in consideration of the same, the Equity Shareholders of the Company were allotted 1(one) Equity Share of Rs. 10/- each in M/s. Arrow Textiles Limited for every 10 (Ten) Equity Shares of Re. 1/- each held in the Company.

**Subsidiary Companies**

The Central Government, in exercise of the powers conferred by Section 212 (8) of the Companies Act, 1956, has directed, on a application of the Company, that the provisions contained in Section 212 (1)of the Companies Act, 1956, shall not apply in respect of the subsidiaries of the Company, for the financial year ended 31st March, 2009. Accordingly, the annual accounts of the subsidiary companies have not been attached to the Balance Sheet of the Company as at 31st March, 2009. The annual accounts of the subsidiary companies and the related information will be made available to the investors of the Company and subsidiary companies seeking such information. The annual



accounts of the subsidiary companies are also available for inspection, during business hours, at the Registered office of the Company and/or at the head offices of the respective subsidiary companies. As per the terms of the exemption letter, a statement containing brief financial details of the Company's subsidiaries for the year ended 31st March, 2009 is forming a part of this Annual Report.

#### **Group for Inter se Transfer of Shares**

As required under Clause 3(1)(e)(i) of the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (Takeover Regulations), persons constituting group (within the meaning of group defined in Monopolies and Restrictive Trade Practices Act, 1969) for the purpose of claiming exemption from applicability of the provisions of Regulations 10 to 12 of the Takeover Regulations, are given in Annexure A to this Report.

#### **Corporate Governance Report**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the Management Discussion & Analysis Report and Corporate Governance Report together with Certificate from a Practising Company Secretary, on compliance with the conditions of Corporate Governance as laid down, forms a part of this Annual Report.

#### **Particulars of Employees**

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. However, having regard to the provisions of Section 219 (1) (b) (iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all members of the Company and other entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered office of the Company.

#### **Particulars Regarding Conservation of Energy, Technology Absorption And Foreign Exchange**

The particulars as required under Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are furnished in the Annexure B to this report.

#### **Directors**

The Board of Directors appointed Mr. Ashish Kapadia, as an Additional Director of the Company with effect from 1st October, 2008 at their Meeting held on 30th September, 2008. Subsequently the Board of Director appointed Mr. Ashish Kapadia as a Managing Director of the Company at their meeting held on 27th April, 2009 and the same was confirmed by the members of the Company at the Extra Ordinary General Meeting held on 22nd May, 2009.

Under Section 260 of the Companies Act, 1956, Mr. Ashish Kapadia holds office as Director up to the date of the ensuing Annual General Meeting.

At the ensuing Annual General Meeting Dr. Vrajesh Udani and Mr. Mahesh Gupta will retire by rotation and being eligible, offer themselves for re-appointment, in terms of provisions of Articles of Association of the Company.

The brief resume/details relating to Directors, who are to be appointed/re-appointed are furnished in the explanatory statement to the Notice of the ensuing Annual General Meeting.

Your directors recommend their appointment/reappointment at the ensuing Annual General Meeting.

#### **Change of Name**

During the year, name of the Company was changed from Arrow Webtex Limited to Delta Corp Limited, with effect from 31st October, 2008.

#### **Convertible Warrants**

The Company has issued 1,50,00,000 warrants convertible into Equity Shares to Mr. Jaydev Mody, Promoter of the Company, on preferential basis and out of the same upto 28th July, 2009, Mr. Jaydev Mody has transferred following warrants:

Names of Persons	No. of Warrants
M/s. Bennett Coleman & Company Limited	12,34,568
M/s. Brand Equity Treaties Limited	37,03,703
Mr. Deepak Lulla	1,00,000
Mrs. Sangeeta Lulla	2,25,000
Ms. Mriganka Lulla	1,00,000
Mr. Advay Lulla	1,25,000
Mrs. Neelam Tapia	4,50,000
Mr. Azim Tapia	2,00,000
<b>TOTAL</b>	<b>61,38,271</b>



The aforesaid 61,38,271 warrants have been converted into 61,38,271 Equity Shares of Re. 1/- each. The paid up Equity Capital has accordingly increased to Rs.14,16,66,401/- divided into 14,16,66,401 Equity Shares of Re.1/- each.

#### **Directors' Responsibility Statement**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm that:

1. in the preparation of the annual accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs as at 31st March, 2009 and of the profit of the Company for the year under review;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. the Directors have prepared the accounts for the financial year ended 31st March, 2009 on 'going concern' basis.

#### **Deposits and Loans/ Advances**

During the year under review, the Company has not accepted any fixed deposits from the public.

#### **Auditors & Auditors Report**

The Board of Directors have recommended to appoint M/s. Amit Desai & Co., Chartered Accountants and M/s. Haribhakti & Co., Chartered Accountants as Joint Statutory Auditors of the Company. M/s. Amit Desai & Co. and M/s. Haribhakti & Co., have given their consent to act as joint statutory auditors, if re-appointed / appointed. Members are requested to consider their re-appointment / appointment. The auditors comments on the Company's accounts for the year ended on 31st March, 2009 are self explanatory in nature and do not require any explanation as per the provisions of Section 217(3) of the Companies Act, 1956.

#### **Acknowledgements**

Your Directors express their sincere appreciation of the co-operation received from shareholders, bankers and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance of the Company during the year.

**For and on behalf of the Board of Directors**

**Jaydev Mody  
Chairman**

Mumbai, 28th July, 2009.

#### **Registered Office:**

Clover Classic, G-4,  
Ground Floor, North Main Road,  
Koregaon Park, Pune - 411 001,  
Maharashtra.





## ANNEXURE A

The following are the persons constituting group (within the meaning of group defined in Monopolies and Restrictive Trade Practices Act, 1969) for the purpose of claiming exemption from applicability of the provisions of Regulations 10 to 12 of the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Jaydev Mukund Mody	Elixir Infotech Private Limited
Zia Jaydev Mody	Freedom Registry Limited
Anjali Jaydev Mody	Highland Resorts Private Limited
Aarti Jaydev Mody	Highstreet Cruises & Entertainment Private Limited
Aditi Jaydev Mody	Intertrade Mercantile Company Private Limited
Anjali J Mody Trust	J M Holdings (USA) Inc.
Aarti J Mody Trust	J M Holdings Limited, Dubai (UAE)
Aditi J Mody Trust	J M Livestock Private Limited
AAA Holding Trust	J M Mega Properties Private Limited
AAA Aviation Private Limited	J M Property Management Private Limited
AAA Township Private Limited	J M Real Estates Private Limited
Aarti Management Consultancy Private Limited	J M Realty Management Private Limited
Aditi Management Consultancy Private Limited	J M Township & Real Estate Private Limited
Aero Ports & Infrastructure Projects Private Limited	Jayem Real Estate Private Limited
Alibagh Farming and Agriculturist Company Private Limited	Jayem Realty Management Private Limited
Anjoss Trading Private Limited	Jayem Realty Solutions Private Limited
Arrow Textiles Limited	Mundus Hospitality Private Limited
Coastal Sports Ventures Private Limited	Newplaza Multitrade Private Limited
Dacapo Brokerage India Private Limited	Onestar Mercantile Company Private Limited
Delta Corp East Africa Limited	Outreach Mercantile Company Private Limited
Delta Holdings (USA) Inc.	Pavurotti Finance and Investment Private Limited
Delta Hospitality Private Limited	Richtime Realty Private Limited
Delta Magnets Limited	Riteline Exports Private Limited
Delta Pan Africa Limited	Seastar Trading Company Private Limited
Delta Real Estate and Consultancy Private Limited	Victor Hotels and Motels Limited
Delta Realities Limited	West Star Agro - Realities Private Limited
Delta Square Limited	



## ANNEXURE B

### FORM - A

#### Disclosure of particulars with respect to conservation of energy

##### A. Power and Fuel consumption:

1. a. Purchased	2008-09*	2007-08
Unit:		
('000 KWH)	-	1390.59
Total Amount (Rs. in lacs)	-	70.36
Rate / per unit (KWH)	-	5.06
<b>b. Own Generation</b>		
(i) Through diesel generator	-	NIL
(ii) Through steam turbine/generator	-	NIL
2. Coal	-	NIL
3. Furnace Oil, LSHS & L.D. Oil	-	NIL
4. Others / Internal Generation	-	NIL

##### B. Consumption per unit of Production:

Electricity		
Narrow Fabrics (per mtr.)	-	0.200
Labels (per piece)	-	0.025

The consumption of electricity depends upon the product mix used and the nature of the product manufactured. Thus the above indicates an average consumption per unit of production.

\* During the year, the Scheme of Arrangement between Company and M/s. Arrow Textiles Limited for Demerger of Textiles Division of the Company was approved by the Hon'ble High Court (Judicature at Bombay) vide its order dated 22nd August, 2008. Pursuant to the Scheme, the Textile division of the Company was transferred to M/s. Arrow Textiles Limited. Hence this information for the financial year ended 31st March, 2009 is not provided.



## FORM - B

### Disclosure of particulars with respect to technology absorption etc.:

#### Research and Development

1. Specific Areas in which R & D has been carried out by the Company : N I L.
2. Benefits derived as a result of the above R & D: Not Applicable.
3. Expenditure on R & D : N I L

#### Technology Absorption, Adaptation & Innovation : N I L

#### Foreign Exchange Earnings and Outgo:

During the year, the foreign exchange outgo was Rs. 443.52 Lacs (Last Year Rs. 5885.28 Lacs) the foreign exchange earned was Rs. Nil (Last Year Rs. 45.98 Lacs)

For and on behalf of the Board of Directors

Jaydev Mody  
Chairman

Mumbai, 28th July, 2009.

#### Registered Office:

Clover Classic, G-4,  
Ground Floor,  
North Main Road,  
Koregaon Park,  
Pune - 411 001,  
Maharashtra.



## **1. Economic overview**

2008-09 was a challenging year for the global economy. The global liquidity crisis spurred by sub-prime lending, spread across asset classes and paralyzed the world economy. In India, an uncertain political environment, high borrowing costs and later a global slump slashed exports and moderated domestic demand. The rupee depreciated sharply against the dollar. FIIs withdrew capital from foreign destinations to conserve cash. Despite the above conditions, India's GDP is estimated to have grown at 6.7% during the year. Given this growth and the recent rise of the rupee against the dollar, India is once again a trillion dollar economy. Per capita income has crossed Rs. 3000 per month for the first time ever at Rs. 37,490 per annum.

A quarterly survey conducted by the RBI and released in May 2009 projects India's GDP to grow at 7.5% over a 10-year period. This growth is expected to ride on the back of domestic demand rather than overseas business, propelled by the strong fundamentals of the economy. 70% of India's billion plus population is below the age of 30, contributing to rising incomes and spurring a boom in consumption and spending. Approximately 55% of the population will be urban by 2050, up from the current 29%. Recreation spends are likely to increase manifold in the coming years. These factors are expected to provide a major impetus to the economy going forward.

## **2. Industry overview**

### **Entertainment & gaming**

The global casinos and gaming industry was a USD 310.6 billion market in 2008, having grown at the rate of 6.2% during the year. The casinos segment comprises of gaming in brick-and-mortar casinos, including land-based casinos, river boats, dockside casinos, tribal casinos, casinos at racetracks (racinos) and limited stakes casinos (sports betting and internet gaming are excluded). The gaming segment comprises all other forms of wagered gaming including lotteries, racing and sports betting, bingo, pachinko and gaming machines not located on casino premises.

The gaming segment was more lucrative in 2008, generating approximately 79.5% of the industry's overall value. The casinos segment contributed revenues of USD 63.8 billion, equating to 20.5% of the aggregate revenue. The Asia Pacific region comprising Australia, China (including Hong Kong and Macau), Japan, India, Singapore, South Korea and Taiwan accounted for approximately 30% share of the industry.

The casinos and gaming industry operates differently from country to country in accordance with the respective legislative and regulatory barriers. It has been growing at a healthy rate in recent years despite being highly fragmented and intensely competitive. While there has been a decline in growth in 2009, it is expected to accelerate once again in the near future.

Casinos represent a sizeable opportunity in this space. In the US, casino gaming represents around 29% of the industry. Casinos don't really gamble. The odds of the games ensure that in the long run, the house will always come out ahead. Globally, casinos operate with high EBIDTA margins between 35-50% with fixed costs providing high operating leverage. Slot Machines, Rummy, Stud Poker, Baccarat, Pontoon, Flush, Black Jack (game of cards), Double Zero Roulette and Magic Wheel are some of the most popular casino games.

### **India**

Indians wager over USD 15 billion annually and this is only the reported amount. The legalized gaming industry is very nascent in India, being limited to lotteries and betting on horse races. Up until recently, only one offshore casino license had being granted. Regulations banning legalized gaming have resulted in people flocking to neighbouring countries like Nepal and Sri Lanka.



Goa became the first location in India to license live casino gaming. Casino Goa aboard the vessel Caravela is an offshore live casino which has been operational since 1999. In order to further develop the gaming industry by attracting high-spending Indians frequenting Kathmandu casinos as well as the deep-pocketed tourists from West Asia, the Government of Goa has issued five more offshore casino licenses. It has also decided not to issue anymore licenses. Four offshore casinos have begun operation. Nine land casinos are also present in 5 star hotels (live gaming is not permitted here). Other than Goa, Sikkim and Daman are the only Indian states that permit casinos.

### **Real estate**

In 2008 the credit crisis and the ensuing recession dragged the global real estate markets into a difficult period marked by value losses, rising foreclosures and reduced property revenues. After an unprecedented meltdown, real estate values have significantly rationalized. Industry experts anticipate a slow recovery, hampered by risk aversion and constricted financing sources in the time to come.

According to ASSOCHAM, the Indian real estate market is estimated to be approximately USD 15 billion. A number of reforms introduced by the Government in recent years have contributed to the development of this sector in the past and will facilitate future growth. The share of FDI in real estate is expected to increase in the coming years with the gradual relaxation of ceiling in construction space permitted to foreign investors.

While the real estate sector in India experienced a slowdown across asset classes in 2008-09 due to the global economic crisis, the long term prospects of the sector remain good. The strong fundamentals of the economy (favourable demographics, rapid urbanization and rising income levels) coupled with domestic demand across all asset classes are expected to renew demand and growth in the real estate sector.

The management has identified East Africa (Kenya, Uganda and Tanzania) as a real estate market with high growth potential, fuelled by an increase in population and relative stability in the region. There is a lot of demand for East African real estate accompanied by a significant increase in real estate prices particularly in some regions like Nairobi. Most businesses in Nairobi especially larger organizations are relocating from the Central Business District, the commercial hub of the city (due to overcrowding), to satellite areas such as Upper Hill, Westlands, Kilimani and Mombasa Road which are fast developing into commercial centres. In the heart of Nairobi, there is a rectangular zone formed by Kenyatta Avenue, University Way, Uhuru Highway and Moi Avenue. The area inside this region has the highest occupancy rates, despite relatively high rent, due to its accessibility from most residential neighborhoods around Nairobi.

### **Hospitality**

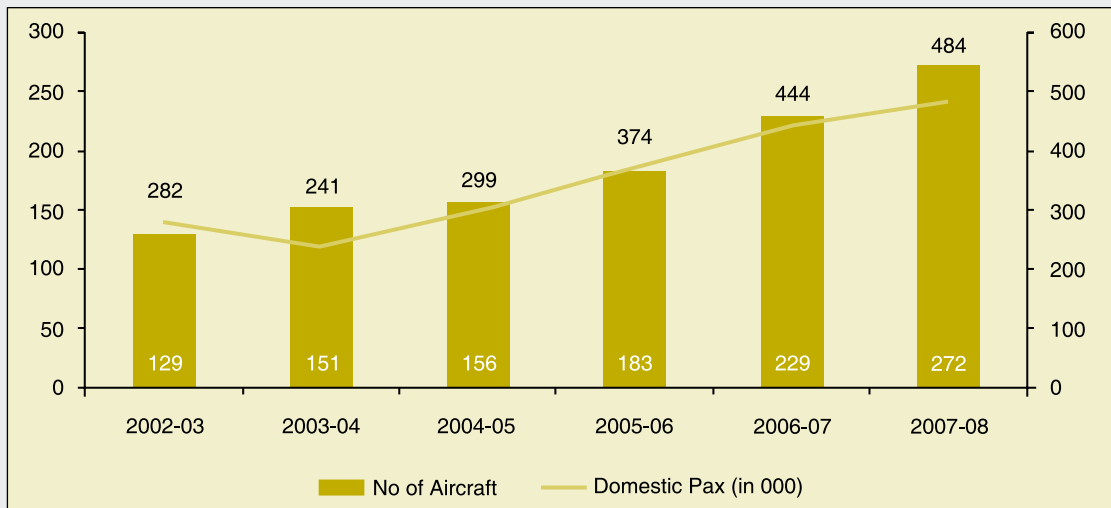
Over the past few years, a favourable economy has ensured growing business and leisure travel. Rising incomes, frequent weekend trips and online access to travel information have given a further boost to domestic travel. These in turn have led to stupendous growth in the Indian hospitality industry. The industry has more than doubled in size from Rs. 77.13 billion in 2003-04 to Rs. 186.71 billion in 2007-08, registering a CAGR of 27%. The current global recession however is expected to lead to lower corporate and leisure travel expenditure over 2008-09 and 2009-10, thus having a negative impact on room demand and RevPARs (Revenue Per Available Room). Room inventory is also likely to increase over the coming years and will further dampen RevPARs as hoteliers reduce ARR (Average Room Rates) in the face of increasing competition. However, the long term outlook of the sector remains good due to a significant shortage in supply of rooms in comparison to the increasing demand.



### Charter aviation

The International Air Transport Association (IATA) in its latest estimates this year reckons India to be a driving force behind the world’s civil aviation business that is globally expected to register revenues of USD 467 billion in 2009.

#### Chartered Aviation Industry in India



The no. of non-scheduled operators in the country increased from 66 in 2007 to 99 in 2008. The number of domestic passengers transported by non-scheduled operators has grown at a CAGR of 11.04% from 282,432 passengers in 2002-03 to 483,823 passengers in 2007-08. The number of aircrafts with non-scheduled permit operators has also grown at a CAGR of 16.09% from 129 aircraft in 2002-03 to 272 aircraft in 2007-08. (Source: Directorate General of Civil Aviation (DGCA))

Charter air operators have, in the past, principally included large industrial houses that maintain aircraft fleets primarily for their own use and rent out their spare aircraft capacities to others. However in recent times, the Indian charter business has also seen the emergence of charter companies for whom this business is not for captive use but is the primary business itself.

### 3. Business overview

Delta Corp Limited is a fast growing Indian company operational in the entertainment & gaming, real estate, hospitality and aviation segments of the industry. Formerly known as Arrow Webtext Limited, the Company demerged its textile business into a separate company called Arrow Textiles Limited w.e.f 1st April, 2008.

#### Entertainment & gaming

Delta Corp is an early entrant into the high growth casinos and gaming industry in India and has become a leader in this space in a short span of time. The Company owns two offshore casinos in Goa on River Mandovi - “Casino Royale” and “King’s Casino”. The Company also holds approximately 34.9% equity in Advani Hotels & Resorts (India) Limited (Advani Hotels) through its subsidiary company Delta Hospitality Private Limited. Advani Hotels is the owner of the hotel Ramada Caravela Beach Resort and through its subsidiary, operates an offshore casino in Goa named “Casino Goa” aboard the vessel ‘M. V. Caravela.’

Casino Royale, operative since November 2008, is India’s largest gaming and entertainment vessel which can cater to 888 customers at a time, including approximately 450 gaming customers.



Its three separate gaming areas, including those exclusive for the high-stake preferred players, comprise 50 gaming tables, 30 slot machines, three VIP suites and restaurants (including the famous China Garden) and entertainment areas along with live music and dancing floors on its rooftop.

King's Casino is a 2,000 square feet gaming vessel with 10 live gaming tables and 10 slots machine which can cater to around 150 customers.

**Infrastructure**

The casinos are serviced by a modern fleet of 6 fully air-conditioned feeder boats (Gulf Crafts) with luxurious interiors. Noah's Ark and Barco Lento serve as boarding points for the feeder boats for Casino Royale and King's Casino.

Noah's Ark is floating restaurant on a beautiful, hand-crafted, wooden cruise boat serving world class food and wine.

Barco Lento is a floating bar and restaurant which offers a whole host of amenities including valet parking and a crèche.

The Company has also acquired riverine land of 810.85 square metres at Betim and 2,700 square metres at Reis Magos village to develop jetties which will provide feeder services to the casinos. Both these jetties are on the opposite side of River Mandovi to the existing jetties. This will enable the Company to attract a significantly larger audience. Besides the casinos in Goa, Delta Corp also has an in-principle Expression of Interest (Eoi) for an onshore casino in Daman.

Revenues from this segment for 2008-09 amounted to Rs. 2,182.17 lacs.

**Real estate**

Delta Corp has identified East Africa as a preferred investment destination in real estate. The Company formed a 54:46 JV, Delta Corp East Africa Limited (DCEAL), with a wholly owned subsidiary of Reliance Industries Limited in January 2008 to explore opportunities in this space. DCEAL has already acquired ten parcels of land admeasuring approximately 803,720 square feet in Nairobi. Two commercial projects are already under development and DCEAL intends to commence development work on the remaining projects in the near future. Further, DCEAL also owns a commercial property by the name of 'Delta House' which was developed by the Company, following which, the said property has been rented out

Project Name	Area	Land Area (Sq. ft.)	Description
Delta Centre	Upperhill, Nairobi	38,610	This area is an upcoming commercial district. DCEAL intends to develop a commercial office complex on this property. Construction on this project has commenced.
Delta Corner	Westlands, Nairobi	94,981	A commercial and economic area abutting the central business district of Nairobi. DCEAL is developing a commercial office complex project. Construction on this project has commenced.
Delta House	Westlands, Nairobi	19,601	Delta House is a commercial property which has been leased out.
Delta Annex	Westlands, Nairobi	48,976	This property is adjoining Delta Corner. DCEAL intends to develop a commercial and/or residential project.



Project Name	Area	Land Area (Sq. ft.)	Description
Delta Hotel	Central Business District, Nairobi	21,216	DCEAL intends to develop a hotel on this property.
Delta Plains	Athi River, Mlonongo	430,556	Athi River is located on the outskirts of Nairobi. This area is relatively industrialized but is also a growing residential area due to its proximity to the city. DCEAL intends to build low cost housing on this property.
Delta Point	Upperhill, Nairobi	53,820	DCEAL intends to develop a commercial complex on this property.
Delta Riverside	Riverside, Nairobi	52,528	DCEAL intends to develop office blocks on this property.
Delta Chambers	4th Ngong Avenue, Nairobi	43,432	DCEAL intends to develop a commercial complex on this property.

DCEAL has tied up with Team Management Services (TMS) Consulting Group Limited, a multidisciplinary firm that specializes in offering consultancies in all major areas of the built environment including Architecture, Construction Management, Project Management and Engineering. TMS is the sole project and construction manager for DCEAL.

Delta Corp made a foray into the real estate consultancy business in India in 2003. Currently, the Company generates consulting income from three ongoing projects of Peninsula Land Limited, a leading real estate company. Delta Corp also owns a prime property (Trade Plaza), spread over approximately 135,000 square feet in Prabhadevi, Mumbai. The building has been leased out to Development Credit Bank, Future Group and APL Logistic. The Company receives lease income in excess of Rs. 250 million every year from this property. A 15% price escalation is expected at the beginning of FY10.

Revenues from this segment for 2008-09 amounted to Rs. 5,413.73 lacs.

### Hospitality

Delta Corp has been present in the hospitality segment through its subsidiary, Delta Hospitality Pvt. Ltd. The subsidiary owns 35% equity in Advani Hotels and Resorts India Ltd, which owns Ramada Hotel, a five star, beach-front property and Casino Goa, an offshore casino in Goa. To further establish its presence in this segment, the Company has formed a joint venture with Peninsula Land Limited namely PLL-Delta Hotels Private Limited for setting up 3 and 4 star business hotels in urban locations in Western and Southern India.

### Aviation

Delta Corp is present in the aviation segment through AAA Aviation Pvt. Ltd., which is a 90% subsidiary of the Company. It is a licensed Non-Scheduled Operator (NSOP), operating its fleet for charter flights. The fleet consists of a Beechcraft KingAir C90B (fixed wing plane) and a Robinson R-44 (chopper). Flight chartering services commenced in FY09.

Revenues from this segment for 2008-09 amounted to Rs. 103.83 lacs.

## 4. Discussion on financial performance

**Income:** The Company recorded total income of Rs. 10,862.76 lacs, as compared to Rs. 10,651.02 lacs for the previous year.





**EBIDTA:** The Company's EBIDTA stood at Rs. 4,853.40 lacs against Rs. 4,950.53 lacs in the previous year.

**PAT before adjustments:** The Profit After Tax (PAT) of the company for the year 2008-09 was Rs. 1,025.21 lacs.

Overall, the company is on a growth path and its efforts to improve efficiency, productivity and profitability will improve overall returns.

## 5. Opportunities

The global casinos and gaming sector is expected to grow at a CAGR of 5.8% for the five year period, 2008-2013 to reach an estimated value of USD 411.7 billion. Many countries like Singapore are now viewing casinos as an important part of a broader effort to promote themselves as a getaway for tourists.

In the US, lotteries form 48% of the casinos and gaming industry while casino gaming constitutes 29%. While India has a USD 12.5 billion lottery industry, casino gaming at USD 50 million, is just around 0.4% of the lottery industry, implying phenomenal growth potential. Casinos definitely have a strong future in India what with 70% of the clientele at Nepal's casinos being Indians. Goa is the best location for casinos in India. It attracts huge international and domestic tourist traffic, many of whom look for some form of entertainment besides beach tourism.

East Africa is being touted as one of the most promising destinations in the coming years. As the economies of Kenya, Tanzania and Uganda grow, they present a phenomenal real estate opportunity. With an economic revival and the subsequent increase in demand in sight, the real estate, hospitality and the aviation segments in India are expected to perform well and exhibit strong growth potential, aided by the strong fundamentals of the economy viz favourable demographics, rapid urbanization, rising incomes, etc. Tier II and Tier III cities will be the growth and demand hubs going forward.

## 6. Outlook

Delta Corp with its expertise, strong relationships in the industry, highly qualified and experienced management team and an early-mover advantage in the entertainment & gaming segment, is well poised to capitalize on the opportunities available. The Company is moving ahead full throttle to maximize revenues from its entertainment & gaming business which will be the key focus area of the Company going forward. A massive advertising campaign has been planned in all major metros and mini metros to attract more clientele. An advertising deal has also being signed with the Times of India to promote all the business of the Company over the next 3-5 years.

A dedicated and experienced management team is in place that is exploring tie-ups with 5 star properties in Goa, travel agents and airlines to market specially designed casino packages involving hotel stay, airfare and free chips. A loyalty programme is also in the offing to reward and incentivise regular high-rollers. A 42-key hotel is in the pipeline for Casino Royale. Expansion into on-shore casinos in Goa is another option that the Company is currently exploring.

Delta Corp generates stable revenues from its other businesses and has plans to scale up in these segments going forward. The Company's subsidiaries in the hospitality segment have major plans for the future. PLL Delta Hotels Ltd, the JV with Peninsula Land Limited, will set up 1000 keys across 10 cities in western India. An expansion into northern India at a later stage is also in the pipeline.

## 7. Risks and concerns

The Company is operating in an environment that is becoming more and more competitive. As it gets into the expansion mode, it is poised to exploit several new opportunities. The Company ensures that the risks it undertakes are commensurate with better returns. Through strategic focus,



forward thinking and contingency planning, the Company has devised a risk management policy to control risks involved in all corporate activities in order to maximize opportunities and minimize adversity.

#### **Economic Risk**

*The business is substantially affected by the prevailing economic conditions in India.*

Factors that may adversely affect the Indian economy and in turn the business include rise in interest rates, inflation, changes in tax, trade, fiscal and monetary policies, scarcity of credit etc. However, given the resilience of the economy in the face of recession as well as its strong fundamentals including favourable demographics, rapid urbanization, rising income levels, high savings rate, etc, the Company does not expect to be significantly affected by this risk in the long term.

#### **Regulatory Risk**

*If the Company is unable to obtain required approvals and licenses in a timely manner, the business and operations may be adversely affected.*

Changes in Government policy regarding the casinos and gaming, real estate, hospitality and aviation industries can pose a significant risk to the Company. However, Delta Corp has sufficient experience in handling regulatory procedures and prepares well in advance to avoid any delays. The Company also intends to mitigate this risk by achieving cost efficiencies and maximizing revenue. Delta Corp believes that this risk is thus adequately mitigated if not completely.

#### **Competition Risk**

*The Company faces competition from other players in the industry segments in which it operates.*

The Company is an early entrant in the high growth casinos and gaming industry and has become a significant player in a short span of time, being the largest listed gaming company in India. It clearly has an edge over its competitors in the offshore casinos market. Delta Corp has an early-mover advantage in the East African real estate market as well, a potentially high growth business. Given the Company's expertise, extensive experience, goodwill in the market, long-term relationships in the industry, sound financials and a highly qualified and experienced management team, Delta Corp does not expect to be significantly affected by this risk.

#### **Concentration Risk**

*This risk arises from excessive dependence on a particular customer/segment for business.*

Delta Corp's business is diversified across the casinos and gaming, real estate, hospitality and aviation industries. The Company also believes that it can significantly scale up its business in these segments in the coming years. The Company has an early mover advantage in the high growth potential entertainment & gaming segment in India and the real estate sector in East Africa. Going forward, a significant part of the Company's revenues is expected to accrue from East Africa. Given the above, the Company does not expect to be significantly affected by this risk.

Concerns like shortage of skilled manpower and technological obsolescence remain. However, these are threats faced by the entire industry. Given its expertise, experience and strengths, Delta Corp is well positioned to lead a high growth path.

### **8. Internal control systems and their adequacies**

In any industry, the processes and internal control systems play a critical role in the health of the Company. The Company's well defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades its internal control systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews



by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data.

#### **9. Material developments in human resources**

Delta Corp recognizes the importance of human capital and values it highly. The Company's strong management team and motivated and talented employees are its biggest strength. The Company has put in place sound policies for the growth and progress of its employees. Individual Performance Management Systems have been implemented to encourage merit and enhance innovative thinking among employees. Roles and Responsibilities are clearly defined at all levels. The Company aims to employ best-in-class talent.

To facilitate the same, it has put in place a well drawn recruitment policy and a performance-based compensation policy. Delta Corp recognizes the importance of providing training and development opportunities to its people to enhance their skills and experience, which in turn enables the Company to achieve its business objectives. Training programmes are aimed at developing industry specific knowledge, management development as well as general corporate and soft skills. As on 31st March 2009, Delta Corp had 441 employees on its payrolls.

#### **10. Cautionary statement**

This report contains forward looking statements that involve risks and uncertainties including, but not limited to, risk inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors. Actual results, performances or achievements could differ materially from those expressed or implied in such forward looking statements. This report should be read in conjunction with the financial statements included here in and the notes there to.



### Company's Philosophy on the Code of Governance

The Company's philosophy on Corporate Governance is to enhance the shareholders value with the help of better and accountable corporate practices, professional approach and greater transparency in its operations.

### Board of Directors

The Composition of the Board of Directors provides a combination of professionalism, experience and youth required in any industry, thereby enhancing the value of shareholders.

### Composition of the Board

The Board of Directors comprises of only one Executive and seven Non-Executive Directors. The Chairman is a Non-Executive Promoter Director and four Directors are Independent. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges, which stipulates that 50 per cent of the Board should comprise of Non-Executive Directors, and if the Chairman is Non-Executive & Promoter Director, at least one-half of the Board should be Independent.

Six Board Meetings were held during the year ended 31st March 2009. Those were held on 19th May, 2008, 18th June, 2008, 30th July, 2008, 30th September, 2008, 24th October, 2008 and 29th January, 2009. The maximum gap between two Board Meetings was less than four months. The current composition of the Board of Directors as on date and attendance of the Directors at the Board Meetings and Annual General Meeting (AGM) as well as their directorship/ membership in committees of public companies and private companies which are subsidiaries of public companies as on 31st March, 2009, is as follows:

(Other directorships do not include alternate directorships, directorships of private limited companies, unlimited companies, Section 25 companies and of companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees of other public companies including private companies which are subsidiaries of public companies. None of the Directors is a member in more than ten Committees nor Chairman of more than five Committees in which he/she is a Director.)

Name of the Director	Category	Number of Board Meetings during the year 2008-2009		Whether attended the last AGM held on 30.09.08	Number of Directorships in other companies		Number of Committee positions held in other companies	
		Held	Attended		Chairman	Member	Chairman	Member
Mr. Jaydev Mody * (Chairman)	Non-Executive, Promoter	6	6	Yes	6	4	2	1
Mr. Aditya Mangaldas@	Non-Executive, Independent	6	1	Yes	N.A.	N.A.	N.A.	N.A.
Ms. Ambika Kothari	Non-Executive, Promoter	6	5	Yes	-	-	-	-



Name of the Director	Category	Number of Board Meetings during the year 2008-2009		Whether attended the last AGM held on 30.09.08	Number of Directorships in other companies		Number of Committee positions held in other companies	
		Held	Attended		Chairman	Member	Chairman	Member
Mr. Ashish Kapadia **	Executive, Non-Independent	6	2	N.A.	-	4	-	1
Mr. Aurobind Patel@	Non-Executive, Independent	6	3	Yes	N.A.	N.A.	N.A.	N.A.
Mr. Chand Arora@	Non-Executive, Promoter	6	3	Yes	N.A.	N.A.	N.A.	N.A.
Mr. Mahesh Gupta	Non-Executive, Independent	6	5	Yes	1	11	2	4
Mr. Rajeev Piramal	Non-Executive, Independent	6	3	Yes	11	2	1	-
Mr. Rajesh Jaggi	Non-Executive, Independent	6	3	No	1	11	-	-
Mr. Sudarshan Bajoria	Non-Executive, Non-Independent	6	4	No	-	3	-	-
Dr. Vrajesh Udani	Non-Executive, Independent	6	2	No	-	-	-	-

\* Mr. Jaydev Mody who is the Chairman of the Board of Directors was also appointed as a Managing Director of the Company w.e.f. 1st October, 2008. Further, he resigned as Managing Director of the Company w.e.f. 27th April, 2009, however he has continued to act as Director and Chairman of the Company.

\*\* Mr. Ashish Kapadia was appointed as an Additional Director of the Company w.e.f. 1st October, 2008. He has been appointed as Managing Director of the Company w.e.f. 27th April, 2009.

@ Mr. Chand Arora (former Managing Director), Mr. Aurobind Patel & Mr. Aditya Mangaldas resigned as Directors of the Company w.e.f. 1st October, 2008.

## Committees of the Board

### A. Audit Committee

The Audit Committee of the Company as on date comprises of three members i.e. Mr. Mahesh Gupta, Mr. Rajesh Jaggi and Mr. Ashish Kapadia. The constitution of the Committee is in line with Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Chairman of the Committee is Mr. Mahesh Gupta, who is an Independent Director. The Audit Committee was re-constituted during the year. The Secretary of the Company acts as the Secretary to the Committee.

The terms of reference of the Audit Committee include the matters specified in Clause 49(II) of the Listing Agreement with the Stock Exchanges and in Section 292A of the Companies Act 1956. The Committee acts as a link between the Statutory /Internal Auditors and the Board of Directors of the Company.

Five meetings of the Audit Committee were held during the financial year ended 31st March, 2009. The meetings of the Audit Committee were held on 30th April, 2008, 18th June, 2008, 30th July, 2008, 23rd October, 2008 and 29th January, 2009 and the same were attended by all the members of the Committee.



## B. Remuneration Committee

The Remuneration Committee as on date comprises of three members i.e. Mr. Mahesh Gupta, Mr. Jaydev Mody and Ms. Ambika Kothari. All of them are Non-Executive Directors. The Chairman of the Committee is Mr. Mahesh Gupta, who is a Non-Executive and Independent Director. The Remuneration Committee was re-constituted during the year.

The terms of reference of the Remuneration Committee includes review, recommendations on annual salaries, performance linked bonus, perquisites and other conditions for Executive Directors. The Committee takes into consideration job requirements, individual profile and remuneration practices followed in industry while determining the overall remuneration policy of the Company.

The Secretary of the Company acts as the Secretary to the Committee. No meeting of the Remuneration Committee was held during the financial year ending 31st March 2009.

The Company has entered into a service contract with Managing Director of the Company, Mr. Ashish Kapadia. As per the contract, Mr. Ashish Kapadia is required to give notice of 180 days for pre-termination of contract and accordingly severance fees shall be paid as per the terms and conditions of the contract.

The Company does not have any Employees Stock Option Scheme.

Details of remuneration to the Directors for the year ended 31st March, 2009 are as follows:

Director	Relationship with other Directors	Sitting Fees* (Rs.)	Salary & Perquisites (Rs.)	Performance Linked Bonus (Rs.)	Total (Rs.)
Mr. Jaydev Mody	None	20,000	—	—	20,000
Mr. Aditya Mangaldas	None	20,000	—	—	20,000
Ms. Ambika Kothari	None	30,000	—	—	30,000
Mr. Ashish Kapadia	None	27,500	—	—	27,500
Mr. Aurobind Patel	None	15,000	—	—	15,000
Mr. Chand Arora**	None	—	—	—	—
Mr. Mahesh Gupta	None	47,500	—	—	47,500
Mr. Rajeev Piramal	None	20,000	—	—	20,000
Mr. Rajesh Jaggi	None	32,500	—	—	32,500
Mr. Sudarshan Bajoria	None	25,000	—	—	25,000
Dr. Vrajesh Udani	None	10,000	—	—	10,000

\* includes sitting fees for Audit Committee Meetings.

\*\* Information on remuneration of Mr. Chand Arora, is disclosed in the Schedule K to Notes to the Accounts, which forms part of this Annual Report.

During the financial year ended 31st March, 2009, except payment of sitting fees and dividend on ordinary shares held, if any, by the Non – Executive Directors, the Company does not have any pecuniary relationship or transactions with the Non – Executive Directors.

### Shareholding of Non-Executive Directors

The Individual shareholding of Non-Executive Directors (including shareholding as joint holder) are given below:

Name of Director	No. of shares held
Mr. Jaydev Mody	70126300
Ms. Ambika Kothari	11380
Mr. Mahesh Gupta	46500
Mr. Rajeev Piramal	0
Mr. Rajesh Jaggi	63000
Mr. Sudarshan Bajoria	0
Dr. Vrajesh Udani	70000



### C. Investors Grievance Committee

The Investors Grievance Committee as on date comprises of three members i.e. Mr. Jaydev Mody, Mr. Rajeev Piramal and Ms. Ambika Kothari. All of them are Non-Executive Directors. The Chairman of the Committee is Mr. Jaydev Mody. The Committee was reconstituted during the year. Mr. Hitesh Kanani, General Manager-Company Secretary and Legal , is the Compliance Officer.

Share transfer / transmissions / dematerialisation / rematerialisation / split / issue of duplicate Share Certificates etc. approved by the Committee are placed before the Board of Directors from time to time. The Committee also has the power to redress investors grievances received from time to time.

The Company has paid the listing fees to all the Stock Exchanges till 31st March 2009.

During the financial year under review, the Company received 2 complaints. All these complaints were duly resolved. No investor complaints were pending as at the end of the financial year.

#### Details of Annual General Meetings:

Location, date and time of Annual General Meetings held during the last 3 years:

Year	Location	Date	Day	Time	No. of Special Resolutions
2005-06	Plot No. 101/102, 19th Street, Satpur, MIDC, Nasik – 422 007, Maharashtra.	19th August, 2006	Saturday	2.00 p.m.	-
2006-07	G4, Ground Floor, Clover Classic, North Main Road, Koregaon Park, Pune – 411 001, Maharashtra.	29th September, 2007	Saturday	2.00 p.m.	3
2007-08	Basement, Clover Technologies Private Limited, No. 5, Galaxy Co-op. Housing Society, Off Dhole Patil Road, Pune – 411 001, Maharashtra.	30th September, 2008	Tuesday	2.00 p.m.	1

During the last year, no resolution was passed through postal ballot. At present, there is no proposal to pass any resolution through postal ballot.

#### Disclosures

- a) During the financial year 2008-2009 there were no materially significant transactions entered into between the Company and its Promoters, Directors or the management or relatives etc. that may have potential conflict with the interests of the Company at large.

The Register of Contracts detailing the transactions, in which the Directors are interested, is placed before the Board /Audit Committee regularly. Transactions with related parties are disclosed by way of Notes to the Accounts, which forms part of this Annual Report.

- b) The Company has complied with the requirements of Stock Exchanges, SEBI and all other statutory authorities on all matters related to the capital markets during the last three years. There were no penalty imposed nor did any strictures pass on the Company by Stock Exchanges, SEBI and all other statutory authorities relating to above.
- c) The Company has adopted a Code of Conduct for its Directors and Senior Management Employees. This Code of Conduct has been communicated to each of them. The Code of Conduct has also been put on the Company's website [www.deltacorp.in](http://www.deltacorp.in).
- d) The Company is fully compliant with the applicable mandatory requirements of Clause 49 of



the Listing Agreement. As far as non - mandatory requirements are concerned, the Company has constituted a Remuneration Committee. The financial statements of the Company are unqualified. The Company has not adopted other non - mandatory requirements.

### Means of Communication

#### Financial Results

Quarterly and Annual Financial Results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and published in following leading newspapers:

- Economic Times (English)
- Maharashtra Times (Marathi)

The financial results are displayed on Company's website on [www.deltacorp.in](http://www.deltacorp.in).

The Management Discussion & Analysis Report forms part of this Annual Report.

### General Shareholder Information

#### Annual General Meeting

Date and Time : Friday, the 25th day of September 2009, at 1.30 p.m.  
Venue : Peninsula Centre, No4, Galaxy Co-op Housing Society, Off Dhole Patil Road, Pune - 411 001, Maharashtra.

As required under Clause 49 (IV) (G)(i) of the Listing Agreements with the Stock Exchanges, particulars of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM to be held on 25th September, 2009.

Financial Year : 1st April, 2009 to 31st March, 2010

Financial reporting for the quarter ending (tentative and subject to change)

30th June, 2009 : By 31st July, 2009  
30th September, 2009 : By 31st October, 2009  
31st December, 2009 : By 31st January, 2010  
Year ending 31st March, 2010 : Latest by 30th June, 2010

Annual General Meeting for the year ending 31st March, 2010 : By September, 2010

Dates of Book Closure : Friday, the 18th day of September, 2009 to Friday, the 25th day of September, 2009. (both days inclusive)

Dividend payment date : The final dividend, if declared by the shareholders at the Annual General Meeting shall be paid / credited on or before 24th October, 2009 i.e. within 30 days from the date of declaration.

Sr. No	Financial Year	Dividend Per Equity Share (Rs.)	Date of Declaration
1	2006-2007	0.50 per share	29th September, 2007
2	2007-2008	0.40 per share	30th September, 2008

Stock Exchanges where Company's Shares are listed : Bombay Stock Exchange Limited  
Phiroz Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001, Maharashtra.  
Scrip Code: 532848  
National Stock Exchange Of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051, Maharashtra.  
Scrip Symbol: DELTACORP

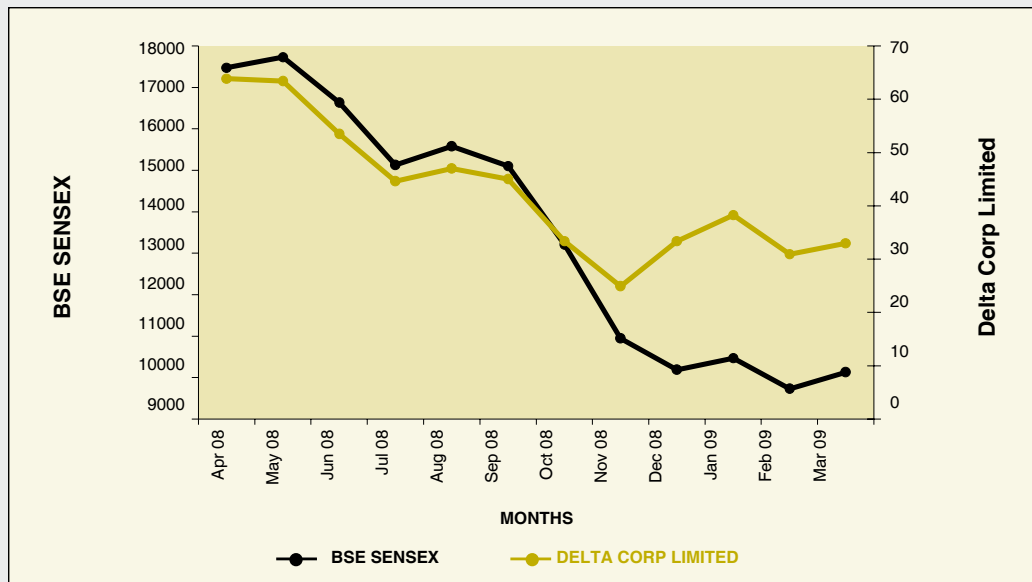




The securities of the Company were de-listed from Ahmedabad Stock Exchange Limited with effect from 21st January, 2009 vide its letter dt.17th January, 2009 and from Delhi Stock Exchange Limited with effect from 28th February, 2009 vide its letter dt.5th March, 2009.

**Stock Market Price data: High /Low during each month for the financial year ended 31st March, 2009**

Months	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2008	63.90	43.00	63.85	42.45
May 2008	63.40	49.05	63.95	49.15
June 2008	53.50	34.50	52.56	34.65
July 2008	42.50	28.40	41.30	28.00
August 2008	47.00	38.50	47.40	38.15
September 2008	45.00	30.35	45.50	30.35
October 2008	33.40	14.80	32.00	16.00
November 2008	24.90	19.05	23.60	19.00
December 2008	33.40	20.65	33.00	20.75
January 2009	38.30	23.90	38.35	24.25
February 2009	30.95	21.65	31.10	22.75
March 2009	33.00	25.90	31.50	26.30



**Registrars and Share Transfer Agents**

**Freedom Registry Limited**

(Formerly Amtrac Management Services Limited)

Plot No. 101 / 102, 19th Street,  
MIDC, Satpur,  
Nasik - 422 007, aharashtra.

Tel: (0253) 2354032, 2363372  
Email: amtrac\_nsk@sancharnet.in  
Fax: (0253) 2351126

**Share Transfer Process**

Shares in physical form are processed by the Registrars and Share transfer agent within 15 days from the date of receipt, if the documents are complete in all respects. Chairman, Managing Director and Company Secretary have been severally empowered to approve transfers. The same are ratified by the Investors' Grievances Committee.

**Distribution of Equity Shareholding according to Numbers as at 31st March, 2009**

Category	No. of holders	% to total number of shareholders	No of shares held in that slab	% to total number of shares
1 to 5,000	10070	94.28	9,276,988	6.85
5,001 to 10,000	303	2.84	2,368,864	1.75
10,001 to 20,000	139	1.30	2,095,445	1.55
20,001 to 50,000	102	0.96	3,055,506	2.25
50,001 to 100,000	25	0.23	1,713,760	1.26
1,00,001 & above	42	0.39	117,017,567	86.34
<b>TOTAL</b>	<b>10681</b>	<b>100.00</b>	<b>13,55,28,130</b>	<b>100.00</b>

**Distribution of Equity Shareholding according to categories of shareholders as at 31st March, 2009**

Sr. No.	Category of Shareholder	Number of Share holders	Number of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>	19	73910190	54.53
<b>(B)</b>	<b>Public shareholding</b>			
<b>1</b>	<b>Institutions</b>			
(a)	Mutual Funds/ UTI	-	-	-
(b)	Financial Institutions / Banks	1	7870	0.01
(c)	Insurance Companies	-	-	-
(d)	Foreign Institutional Investors	2	181000	0.13
<b>2</b>	<b>Non-Institutions</b>			
(a)	Bodies Corporate	326	37246545	27.49
(b)	Individuals			
	Individuals			
	(i) holding nominal share capital up to Rs. 1 lakh	10316	18112595	13.36
	(ii) holding nominal share capital in excess of Rs. 1 lakh	17	6069930	4.48
	Total Public Shareholding	10662	61617940	45.47
	<b>TOTAL</b>	<b>10681</b>	<b>135528130</b>	<b>100.00</b>

**Dematerialisation of shares and liquidity**

As on 31st March 2009, 12,99,41,350 Equity Shares (95.88% of the total number of shares) are in dematerialised form as compared to 9,77,21,620 Equity Shares ( 72.10% of the total number of shares) as on 31st March, 2008.

**Outstanding GDRs/ ADRs / Warrants or any convertible instruments**

The Company has not issued any GDR's/ADR's. The Company has issued 1,50,00,000 warrants convertible into Equity Shares to Mr. Jaydev Mody, Promoter of the Company, on preferential basis and out of the same up to 28th July, 2009, Mr. Jaydev Mody has transferred following warrants:



Names of Persons	No. of Warrants
M/s. Bennett Coleman & Company Limited	12,34,568
M/s. Brand Equity Treaties Limited	37,03,703
Mr. Deepak Lulla	1,00,000
Mrs. Sangeeta Lulla	2,25,000
Ms. Mriganka Lulla	1,00,000
Mr. Advay Lulla	1,25,000
Mrs. Neelam Tapia	4,50,000
Mr. Azim Tapia	2,00,000
<b>TOTAL</b>	<b>61,38,271</b>

The aforesaid 61,38,271 warrants have been converted into 61,38,271 Equity Shares of Re. 1/- each.

The paid up Equity Capital has accordingly increased to Rs.14,16,66,401/- divided into 14,16,66,401 Equity Shares of Re.1/- each.

#### **Plant Location**

During the year, pursuant to Scheme of Arrangement, the textile division of the Company, located at Nasik, Maharashtra, was demerged into a separate business entity, namely Arrow Textiles Limited. Hence, presently, the Company does not have any plant.

#### **Investor Correspondence**

Shareholders can contact the following Official for Secretarial matters of the Company.

Name	Address	Telephone No. / Fax No.	Email id
Mr. Hitesh Kanani Company Secretary & Compliance Officer	16/A, Ali Chambers, 2nd Floor, Nagindas Master Road, Fort, Mumbai – 400 001, Maharashtra.	(022) 40794794 (022) 40794777	secretarial@jmggroup.in



## DECLARATION

I, Ashish Kapadia, Managing Director of Delta Corp Limited, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed Compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2009.

**For Delta Corp Limited**

**Ashish Kapadia  
Managing Director**

Date : 28th July, 2009.

## CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
Delta Corp Limited  
(Formerly known as Arrow Webtex Limited)

We have examined the compliance of conditions of Corporate Governance by Delta Corp Limited (Formerly known as Arrow Webtex Limited) ["The Company"] for the year ended 31st March 2009 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has generally complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For, Hitesh Buch Associates  
Company Secretaries**

**Hitesh Buch  
Proprietor  
CP No. 8195**

Place: Ahmedabad  
Date: 28th July 2009.



We have audited the attached Balance Sheet of Delta Corp Limited (formerly known as Arrow Webtex Limited) as at 31st March, 2009, the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report.

These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- I. As required by the Companies (Auditors' Report) Order, 2003 as amended by Companies (Auditors' Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- II. Further to our comments in the Annexure referred to in paragraph I above, 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 purposes 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of Section 211 of the Act;
- e) On the basis of the written representations received from the Directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956; and
- f) In our opinion and to the best of information and according to the explanations given to us, the said financial statements, give the information required by the Act, in the manner so required, read together with the notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) in case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
  - ii) in case of the Profit & Loss Account, of the profit of the Company for the year ended on that date; and
  - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For Amit Desai & Co  
Chartered Accountants**

**(Amit Desai)  
Proprietor  
M. No. F-32926**

Mumbai: 29th June, 2009.



**ANNEXURE TO AUDITORS' REPORT TO THE MEMBERS OF DELTA CORP LIMITED  
(REFERRED TO IN PARAGRAPH I OF OUR REPORT OF EVEN DATE)**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a policy to carry out a physical verification of fixed assets in a phased manner at regular intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.
- (c) In our opinion, the Company has not disposed off a substantial part of fixed assets during the year.
- (ii) Since there are no Inventories, clause (ii) of the Order is not applicable.
- (iii) In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, we report that :
- (a) The company has granted unsecured loan to one party. In respect of the said loan, the maximum amount involved during the year was 2.78 Crores and the year end balance was Rs.1.78 Crores.
- (b) In our opinion, the rate of interest and other terms and conditions of the above loans given are not prima-facie prejudicial to the interest of the Company.
- (c) Since there is no stipulation as to the time period for repayment of the principal amount and interest of unsecured loan, we are unable to comment on the regularity of repayment of the same.
- (d) According to information and explanations given to us, the Company has taken unsecured loans from four parties. In respect of said loans, the maximum amount involved during the year was Rs.37.38 Crores and the year end balance was Rs. Nil.
- (e) According to the information and explanation given to us, in our opinion, the rate of interest and other terms and conditions of the above loans taken are not prima-facie prejudicial to the interest of the Company.
- (f) Since there is no stipulation as to the time period for repayment of the principal amount and interest of unsecured loans, we are unable to comment on the regularity of repayment of the same.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchases of fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangement referred to in section 301 of the Companies Act, 1956 have been entered in the register maintained under that Section; and
- (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder are applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Act.



(ix) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues as applicable to it during the year with the appropriate authorities and there were no such outstanding dues as at 31st March, 2009 for a period exceeding six months from the date they became payable.

(b) According to the information and explanations given to us details of disputed Sales Tax, Income Tax, Custom Duty, Wealth tax, Service Tax, Excise Duty and Cess which have not been deposited as on 31st March, 2009 on account of any dispute are given below:

Name of the Statute	Nature of the dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax Penalty	6.06	F.Y 2003-04	Commissioner of Income Tax (Appeal)

(x) The Company does not have any accumulated losses and has not incurred cash losses during the financial year and in the immediately preceding financial year.

(xi) On the basis of our examination of records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any Bank or any Financial Institution.

(xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) Clause (xiii) relating to applicability of

provisions for special statute applicable to chit fund, or relating to nidhi, mutual benefit funds/societies, is not applicable to the Company, in view of the nature of its business/activities during the year.

(xiv) In our opinion, the Company does not generally deal or trade, in shares, securities, debentures and other investments.

(xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by one of its subsidiary, from a bank. The terms of the same are not prejudicial to the interest of the Company.

(xvi) In our opinion and according to the information and explanations given to us, on and overall basis, the term loans have been applied for the purposes for which they were obtained.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not, used short term funds for long term purposes.

(xviii) According to the information and explanations given to us, the Company has not made preferential allotment of equity shares to parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

(xix) The Company has not issued debentures during the year.

(xx) The Company has not raised any money by way of public issue during the year.

(xxi) To the best of our knowledge and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year.

**For Amit Desai & Co  
Chartered Accountants**

**(Amit Desai)  
Proprietor**

**M. No. F-32926**

Mumbai: 29th June, 2009

**BALANCE SHEET AS AT 31ST MARCH, 2009**

				(Rupees in Lacs)	
	Schedule	As at March 31, 2009		As at March 31, 2008	
<b>Sources Of Funds:</b>					
<b>Shareholders' Funds:</b>					
Share Capital	1	2,579.13		2,579.13	
Equity Share Warrants	2	607.50		607.50	
Reserves & Surplus	3	14,188.87	17,375.50	14,451.20	17,637.83
<b>Loan Funds:</b>					
Secured Loans	4	11,010.24		12,172.11	
Unsecured Loans	5	7,301.10	18,311.34	9,421.28	21,593.39
<b>Deferred Tax Liability:(Net)</b>			13.53		158.00
	<b>TOTAL</b>		<u>35,700.37</u>		<u>39,389.22</u>
<b>Application Of Funds:</b>					
<b>Fixed Assets:</b>					
	6				
Gross Block		394.71		3,821.20	
Less: Depreciation		(198.83)		(1,373.58)	
Net Block		195.88		2,447.62	
Add: Capital Work In Progress		1,190.16	1,386.04	378.99	2,826.61
<b>Investments:</b>	7		25,778.51		27,560.18
<b>Current Assets, Loans And Advances:</b>					
Inventories	8	-		349.66	
Sundry Debtors	9	831.97		1,546.49	
Cash & Bank Balances	10	93.51		109.13	
Loans & Advances	11	10,550.01		14,225.23	
				<u>11,475.49</u>	<u>16,230.51</u>
<b>Less: Current Liabilities And Provisions:</b>	12				
Sundry Creditors		227.18		4,106.49	
Other Liabilities & Provisions		2,726.82		3,138.05	
				<u>2,954.00</u>	<u>7,244.54</u>
Net Current Assets			8,521.49		8,985.97
<b>Miscellaneous Expenditure:</b>	13		14.33		16.46
(To The Extent Not W/Off Or Adjusted)					
	<b>TOTAL</b>		<u>35,700.37</u>		<u>39,389.22</u>
Notes Forming Parts of Accounts	21				

As per Our Report of Even Date

For Delta Corp Limited

For Amit Desai & Co  
Chartered AccountantsJaydev Mody  
Ashish Kapadia  
Ambika Kothari  
Mahesh Gupta  
Rajeev Piramal  
Rajesh Jaggi  
Vrajesh UdaniChairman  
Managing Director  
Director  
Director  
Director  
Director  
Director(Amit Desai)  
Proprietor  
M. No. F-32926  
Mumbai: 29th June, 2009Hitesh Kanani  
Company Secretary





(Rupees in Lacs)			
	Schedule	Year ended March 31, 2009	Year ended March 31, 2008
<b>Income:</b>			
Sales / Operating Income	14	4,273.45	6,379.68
Increase/(Decrease) In Stocks	15	-	5.62
Other Income	16	116.19	115.36
		<u>4,389.64</u>	<u>6,500.66</u>
<b>Expenditure:</b>			
Raw Materials / Others Consumed	17	-	1,867.33
Staff Costs	18	100.89	324.57
Administrative & Other Expenses	19	686.82	733.77
		<u>787.71</u>	<u>2,925.67</u>
<b>Profit Before Finance Charges, Depreciation &amp; Tax</b>		3,601.93	3,574.99
Finance Charges (net)	20	2,491.83	994.19
Depreciation	6	69.48	215.27
		<u>1,040.62</u>	<u>2,365.53</u>
Prior Period Items		<u>(4.96)</u>	<u>(13.90)</u>
<b>Profit Before Taxes</b>		1,035.66	2,351.63
Provision for Taxation - Income Tax		160.00	460.00
- Fringe Benefit Tax		7.00	40.00
- Wealth Tax		0.28	0.40
- Deffered Tax		<u>(19.78)</u>	<u>88.00</u>
Profit After Taxes		888.16	1,763.23
Earlier Years Tax Adjustments		<u>56.79</u>	<u>205.26</u>
<b>Profit After Taxes And Adjustments</b>		831.37	1,557.97
Balance Brought Forward		271.75	312.58
Amount Available For Appropriation		<u>1,103.12</u>	<u>1,870.55</u>
Transferred To General Reserves		250.00	850.00
Proposed Dividends On Preference Shares		97.91	97.91
Proposed Dividends On Equity Shares		301.06	542.11
Dividends Distribution Tax		67.80	108.77
Balance Carried To Balance Sheet		386.36	271.75
Basic Earning Per Share		0.53	1.33
Diluted Earning Per Share		0.48	1.33
(Face Value of Re. 1/- Each)			
Notes Forming Parts of Accounts	21		

As per Our Report of Even Date

For Delta Corp Limited

For Amit Desai & Co  
Chartered Accountants

(Amit Desai)  
Proprietor  
M. No. F-32926

Mumbai: 29th June, 2009

Jaydev Mody Chairman  
Ashish Kapadia Managing Director  
Ambika Kothari Director  
Mahesh Gupta Director  
Rajeev Piramal Director  
Rajesh Jaggi Director  
Vrajesh Udani Director

Hitesh Kanani  
Company Secretary



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees in Lacs)		
Particulars	Year ended March 31, 2009	Year ended March 31, 2008
<b>A Cash Flow from Operating Activities</b>		
Net Profit Before Tax and Extraordinary Items	1,040.62	2,365.53
Adjustments for :		
Depreciation	69.48	215.27
Profit on Sale of Fixed Assets	(5.78)	(1.84)
Amortisation of Expenses	2.14	2.14
Amount Written Off	0.25	-
Provision for Employee Benefit	(3.65)	-
Interest Paid	3,271.50	1,459.29
Interest Income	(779.67)	(465.09)
Dividend Income	(103.64)	(77.24)
Profit/(Loss) on Sales of Investment (Net)	183.40	(23.10)
<b>Operating Profit before Working Capital Changes</b>	<u>3,674.65</u>	<u>3,474.96</u>
Trade and Other Receivables	289.92	(207.70)
Inventories	-	5.79
Loans & Advances	(5,373.23)	(11,676.65)
Trade Payables	(3,771.34)	4,065.23
Other Liabilities	(44.68)	7.23
Taxes Paid	(653.42)	(789.58)
Prior Period Expenses	(4.96)	(13.90)
<b>Net Cash Generated From Operating Activities</b>	<u>(5,883.06)</u>	<u>(5,134.63)</u>
<b>B Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(83.66)	(1,169.48)
Purchase of Fixed Assets (Capital Work in Progress)	(815.31)	(378.99)
Sales of Fixed Assets	1,010.00	2.09
Dividend Income	103.64	77.24
Interest Income	779.67	465.09
Investment in Subsidiary Companies	(505.85)	(6,800.10)
Other Investments	(9,229.63)	(12,478.77)
Sale of Investment (Net)	21,033.51	25.92
<b>Net Cash generated from Investing Activities</b>	<u>12,292.37</u>	<u>(20,257.01)</u>



(Rupees in Lacs)		
Particulars	Year ended March 31, 2009	Year ended March 31, 2008
<b>C Cash Flow From Financing Activities</b>		
Proceeds From Issuance of Share Capital	-	12,344.51
Share Issue Expenses	-	(532.16)
Interest Paid	(3,271.50)	(1,459.29)
Dividend Paid	(640.02)	(623.15)
Dividend Distribution Tax Paid	(108.77)	(105.90)
Proceeds From Long Term Borrowing	(297.51)	9,204.40
Proceeds From Short Term Borrowing	(2,074.55)	5,900.30
Proceeds From issue of Warrants	-	607.50
<b>Net Cash Generated from Financing Activities</b>	<u>(6,392.35)</u>	<u>25,336.21</u>
Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	16.96	(55.43)
Cash Reduced on Demerger	(32.58)	-
Cash & Cash Equivalents as at Beginning of Year	109.13	164.56
Cash & Cash Equivalents as at End of the Year	<u>93.51</u>	<u>109.13</u>

**Notes :**

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 issued by The Institute of Chartered Accountants of India.
- 2) Previous year's figures have been regrouped or rearranged or reclassified wherever necessary to confirm it with current year's classification.
- 3) The above Cash Flow Statement excludes assets (other than Cash and Cash Equivalents)/liabilities transferred to Arrow Textile Ltd., on demerger.
- 4) Figures in bracket indicate cash outflow.

As per Our Report of Even Date

For Delta Corp Limited

For Amit Desai & Co  
Chartered Accountants

(Amit Desai)  
Proprietor  
M. No. F-32926

Mumbai: 29th June, 2009

Jaydev Mody  
Ashish Kapadia  
Ambika Kothari  
Mahesh Gupta  
Rajeev Piramal  
Rajesh Jaggi  
Vrajesh Udani

Chairman  
Managing Director  
Director  
Director  
Director  
Director

Hitesh Kanani  
Company Secretary



**SCHEDULE FORMING PART OF THE BALANCE SHEET  
AS AT 31ST MARCH, 2009**

Particulars	(Rupees in Lacs)	
	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 1</b>		
<b>Share Capital:</b>		
<b>Authorised:</b>		
1,80,000,000 (1,60,00,000) Equity Shares Of Re.1/- Each	1,800.00	1,600.00
10,00,000 10% Preference Shares Of Rs. 10/- Each	100.00	100.00
1,30,00,000 8% Preference Shares Of Rs.10/- Each	1,300.00	1,300.00
<b>TOTAL</b>	<u>3,200.00</u>	<u>3,000.00</u>
<b>Issued, Subscribed And Paid-Up:</b>		
13,55,28,130 Equity Shares Of Re. 1/- Fully Paid Up	1,355.28	1,355.28
12,238,535 8 % Non Cumulative Preference Shares Of Rs. 10/- Each Fully Paid Up	1,223.85	1,223.85
<b>TOTAL</b>	<u>2,579.13</u>	<u>2,579.13</u>
1) During the F.Y. 07-08, the Company has issued and allotted 3,04,80,280 Equity Shares of Re.1/- each on preferential basis at a price of Rs.40.50 per share to entities other than promoters as per the approval of Share Holders and applicable Statutory Provisions.		
2) During the F.Y. 07-08, Equity Shares of Rs.10/- each was sub divided into Equity Shares of Re. 1/- each.		
<b>SCHEDULE NO. 2</b>		
<b>Equity Share Warrants :</b>		
During the F.Y. 07-08, the Company has issued 1,50,00,000 Share Warrants to a promoter as per the approval of Share Holders and applicable Statutory Provisions. The warrant holder has a right to apply for equity shares within 18 months from the date of allotment. Amount received against the warrants is shown as Equity Share Warrants in the Balance Sheet, pending exercise thereof.	607.50	607.50
<b>TOTAL</b>	<u>607.50</u>	<u>607.50</u>



(Rupees in Lacs)		
Particulars	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 3</b>		
<b>Reserves &amp; Surplus:</b>		
<b>Security Premium Account:</b>		
Opening Balance	11,507.55	-
Add: Transferred During the Year	-	12,039.71
Less: Share Issue And Other Expenses	-	(532.16)
	<u>11,507.55</u>	<u>11,507.55</u>
<b>General Reserves:</b>		
Opening Balance	2,228.56	1,390.74
Less: Charge On Account Of Transitional Provisions Under Accounting Standard 15	-	(12.18)
Less: Reduction On Account Of Demerger	(364.63)	-
Add : Transfer From Profit & Loss Account	250.00	850.00
	<u>2,113.93</u>	<u>2,228.56</u>
<b>Capital Reserves:</b>		
Opening Balance	262.31	262.31
Less : Reduction On Account Of Demerger	(262.31)	-
	-	<u>262.31</u>
<b>Capital Redemption Reserves:</b>	181.03	181.03
<b>Profit And Loss Account:</b>	386.36	271.75
<b>TOTAL</b>	<u>14,188.87</u>	<u>14,451.20</u>



(Rupees in Lacs)		
Particulars	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 4</b>		
<b>Secured Loans:</b>		
From a Bank		
Cash Credit Facility	-	184.36
Term Loan	-	680.00
(Secured against the first charge over Fixed Assets of Textiles Division by way of equitable mortgage of an Immovable Fixed Assets and hypothecation of Movable Assets)		
	-	864.36
From a Financial Institution		
(Secured by mortgage of a Immovable Property at Mumbai and its Lease Rentals Income)	11,010.24	11,307.75
<b>TOTAL</b>	<u>11,010.24</u>	<u>12,172.11</u>
<b>SCHEDULE NO. 5</b>		
<b>Unsecured Loans:</b>		
Sales Tax Loan	-	39.40
From a Bank	4,557.33	6,000.00
Vehicle Loan	-	6.22
Inter Corporate	2,743.77	2,745.65
Due to a Director	-	630.00
<b>TOTAL</b>	<u>7,301.10</u>	<u>9,421.28</u>



## SCHEDULE NO. 6

### Fixed Assets / Depreciation

(Rupees in Lacs)

Particulars	Gross Block				Depreciation				Net Block		
	As at 01.04.08	Demerger	Additions	Deductions	As at 31.03.09	As at 01.04.08	Demerger	Additions	Deductions	As at 31.03.09	As at 31.03.08
Land	7.43	7.43	-	-	-	-	-	-	-	-	7.43
Building	281.70	256.62	-	-	25.08	86.02	60.94	-	-	25.08	195.68
Plant & Machinery	2,020.00	2,020.00	-	-	-	1,026.04	1,026.04	-	-	-	993.96
Electrical Equipments	46.99	39.92	-	-	7.07	22.94	18.67	0.39	-	4.66	24.05
Computers	49.06	34.38	3.84	-	18.52	27.82	20.26	3.81	-	11.37	21.23
Office Equipments	57.11	27.97	6.57	-	35.71	32.75	20.30	2.76	-	15.21	24.35
Furniture & Fixtures	113.00	20.45	73.25	-	165.80	68.33	17.86	10.88	-	61.36	44.67
Vehicles	172.29	42.93	-	-	129.36	75.82	23.93	20.06	-	71.95	96.46
Ship	421.54	-	-	408.37	13.17	11.62	-	8.17	10.58	9.20	409.93
Aircraft	652.08	-	-	652.08	-	22.23	-	23.41	45.64	-	629.85
<b>Total</b>	3,821.20	2,449.70	83.66	1,060.45	394.71	1,373.58	1,188.00	69.48	56.23	198.83	2,447.62
<b>Previous Year</b>	2,668.66	-	1,169.48	16.95	3,821.20	1,175.01	-	215.27	16.70	1,373.58	1,493.65
<b>Capital Work in Progress</b>	378.99	4.14	815.31	-	1,190.16	-	-	-	-	-	378.99

(Refer Note '2(O)' of Schedule 21)



(Rupees in Lacs)				
Particulars	Current Year Nos.	Previous Year Nos.	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 7</b>				
<b>A) TRADE INVESTMENTS (AT COST)</b>				
<b>a) Fully Paid Equity Shares</b>				
<b>Quoted:</b>				
Peninsula Land Limited (Face value of Rs. 2)	48,000	48,000	2.64	2.64
(Aggregate Market Value Rs. 10.44 Lacs - L.Y.Rs. 42.89 Lacs)				
<b>Unquoted:</b>				
<b>(i) Subsidiary Companies</b>				
AAA Real Land Developers Private Limited	-	10,000	-	1.00
Jayem Realty Solution Private Limited	5,001	5,001	0.50	0.50
J M Real Estates Private Limited	25,001	25,001	21.50	21.50
Delta Pan Africa Limited (Formerly known as Peninsula Kenya Ltd.)	889,143	889,143	5,397.60	5,397.60
Richtime Realty Private Limited	5,001	5,001	0.50	0.50
Delta Holdings (USA) Inc.	100,000	-	428.20	-
<b>(ii) Associate Companies</b>				
Pavurotti Finance & Investment Private Limited	21,000	43,000	2.10	4.30
J M Realty Management Private Limited	-	2,500	-	0.25
<b>(iii) Other Companies</b>				
Aero Ports & Infrastructure Project Private Limited	43,750	-	4.38	-
Delta Realities Private Limited	1	1	0.00	0.00
J M Township and Real Estate Private Limited	175,000	175,000	17.50	17.50
Lakeview Mercantile Company Private Limited	-	1,500	-	0.15
Peninsula Mega Prperties Private Limited	2,600	2,600	0.26	0.26
<b>b) Fully Paid Preference Shares (Unquoted)</b>				
Lakeview Mercantile Company Private Limited	-	150,000	-	15.00
<b>B) OTHER INVESTMENTS (AT COST)</b>				
<b>(a) Fully Paid Equity Shares</b>				
<b>Quoted</b>				
Piramal Healthcare Limited (Formerly known as Nicholas Piramal Limited)	423	423	0.10	0.10
Reliance Capital Limited	-	500	-	0.24
Victoria Mills Limited	40	40	0.02	0.02
UTV Software Communication Limited	244,460	750,000	372.71	5,100.00





(Rupees in Lacs)				
Particulars	Current Year	Previous Year	As at March 31, 2009	As at March 31, 2008
	Nos.	Nos.		
Piramal Glass Limited *	19	19	-	-
Piramal Life Sciences Limited *	42	42	-	-
* Issued free against holding of shares of Piramal Healthcare Ltd.				
(Aggregate Market Value Rs. 488.36 Lacs - L.Y.Rs. 5814.49 Lacs)				
<b>Unquoted</b>				
<b>(i) Subsidiary Companies</b>				
AAA Aviation Private limited	1,800,000	1,800,000	180.00	180.00
Delta Hospitality Private Limited	740,000	740,000	74.00	74.00
Highstreet Cruises & Entertainment Private Limited	1,200,000	1,200,000	1,200.00	1,200.00
Mundus Hospitality Private Limited	51,950	-	77.65	-
<b>(ii) Other Companies</b>				
Arrow Textiles Limited	1	1	-	-
Elixir Infotech Private Limited	60,000	60,000	6.00	6.00
Freedom Aviation Private Limited	120	120	0.01	0.01
The Shamrao Vithal Co.op. Bank Limited	2,100	2,100	0.53	0.53
<b>(b) Fully Paid Debentures (Unquoted)</b>				
<b>(i) Subsidiary Companies</b>				
0% Unsecured Optionally Convertible Debentures of Delta Hospitality Private Limited of Rs. 100 Lacs each	97	-	9,700.00	-
<b>(ii) Other Companies</b>				
Advent Investment & Finance Co. Private Limited	330,000	330,000	33.00	33.00
<b>C) INVESTMENT IN MUTUAL FUNDS</b>				
Reliance Fixed Horizon Fund VI	-	8,000,000	-	800.00
Reliance FMP	-	20,140,179	-	2,016.03
Reliance Liquid Plus Fund	-	142,160	-	1,423.21
Reliance Monthly Interval Fund	-	14,992,354	-	1,500.00
Reliance Medium Term Fund	-	15,064,419	-	1,506.52
<b>D) Investment in Immoveable Property</b>				
Property at Mumbai			8,259.31	8,259.31
<b>TOTAL</b>			<u>25,778.51</u>	<u>27,560.18</u>



**DETAILS OF INVESTMENT MADE IN MUTUAL FUND FOR THE YEAR ENDED 31ST MARCH, 2009**

Name of Mutual Fund	Balance As at 01-04-2008		Purchased during the year		Sold during the year		Balance As at 31.03.2009	
	No. of Units	Rs. In Lacs	No. of Units	Rs. In Lacs	No. of Units	Rs. In Lacs	No. of Units	Rs. In Lacs
	<b>Reliance Fixed Horizon Fund - VI -</b> Series II - Institutional Dividend Plan	8,000,000	800.00	-	-	8,000,000	800.00	-
<b>Reliance Medium Term Fund -</b> Series III - Institutional Dividend Plan	15,064,419	1,506.52	246,112	24.45	15,310,531	1,530.96	-	-
<b>Reliance Monthly Interval Fund -</b> Series III - Institutional Dividend Plan	14,992,354	1,500.00	13,082,231	1,313.13	28,074,585	2,813.13	-	-
<b>Reliance Medium Term Fund -</b> Daily Dividend Plan	-	-	1,180,016	201.73	1,180,016	201.73	-	-
<b>Reliance Monthly Interval Fund -</b> Series I - Institutional Dividend Plan	20,140,179	2,016.03	212,576	21.28	20,352,756	2,037.31	-	-
<b>Reliance Liquid Fund -</b> Treasury Plan- Institutional Option - Daily Dividend	-	-	1,963,101	300.10	1,963,101	300.10	-	-
<b>Reliance Liquid Plus Fund -</b> Institutional Option, Daily Dividend Plan	142,160	1,423.21	660,456	6,612.06	802,616	8,035.28	-	-
<b>TOTAL</b>	<b>58,339,112</b>	<b>7,245.76</b>	<b>17,344,492</b>	<b>8,472.75</b>	<b>75,683,604</b>	<b>15,718.51</b>	<b>-</b>	<b>-</b>



(Rupees in Lacs)		
Particulars	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 8</b>		
<b>Inventories:</b>		
(At Cost/Net Realisable Value whichever is lower as Certified by the Management)		
Raw Materials	-	225.25
Work-In-Process	-	16.37
Finished Goods	-	78.92
Spares & Stores	-	25.85
Packing Materials	-	3.26
<b>TOTAL</b>	-	349.66
<b>SCHEDULE NO. 9</b>		
<b>Sundry Debtors:</b>		
(Unsecured And Considered Good)		
Outstanding For More Than Six Months	319.53	1.50
Others	512.44	1,544.99
<b>TOTAL</b>	831.97	1,546.49
Note:		
Due from a Fellow Subsidiary Company		
Victors Hotels & Motels Limited	20.41	15.12
<b>SCHEDULE NO. 10</b>		
Cash And Bank Balances:		
Cash On Hand	3.31	11.51
Balances With Schedule Banks:		
In Current Account	56.75	72.73
In Unclaimed Dividend Account	33.45	23.90
In Fixed Deposit Account	-	1.00
<b>TOTAL</b>	90.20	97.62
<b>TOTAL</b>	93.51	109.13



(Rupees in Lacs)		
Particulars	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 11</b>		
<b>Loans &amp; Advances:</b>		
(Recoverable in Cash or in Kind or for Value to be Received)		
Unsecured And Considered Good:		
Advances:		
(Due from Companies in which Director and / or Relative of Director of the Company is a Director)		
	184.24	19.69
Loans and Advances to Subsidiary Companies & Associates	8,998.35	13,060.68
Loans and Advances to Others	100.00	108.97
Deposits	163.79	174.06
Advance Tax (net)	967.76	538.41
Others	135.87	323.43
<b>TOTAL</b>	<u>10,550.01</u>	<u>14,225.23</u>
<b>SCHEDULE NO. 12</b>		
<b>Current Liabilities &amp; Provisions:</b>		
Sundry Creditors	227.18	4,106.49
Deposits	2,049.99	2,059.61
Other Liabilities	176.61	305.75
Proposed Dividend on Preference Shares	97.91	97.91
Proposed Dividend on Equity Shares	301.06	542.11
Provision for Dividend Tax	67.80	108.77
Unclaimed Dividends	33.45	23.90
<b>TOTAL</b>	<u>2,954.00</u>	<u>7,244.54</u>
<b>SCHEDULE NO. 13</b>		
<b>Miscellaneous Expenditure:</b>		
Preliminary Expenses	14.33	16.46
(To the extent not written off)		
<b>TOTAL</b>	<u>14.33</u>	<u>16.46</u>

**SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH, 2009**



(Rupees in Lacs)		
Particulars	Year ended March 31, 2009	Year ended March 31, 2008
<b>SCHEDULE NO. 14</b>		
<b>Sales/Operational Income:</b>		
<b>Textiles Division :</b>		
Gross Sales	-	1,606.11
Less: Rejections	-	19.31
Net Sales	<u>-</u>	<u>1,586.80</u>
<b>Real Estate Division :</b>		
Consultancy Income	751.70	510.53
Sale of Property & Compensation Income	-	1,825.22
Other Operational Income	1,002.80	-
	<u>1,754.50</u>	<u>2,335.75</u>
Lease Rentals	2,518.95	2,457.13
<b>TOTAL</b>	<u>4,273.45</u>	<u>6,379.68</u>
<b>SCHEDULE NO. 15</b>		
<b>Increase/(Decrease) In Stocks:</b>		
Opening Stocks: Work-In-Process / Finished Goods	-	93.53
Closing Stocks: Work-In-Process / Finished Goods	-	99.15
Increase / (Decrease) <b>TOTAL</b>	<u>-</u>	<u>5.62</u>
<b>SCHEDULE NO. 16</b>		
<b>Other Income:</b>		
Dividend Income	103.64	77.24
Tax / Duty Refund	-	7.61
Profit on Sale of Assets	5.78	1.84
Profit on Sale of Shares	-	23.10
Other Income	6.77	5.57
<b>TOTAL</b>	<u>116.19</u>	<u>115.36</u>



(Rupees in Lacs)		
Particulars	Year ended March 31, 2009	Year ended March 31, 2008
<b>SCHEDULE NO. 17</b>		
<b>Raw Materials/Others Consumed:</b>		
Opening Stocks	225.25	169.02
Add: Purchases	-	1,926.48
	<u>225.25</u>	<u>2,095.49</u>
Less: Transferred	(225.25)	(2.91)
Less: Closing Stocks	-	(225.25)
<b>TOTAL</b>	<u>-</u>	<u>1,867.33</u>
(Refer note '2(O)' of Schedule 21)		
<b>SCHEDULE NO. 18</b>		
<b>Staff Costs:</b>		
Salaries and Incentives	90.12	302.70
Contribution to Provident & Other Funds	7.26	11.90
Gratuity Fund Contributions	1.05	2.50
Staff Welfare Expenses	2.46	7.46
<b>TOTAL</b>	<u>100.89</u>	<u>324.57</u>
<b>SCHEDULE NO. 19</b>		
<b>Administration and Other Expenses :</b>		
Spares & Stores	-	24.22
Packing Materials	-	17.10
Processing Charges	-	29.49
Labour Charges	-	17.51
Electricity Charges	17.78	87.71
Aviation Expenses	18.82	46.11
Advertisement Expenses	13.38	15.22
Auditor's Remuneration	6.93	17.01
Conveyance	1.88	6.57
Director Sitting Fees	2.43	1.75
Donations	49.00	-



(Rupees in Lacs)		
Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Insurance	5.20	9.66
Legal & Professional Fees	109.68	70.61
Miscellaneous & General Expenses	47.75	28.63
Postage & Telephone	29.06	25.02
Property Tax	33.75	25.05
Printing And Stationery	12.34	7.91
Loss on Sale of Shares & Mutual Fund	183.40	-
Rent, Rates & Taxes	6.65	17.75
Repairs & Maintenance	76.91	59.58
Remuneration To Directors	-	50.41
Travelling Expenses	23.44	40.07
Vehicle Expenses	9.84	10.76
Selling & Distribution Expenses	-	75.96
Sales Promotion Expenses	36.44	47.53
Preliminary Expenses Written off	2.14	2.14
<b>TOTAL</b>	<u>686.82</u>	<u>733.77</u>
<b>SCHEDULE NO. 20</b>		
<b>Finance Charges:</b>		
Interest on Secured Loan from a Bank	-	95.80
Interest on Term Loan from a Financial Institution	1,633.61	916.37
Interest on Unsecured Loan from a Bank	743.74	315.62
Interest on Loan from Others	665.40	44.37
Other Financial Charges	228.75	87.13
	<u>3,271.50</u>	<u>1,459.29</u>
Less : Interest Received :		
On Inter Corporate Deposits	773.58	465.09
Other Interest	6.09	-
	<u>779.67</u>	<u>465.09</u>
<b>TOTAL</b>	<u>2,491.83</u>	<u>994.19</u>



**SCHEDULE NO. 21**

**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”), the Accounting Standards (“AS”) issued by the Institute of Chartered Accountants of India and the applicable relevant provisions of the Companies Act, 1956.

**(b) Revenue Recognition**

- i. Sale of Product, Properties & Services are recognized when significant risks and rewards of ownership of products are passed on to customers or when the full / complete services have been provided. Sales are stated at contractual realizable value.
- ii. Full provision is made for any loss in the year in which when it is first foreseen.
- iii. Interest income is generally recognized on a time proportion method.
- iv. Dividend income is recognized when the right to receive dividend is established.
- v. Claims for price variation/exchange rate variation in case of contracts are accounted for on acceptance.
- vi. Rent income is accounted on accrual basis.

**(c) Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Finance cost relates to acquisition of fixed assets are included to the extent they relate to the period till such assets are ready to be put to use.

**Capital Work-In-Progress**

In respect of supply-cum-erection contracts, the values of supplies received at site and accepted and not installed are treated as Capital Work-in-Progress.

Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets and are included under “Capital Work in Progress”. These expenses are apportioned to fixed assets on commencement of operation. Capital Work in Progress is stated at the amount expended up to the date of Balance Sheet.

**(d) Depreciation**

Depreciation is provided on Written Down Value (WDV) method as prescribed in Schedule XIV of the Companies Act, 1956 except on Fixed Assets pertaining to Air Craft and Ship where depreciation is charged on Straight Line method (SLM). Depreciation is provided from the date of acquisition till the date of sale of assets.

**(e) Investments**

Long-term investments are stated at cost less provision for other than temporary diminution in value. Investments in Immovable Properties include purchase price, duties, interest and cost





of improvements. The Management has laid out guidelines for the purpose of assessing likely diminutions' in Investments and accordingly made provisions for the same wherever required.

**(f) Inventories**

There are no Inventories.

**(g) Employee Benefits**

Liability is provided for retirement benefits for provident fund, gratuity and leave encashment in respect of all eligible employees. Contributions under the defined contribution schemes are charged to revenue. The liability in respect of defined benefit schemes like gratuity and leave encashment is provided in the accounts on the basis of actuarial valuations as at the year end.

**(h) Foreign Currency Transactions**

The reporting currency of the company is the Indian Rupee. Foreign currency transactions are initially recorded at the rates of exchange prevailing at the date of transaction.

All foreign currency denomination monetary assets and liabilities are translated at the exchange rates prevailing on the Balance Sheet date.

Exchange differences arising on foreign currency transactions settled during the period are recognized in the Profit and Loss Account for the year other than exchange differences related to the liabilities for acquisition of fixed assets that are adjusted to the cost of the related fixed assets.

**(i) 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.

**(j) Accounting for Taxes on Income**

Provision for tax is made for both Current and Deferred tax. Provision for Current Tax is made, at the current rate of tax, based on assessable income. Deferred tax resulting from timing differences between the book profits and the tax profits is accounted to the extent that the timing differences are expected to crystallize. Deferred tax assets are not recognized unless there is sufficient assurance with respect to reversal of the same in the future.

**(k) 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".

**(l) Provisions, Contingent Liabilities and Contingent Assets**

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.

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.

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) Segment Accounting**

Segment accounting policies are in the line with the accounting policies of the Company.

- i) Segment revenue includes sales and other income directly identifiable with/allocable to the segment.
- ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the Segment Result. Expenses which relate to the Company as a whole and not allocable to segments are included under "Unallocable Corporate Expenditure".
- iii) Income which relates to the Company as a whole and not allocable to segments is included in "Unallocable Corporate Income".
- iv) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

#### **(n) Operating Leases**

Rental applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against Profit & Loss Account as per the terms of lease agreement over the period lease.

#### **(o) Miscellaneous Expenditure**

Miscellaneous expenses are being amortized over a period of ten years from the year in which expenses are incurred.

## **2) NOTES TO ACCOUNTS**

### **a) Contingent Liabilities**

- i) Claims against the Company not acknowledged as debts :
  - Property tax for immovable property at Mumbai Rs.80 Lacs (Previous year Rs. 60 Lacs)
  - Income Tax Liabilities for Ass. Year 2004-05: Rs. 6.06 Lacs (Previous year Rs.6.06 Lacs)
  - Corporate Guarantee given Rs. 500.00 Lacs (Previous year Rs. Nil)
- ii) Commitment on Capital Account:
  - Acquisition of shares of a subsidiary company from one of the minority shareholder : Rs. 50 Crores (Previous Year Rs. 50 Crores ) (Refer note 't' below)



## b) Segment Disclosures

(Taken as certified by one of the Directors and relied upon by the Auditors)

Primary Segment Information:-

(Rupees in Lacs)

Sr. No.	Particulars	Textile	Real Estate	Lease Rent	Others	Total
I	Segment Revenue	Nil (1,589.00)	1,754.50 (2,326.21)	2,518.95 (2,464.48)	116.19 (115.36)	4,389.64 (6,495.04)
II	Segment Results (Profit Before Interest and Tax)	Nil (137.79)	1,366.73 (856.33)	2,316.57 (2,350.56)	-155.81 (1.14)	3,527.49 3,345.82
	Less : Finance Cost	-	-	-	-	2,491.82 (994.20)
	Profit Before Tax	-	-	-	-	1,035.66 (2,351.62)
	Taxation	-	-	-	-	204.29 (793.66)
	Profit After Tax	-	-	-	-	831.37 (1,557.97)
III	Other Information					
	Segment Assets	Nil (2,135.03)	11,814.56 (11,704.58)	11,664.55 (9,728.38)	16,375.85 (24,065.61)	39,854.96 (47,633.60)
	Segment Liabilities	Nil (1,126.23)	5,982.30 (6,610.43)	8,752.23 (7,885.97)	7,759.25 (14,231.59)	22,493.78 (29,854.22)
	Capital Expenditure	Nil (11.26)	1,152.53 (1,111.90)	Nil (408.36)	Nil (Nil)	1,152.53 (1,531.52)
	Depreciation	Nil (159.47)	68.49 (51.14)	- (3.41)	0.99 (1.24)	69.48 (215.27)

## c) Acquisition / Divestment

### Acquisition:

During the year, the Company has acquired equity shares of the following Companies thereby making them as its subsidiaries companies:

The Company acquired 100 percent equity interest in Mundus Hospitality Private Limited for a total consideration of Rs. 77.52 Lacs. (51,910 Equity Shares).

The Company acquired 100 percent equity interest in Delta Holding USA Inc. for a total consideration of Rs. 428.20 Lacs. (1,00,000 Equity Shares).

### Disinvestment:

The Company disinvested 10,000 equity shares of Rs. 10/- each amounting to Rs. 1,00,000/- of its Subsidiary Company namely AAA Real Land Developers Private Limited, thereby the said company ceased to remain subsidiary of the Company.

The Company disinvested 2,500 equity shares of Rs. 10/- each amounting to Rs. 25,000 of JM Realty Management Pvt. Ltd., thereby the said Company ceased to remain associate of the Company.

The Company disinvested 22,000 equity shares of Rs. 10/- each amounting to Rs. 2,20,000 of Pavurotti Finance & Investment Pvt. Ltd., thereby the holding of the Company has come down to 21 % from 43 %.



During the year an amount of Rs. 121 Crores being loan given to one of the Subsidiary of Company namely Delta Hospitality Private Limited has been converted in 121, 0 % unsecured Optional Convertible Debenture (O.C.D.) of Rs. 1 Crore each. The Management Confirms that necessary compliance for the same has been done. In March 2009, out of the above debentures, 24 O.C.D. of Rs. 1 Crore each amounting to Rs. 24 Crores has been redeemed after mutual agreement of both parties.

**d) Related Party Disclosures**

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

(i) Parties where control exists:

Subsidiaries:

- Highstreet Cruises & Entertainment Private Limited (HCEPL)
- Delta Hospitality Private Limited (DHPL)
- AAA Aviation Private Limited (AAPL)
- Jayem Realty Solutions Private Limited (JRSL)
- J M Real Estates Private Limited (JREPL)
- Richtime Realty Private Limited (RRPL)
- AAA Real Land Developers Private Limited (till 30.09.2008) (ARLDPL)
- Delta Pan Africa Limited (Formerly known as Peninsula Kenya Limited) (DPAL)
- Mundus Hospitality Private Limited (from 30.03.2009) (MHPL)
- Delta Holdings (USA) Inc. (DHUSA)

Fellow Subsidiaries:

- Victor Hotels and Motels Limited (VHML)
- Coastal Sports Ventures Private Limited (CSVPL)
- Delta Corp East Africa Limited (Formerly known as Delta Resources Limited) (DCEAL)
- Delta Square Limited (DSL)
- Mundus Hospitality Private Limited (till 30.03.2009) (MHPL)

Associates:

- Pavurotti Finance & Investment Private Ltd. (PFIPL)
- J M Realty Management Private Ltd. (till 18.03.2009) (JMRMPL)

(ii) Individual owning directly an Interest in the voting power that gives her significant influence:

- Mrs. Zia Mody (ZM)

(iii) Key Management Personnels:

- Mr. Jaydev Mody (JM) - Chairman
- Mr. Chand Arora (CA) – Managing Director up to 01.10.2008
- Mr. Hardik Dhebar (HD) - Group C.F.O.



(iv) Enterprises over which persons mentioned in (ii) and (iii) above exercise significant influence:

- Aarti Management Consultancy Private Limited (AMCLP)
- Delta Magnets Limited (Formerly known as G P Electronics Ltd.) (DML)
- Aditi Management Consultancy Private Limited (ADMPL)
- Anjoss Trading Private Limited(ATPL)
- West Star Agro - Realities Private Limited (WSARPL)
- AZB & Partners (AZB)
- Freedom Aviation Private Limited (FAPL)
- Freedom Registry Limited (Formerly known as Amtrac Management Services Limited) (FRL)
- Sea Star Trading Company Private Limited (SSTPL)
- Dacapo Brokerage India Private Limited (DBIPL)
- Lakeview Mercantile Co. Private Limited (LMPL)
- Fivestar Mercantile Private Limited (FMPL)
- Arrow Textiles Limited (ATL)

Details of Transactions carried out with related parties in ordinary courses of business (Excluding reimbursement):

(Rupees in Lacs)

Sr. No.	Nature of Transactions	Subsidiary/ Fellow Subsidiary Company/ Associates		Key Management Personnel / Individual owning directly or indirectly interest in voting power		Enterprises over which Individuals/ Key Management Personnel exercise significant influence		Total	
		08-09	07-08	08-09	07-08	08-09	07-08	08-09	07-08
<b>1</b>	<b>Sale of Fixed Assets</b>								
	VHML	400.00	-	-	-	-	-	400.00	-
	AAPL	610.00	-	-	-	-	-	610.00	-
		1,010.00	-	-	-	-	-	1,010.00	-
<b>2</b>	<b>Interest Paid</b>								
	DML	-	-	-	-	20.54	1.36	20.54	1.36
	DBIPL	-	-	-	-	5.36	-	5.36	-
	FMPL	-	-	-	-	483.92	-	483.92	-
		-	-	-	-	509.82	1.36	509.82	1.36
<b>3</b>	<b>Directors Sitting Fess</b>								
	JM	-	-	0.20	0.15	-	-	0.20	0.15
		-	-	0.20	0.15	-	-	0.20	0.15
<b>4</b>	<b>Professional Fees Paid</b>								
	FRL	-	-	-	-	1.25	-	1.25	-
	AZB	-	-	-	-	5.25	35.40	5.25	35.40
		-	-	-	-	6.50	35.40	6.50	35.40



Sr. No.	Nature of Transactions	Subsidiary/ Fellow Subsidiary Company/ Associates		Key Management Personnel / Individual owning directly or indirectly interest in voting power		Enterprises over which Individuals/ Key Management Personnel exercise significant influence		Total	
		08-09	07-08	08-09	07-08	08-09	07-08	08-09	07-08
<b>5</b>	<b>Remuneration Paid</b>								
	CA	-	-	-	47.92	-	-	-	47.92
		-	-	-	47.92	-	-	-	47.92
<b>6</b>	<b>Other Expenses Paid</b>								
	DBIPL	-	-	-	-	3.60	-	3.60	-
		-	-	-	-	3.60	-	3.60	-
<b>7</b>	<b>Lease Rent Received</b>								
	VHML	30.00	14.68	-	-	-	-	30.00	14.68
		30.00	14.68	-	-	-	-	30.00	14.68
<b>8</b>	<b>Brokerage Income Received</b>								
	LMPL	-	-	-	-	-	150.41	-	150.41
		-	-	-	-	-	150.41	-	150.41
<b>9</b>	<b>Interest Received</b>								
	ARLDPL	106.19	119.12	-	-	-	-	106.19	119.12
	HCEPL	463.63	161.03	-	-	-	-	463.63	161.03
	AAPL	15.84	-	-	-	-	-	15.84	-
	DHPL	156.29	127.32	-	-	-	-	156.29	127.32
	ATL	-	-	-	-	31.89	-	31.89	-
		741.95	407.47	-	-	31.89	-	773.84	407.47
<b>10</b>	<b>Compensation Received</b>								
	RRPL	-	506.87	-	-	-	-	-	506.87
		-	506.87	-	-	-	-	-	506.87
<b>11</b>	<b>Sale of Property</b>								
	AMCLP	-	-	-	-	-	165.74	-	165.74
		-	-	-	-	-	165.74	-	165.74
<b>12</b>	<b>Loans Taken</b>								
	AMCLP	-	-	-	-	1,933.64	535.47	1,933.64	535.47
	ADMPL	-	-	-	-	1,305.90	125.00	1,305.90	125.00
	ATPL	-	-	-	-	1,186.04	168.77	1,186.04	168.77
	DBIPL	-	-	-	-	100.00	-	100.00	-
	DML	-	-	-	-	-	221.00	-	221.00
	FMPL	-	-	-	-	1,994.67	-	1,994.67	-
	JM	-	-	1,905.50	4,881.00	-	-	1,905.50	4,881.00
	ZM	-	-	-	486.25	-	-	-	486.25
	WSARPL	-	-	-	-	-	60.00	-	60.00
		-	-	1,905.50	5,367.25	6,520.25	1,110.24	8,425.75	6,477.49



Sr. No.	Nature of Transactions	Subsidiary/ Fellow Subsidiary Company/ Associates		Key Management Personnel / Individual owning directly or indirectly interest in voting power		Enterprises over which Individuals/ Key Management Personnel exercise significant influence		Total	
		08-09	07-08	08-09	07-08	08-09	07-08	08-09	07-08
<b>13</b>	<b>Loans Repayment</b>								
	AMCLP	-	-	-	-	1,933.64	400.46	1,933.64	400.46
	ADMPL	-	-	-	-	1,305.90	135.00	1,305.90	135.00
	ATPL	-	-	-	-	1,186.04	150.00	1,186.04	150.00
	DML	-	-	-	-	104.81	-	104.81	-
	FMPL	-	-	-	-	4,518.24	-	4,518.24	-
	JM	-	-	2,535.50	4,251.00	-	-	2,535.50	4,251.00
	ZM	-	-	-	486.25	-	-	-	486.25
	SSTPL	-	-	-	-	-	286.51	-	286.51
	WSARPL	-	-	-	-	-	60.00	-	60.00
		-	-	2,535.50	4,737.25	9,048.63	1,031.97	11,584.13	5,769.22
<b>14</b>	<b>Loans Given</b>								
	AAPL	557.67	2,110.00	-	-	-	-	557.67	2,110.00
	ARLDPL	369.25	1,659.00	-	-	-	-	369.25	1,659.00
	DHPL	7,361.00	6,132.00	-	-	-	-	7,361.00	6,132.00
	HCEPL	6,063.97	3,478.25	-	-	-	-	6,063.97	3,478.25
	ATL	-	-	-	-	30.00	-	30.00	-
		14,351.89	13,379.25	-	-	30.00	-	14,381.89	13,379.25
<b>15</b>	<b>Loans Received Back</b>								
	AAPL	768.67	-	-	-	-	-	768.67	-
	ARLDPL	2,028.25	-	-	-	-	-	2,028.25	-
	DHPL	13,738.22	-	-	-	-	-	13,738.22	-
	HCEPL	3,521.99	-	-	-	-	-	3,521.99	-
	ATL	-	-	-	-	157.75	-	157.75	-
		20,057.13	-	-	-	157.75	-	20,214.88	-
<b>16</b>	<b>Corporate Guarantee</b>								
	HCEPL	5,500.00	-	-	-	-	-	5,500.00	-
		5,500.00	-	-	-	-	-	5,500.00	-
<b>17</b>	<b>Dividend On Equity Shares Paid</b>								
	JM	-	-	28.10	-	-	-	28.10	-
	ZM	-	-	241.25	-	-	-	241.25	-
		-	-	269.35	-	-	-	269.35	-



Sr. No.	Nature of Transactions	Subsidiary/ Fellow Subsidiary Company/ Associates		Key Management Personnel / Individual owning directly or indirectly interest in voting power		Enterprises over which Individuals/ Key Management Personnel exercise significant influence		Total	
		08-09	07-08	08-09	07-08	08-09	07-08	08-09	07-08
<b>18</b>	<b>Dividend On Preference Shares Paid</b>								
	JM	-	-	48.95	48.95	-	-	48.95	48.95
	ZM	-	-	48.95	48.95	-	-	48.95	48.95
		-	-	97.90	97.90	-	-	97.90	97.90
<b>19</b>	<b>Advance for Properties</b>								
	Advance given (RRPL)	250.00	50.00	-	-	-	-	250.00	50.00
	Advance taken back (RRPL)	300.00	-	-	-	-	-	300.00	-
		(50.00)	50.00	-	-	-	-	(50.00)	50.00
<b>20</b>	<b>Investments in Shares / Debenture</b>								
	RRPL	-	-	-	0.50	-	-	-	0.50
	JRSL	-	-	-	0.50	-	-	-	0.50
	JREPL	-	-	-	21.50	-	-	-	21.50
	AAPL	-	180.00	-	-	-	-	-	180.00
	ARLDPL	-	-	-	1.00	-	-	-	1.00
	HCEPL	-	1,199.00	-	-	-	-	-	1199.00
	DPAL	-	5,397.60	-	-	-	-	-	5397.60
	LMPL	-	-	-	-	-	15.15	-	15.15
	JMRMPL	-	-	-	-	-	0.25	-	0.25
	PFIPL	-	4.30	-	-	-	-	-	4.30
	FAPL	-	-	-	-	-	0.01	-	0.01
	MHPL	77.65	-	-	-	-	-	77.65	-
	DHUSA	428.20	-	-	-	-	-	428.20	-
	DHPL (Debentures)	12,100.00	-	-	-	-	-	12,100.00	-
		12,605.85	6,780.90	-	23.50	-	15.41	12,605.85	6,819.81
<b>21</b>	<b>Redemption of Debentures</b>								
	DHPL	2,400.00	-	-	-	-	-	2,400.00	-
		2,400.00	-	-	-	-	-	2,400.00	-
<b>22</b>	<b>Unsecured Loans taken</b>								
	DBIPL	-	-	-	-	116.18	-	116.18	-
	DML	-	-	-	-	118.26	222.08	118.26	222.08
	JM	-	-	-	630.00	-	-	-	630.00
		-	-	-	630.00	234.44	222.08	234.44	852.08





Sr. No.	Nature of Transactions	Subsidiary/ Fellow Subsidiary Company/ Associates		Key Management Personnel / Individual owning directly or indirectly interest in voting power		Enterprises over which Individuals/ Key Management Personnel exercise significant influence		Total	
		08-09	07-08	08-09	07-08	08-09	07-08	08-09	07-08
<b>23</b>	<b>Professional Fees Payable</b>								
	AZB	-	-	-	-	17.33	32.22	17.33	32.22
	FRPL	-	-	-	-	0.34	-	0.34	-
		-	-	-	-	17.67	32.22	17.67	32.22
<b>24</b>	<b>Other Receivable</b>								
	VHML	20.41	15.11	-	-	-	-	20.41	15.11
	AAPL	610.00	-	-	-	-	-	610.00	-
	VHML	400.00	-	-	-	-	-	400.00	-
		1,030.41	15.11	-	-	-	-	1,030.41	15.11
<b>25</b>	<b>Loans Given</b>								
	AAPL	-	2,110.00	-	-	-	-	-	2110.00
	ARLDPL	-	1,659.00	-	-	-	-	-	1659.00
	DHPL	-	6,132.00	-	-	-	-	-	6132.00
	HCEPL	6,020.23	3,428.25	-	-	-	-	6,020.23	3428.25
	ATL	-	-	-	-	150.00	-	150.00	-
		6,020.23	13,329.25	-	-	150.00	-	6,170.23	13,329.25
<b>26</b>	<b>Interest Receivable</b>								
	AAPL	19.70	5.08	-	-	-	-	19.70	5.08
	ARLDPL	-	32.12	-	-	-	-	-	32.12
	DHPL	-	97.48	-	-	-	-	-	97.48
	HCEPL	553.49	124.54	-	-	-	-	553.49	124.54
	ATL	-	-	-	-	28.00	-	28.00	-
		573.19	259.22	-	-	28.00	-	601.19	259.22
<b>27</b>	<b>Advance for Properties</b>								
	PFIPL	1,196.45	1,196.45	-	-	-	-	1,196.45	1196.45
		1,196.45	1,196.45	-	-	-	-	1,196.45	1,196.45

#### e) Employee Benefits

Disclosure required as per AS - 15 are as under:

- i) The Company has recognized the expected liability arising out of the compensated absence and gratuity as at 31st March, 2009 based on actuarial valuation carried out using the Project Credit Method.
- ii) The below disclosure have been obtained from independent actuary. The other disclosures are made in accordance with AS – 15 (revised) pertaining to the Defined Benefit Plan is as given below :



(Rupees in Lacs)		
Particulars	Gratuity (Funded)	Leave Encashment (Non Funded)
<b>1. Assumptions :</b>		
Discount Rate – Previous	8.00%	8.00%
Salary Escalation – Previous	5.00%	5.00%
Discount Rate – Current	8.00%	8.00%
Salary Escalation – Current	5.00%	5.00%
<b>2. Change in Benefit Obligation :</b>		
Liability at the beginning of the year	47.47	14.13
Interest Cost	0.35	0.28
Current Service Cost	1.47	0.92
Past Service Cost (Non Vested Benefit)	Nil	Nil
Past Service Cost (Vested Benefit)	Nil	Nil
Liability Transfer in	Nil	Nil
Liability Transfer out	(44.25)	(11.37)
Benefit Paid	(0.55)	(0.24)
Actuarial (Gain) / Loss on obligations	0.10	(0.98)
Liability at the end of the year	4.59	2.74
<b>3. Amount recognized in the Balance Sheet :</b>		
Liability at the end of the year	4.59	2.74
Fair value of Plan Assets at the end of the year	4.08	Nil
Difference	(0.51)	(2.74)
Unrecognized Past Service Cost	Nil	Nil
Unrecognized Transition Liability	Nil	Nil
Amount recognized in the Balance Sheet	(0.51)	(2.74)
<b>4. Expenses recognized in the Profit and Loss Account:</b>		
Current Service Cost	1.47	0.92
Interest Cost	0.35	0.28
Expected return on Plan assets	(0.28)	Nil
Past Service Cost (non-vested benefit) recognized	Nil	Nil
Past Service Cost (vested benefit) recognized	Nil	Nil
Recognition of Transition Liability	Nil	Nil
Actuarial Gain or (Loss)	(0.43)	(0.98)
Expenses recognized in the Profit and Loss Account	1.11	0.22
<b>5. Balance Sheet Reconciliation :</b>		
As on 01.04.08	(14.19)	14.13
Transferred due to De-merger	14.60	11.37
Expenses as above	1.11	0.22
Employer's Contribution	1.01	0.24
Closing Net Liability	0.51	2.74



**f) Disclosure required by clause 32 of the Listing Agreement**

Amount of Loans and Advances in the nature of Loans outstanding from Subsidiaries / Associates etc.

i) Loans and Advances in the nature of Loans

(Rupees in Lacs)

Name of the Subsidiaries	2008-09	2007-08	Max. Bal. during the year 08-09	Max.Bal. during the year 07-08
Highstreet Cruises & Entertainment Private Limited	6,691.08	3,602.79	7,396.25	3,602.79
Delta Hospitality Private Limited	-	6,132.00	11,859.00	6,132.00
AAA Aviation Private Limited	19.70	216.08	371.58	216.08
AAA Real Land Developers Private Limited	-	1,659.00	1754.12	4,659.00

Notes:

- Loans and Advances shown above, to subsidiaries fall under the category of Loans and Advances in nature of Loans where there is no repayment schedule and are repayable on demand.
- Loan to employees as per Company's policy is not considered.

ii) Investment by the loanee in the share of the Company

None of the loanees and loanees of subsidiary companies have, per se, made investments in shares of the Company.

- g)** Consultancy Income includes income generated on a revenue sharing basis from Real Estate Transactions of Rs.7.52 Crores (Previous Year: Rs.3.60 Cores). Profit on sale of Shares of Rs. 10.02 Crores comprising sale of shares of subsidiaries, associates and other companies is shown as "Operational Income" on the basis that it is the sale of real estate only because the underlying assets of these companies is land.
- h)** Balances of Debtors and Creditors 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.
- i)** In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has accounted for Deferred Tax during the year.

The components of Deferred Tax Assets to the extent recognized and Deferred Tax Liabilities as on 31st March, 2009 are as follows:



(Rupees in Lacs)		
Particulars	31st March, 2009	31st March, 2008
Deferred Tax Liability:		
Difference between Book and Tax Depreciation	13.70	158.00
<b>TOTAL</b>	13.70	158.00
Deferred Tax Asset:		
Expenses Disallowed	0.17	-
<b>TOTAL</b>	0.17	-
Net Deferred Tax Liability	13.53	158.00

- j) Disclosure of Sundry Creditors under Current Liability is based on the information available with the Company regarding the status of the suppliers as defined under the “Micro, Small and Medium Enterprises Development Act, 2006”. Amount overdue as on 31st March 2009, to Micro, Small and Medium Enterprises on account of principle amount together with interest, aggregate to Rs. Nil. (Previous Year: Rs. 8.32 Lacs)

- k) Details of Managerial Remuneration:

(Rupees in Lacs)			
No	Particulars	2008-2009	2007-2008
i.	Salaries	NIL	40.50
ii.	Contribution to Provident and Superannuation Fund	NIL	3.54
iii.	Commission to Managing Director	NIL	6.37
	<b>TOTAL</b>	NIL	50.41

Computation of Net Profit in accordance with Section 198 of the Companies Act, 1956:

(Rupees in Lacs)				
Particulars	2008-2009		2007-2008	
Profit for the year Before Tax		-		2,365.03
Add :				
Managerial Remuneration	-		50.41	
Provision for Doubtful Debts and Advances	-		Nil	
Less				
Sales of Investment and Fixed Assets	-		24.94	
Net Profit for Section 198 of the Companies Act, 1956	-	-	Nil	2,389.51
5% of Net Profit as computed above	-	-	Nil	119.48
Commission to Non-Whole-time Directors' @ 1%	-	-	Nil	Nil
Total Managerial Remuneration (including Commission and provision for Retirement Pension benefits)	-	-	Nil	50.41

Mr. Chand Arora was appointed as a Managing Director of Arrow Textiles Limited w.e.f. 1st October, 2008. However, Remuneration of Mr. Chand Arora is provided in the books of Arrow Textiles Limited as he was working for textile division of the company, which was as per the scheme of arrangement, transferred to and vested to Arrow Textiles Limited on appointed date i.e. 1st April, 2008 on a going concern basis. This Scheme has been given affect to in the financial statements for the year ended 31st March, 2009.

**l) Auditors Remuneration:**

(Rupees in Lacs)

Particulars	2008-2009	2007-2008
Audit Fees	5.61	7.98
In Other Capacities :		
- Tax Audit	0.51	0.84
- Taxation Matters	0.46	3.49
- Certification and Other Services	0.28	4.27
- Out of Pocket Expenses	0.07	0.43
<b>TOTAL</b>	<b>6.93</b>	<b>17.01</b>

**m) Earnings per Share:**

(Rupees in Lacs unless Specified)

Particulars	2008-2009	2007-2008
Numerator used for calculating basic and diluted earnings per share - Profit after Prior Period Adjustment and Proposed Dividend and Tax	716.82	1443.42
Weighted average number of equity shares used as denominator for calculating basic	1355.28	1085.46
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	1505.28	1085.46
Basic and Diluted Earnings Per Share (Rs.)	0.53	1.33
Diluted Earnings Per Share (Rs.)	0.48	1.33
Nominal value per equity share (Re.)	1	1

Diluted EPS has been calculated on the basis the share warrants as on the first and last date of the year are considered as fully paid potential Equity Shares.

**n) Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956**

(Rupees in Lacs)

	2008-2009	2007-2008
<b>Expenditure in Foreign Currency :</b>		
Raw Materials	-	33.19
Components and Spare Parts	-	6.45
Plant and Machinery	-	401.16
Capital Work in Progress	-	35.64
Travelling Expenses	15.32	11.84
Investment in Foreign Subsidiary	428.20	5397.00
<b>Receipt in Foreign Currency :</b>		
Net Receipts on FOB Sales	-	45.98



- o) The Scheme of Arrangement (the Scheme) under Section 391 to 394 of the Companies Act, 1956, between the Company and Arrow Textiles Limited ('ATL') and their respective shareholders is sanctioned by the honorable High Court of Judicature at Bombay vide Order dated 22nd August, 2008, and copy of the Order has been filed with the Registrar of Companies, Pune, Maharashtra on 16th September, 2008. Pursuant to the Scheme, Textiles business of the Company is transferred to and vested to ATL on appointed date i.e. 1st April, 2008 on a going concern basis. This Scheme has been given effect to in the financial statements for the year ended 31st March, 2009. This demerged undertaking is engaged in carrying on the business of manufacture and sale of textile products and related activities. In terms of the scheme, all the assets and liabilities of textiles division of the demerged undertaking have been transferred for at their carrying amounts on 1st April, 2008. As per the Scheme and in consideration of the above, Arrow Textiles Limited has issued 13,552,813 number of equity shares of Rs.10 each aggregating to Rs.1,35,528.13 thousand to the Share Holders of the Company. These shares have been issued in the ratio of one equity share for every ten equity share held by the shareholders of the Company.

Pursuant to the Scheme, the following assets and liabilities are transferred and vested in the demerged Company on appointed date i.e. 1st April, 2008, on a going concern basis.

Particulars	Rupees in Thousand
Gross Block of Fixed Assets	2,44,969.75
Less: Depreciation	1,18,800.06
Net Block of Fixed Assets	1,26,169.69
Capital Work in Progress	413.46
Current Assets, Loans and Advances	87,699.01
<b>TOTAL - (A)</b>	<b>2,14,282.16</b>
Loan Funds	1,18,774.08
Deferred Tax Liability	12,469.62
Current Liabilities and Provisions	19,129.15
<b>TOTAL - (B)</b>	<b>1,50,372.85</b>
<b>NET BALANCE (A) - (B)</b>	<b>63,909.31</b>

- p) The Company has been advised that since Lease Rental Income is comprises of Lease from Immovable Property being Land & Building owned by the Company and since the terms of the said lease for increasingly rentals, the provision for AS-19 does not apply and accordingly the lease Rentals are accounted on accrual basis on the basis of lease term.



q) Loans and Advances include due from Companies under the same managements as under:

(Rupees in Lacs)

Name of Companies	31st March, 2009	31st March, 2008
Aarti Management Consultancy Private Limited	2.71	0.05
Alibagh Farming & Agriculturist Co. Private Limited	-	0.15
Anjoss Trading Private Limited	-	6.41
Arrow Textiles Limited	178.60	2.58
Blackpool Realty Private Limited	-	0.42
Dacapo Brokerage India Private Limited	0.44	-
Delta Magnets Limited	0.53	-
Delta Real Estate Consultancy Private Limited	0.14	0.06
Delta Realties Private Limited	-	0.07
Delta Township & Real Estate Private Limited	0.14	0.06
Elixir Infotech Private Limited	0.31	0.31
Freedom Aviation Private Limited	9.96	9.96
Freedom Training and Academy Private Limited	0.07	-
J M Mega Properties Private Limited	-	0.12
J M Property Management Private Limited	-	0.47
Jayem Real Estate Private Limited	0.13	0.06
Jayem Realty Management Private Limited	0.13	0.06
Jayem Realty Solutions Private Limited	-	0.50
Peninsula Project Management Private Limited	-*	-*
Providence Educational Academy Private Limited	0.07	0.07
Riteline Exports Private Limited	-*	-
Freedom Registry Limited	0.40	-*

(\* Balances below Rs. 0.01 Lacs)

- r) An amount of Rs. 45.67 Crores appearing under the head of Unsecured Loans being the long term loan taken from a bank is classified as so because it is not directly secured by the assets of the Company. However it is secured by pledge of shares belonging to companies in which a director is interested and also by hypothecation / pledge of an asset belonging to two of the subsidiaries of the Company.
- s) The proposed dividend includes an amount of Rs. 30,00,000/- being the dividend at 20% on 1,50,00,000 equity warrant which are likely to be converted into shares from share warrants on or before the date of annual general meeting.



**t) Events happening after the Balance Sheet Date:**

- The Members of the Company at their Extra-ordinary General Meeting held on May 22, 2009, have approved the proposal of raising of additional long term funds through further issuance of securities including by way of Qualified Institution Placement for an amount up to an aggregate principal up to Rs. 150 Crores.
- On account of a transaction of Purchase of Shares, the Company's obligation to purchase the said Shares, under a contract, comes to an end. Consequently the Contingent Liability on account of Capital Commitment of Rs. 50.00 Crores no longer exists.

**u) Previous Year Comparatives**

The previous year's figures have been reworked, regrouped, rearranged, recast and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year. Previous year figures are really not comparable as it also includes the figures of demerged undertaking (refer note 'o' above).

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As per Our Report of Even Date

For Delta Corp Limited

For Amit Desai & Co  
Chartered Accountants

(Amit Desai)  
Proprietor  
M. No. F-32926

Mumbai: 29th June, 2009

Jaydev Mody                      Chairman  
Ashish Kapadia                  Managing Director  
Ambika Kothari                  Director  
Mahesh Gupta                    Director  
Rajeev Piralal                    Director  
Rajesh Jaggi                      Director  
Vrajesh Udani                    Director

Hitesh Kanani  
Company Secretary



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE  
ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV SCHEDULE VI TO  
THE COMPANIES ACT, 1956**



**I. REGISTRATION DETAILS:**

Registration No.: 5 8 8 1 7 State Code: 1 1  
Balance Sheet Date: 3 1 0 3 2 0 0 9  
Date Month Year

**II. CAPITAL RAISED DURING THE YEAR: (Amount in Rs. Thousands)**

Public Issue: N I L Right Issue: N I L  
Bonus Issue: N I L Private Placement: N I L

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS: (Amount in Rs. Thousands)**

Total Liabilities 3 5 7 0 0 3 7 Total Assets : 3 5 7 0 0 3 7

**SOURCE OF FUNDS:**

Paid -Up Capital: 2 5 7 9 1 3 Reserves & Surplus: 1 4 1 8 8 8 7  
Equity Share Warrants: 6 0 7 5 0 Deferred Tax Liability: 1 3 5 3  
Secured Loans: 1 1 0 1 0 2 4 Unsecured Loans: 7 3 0 1 1 0

**APPLICATION OF FUNDS:**

Net Fixed Assets: 1 3 8 6 0 4 Investment: 2 5 7 7 8 5 1  
Net Current Assets: 8 5 2 1 4 9 Misc. Expenditure: 1 4 3 3  
Accumulated Losses: N I L

**IV. PERFORMANCE OF THE COMPANY: (Amount in Rs. Thousands)**

Turnover/Other Income: 4 3 8 9 6 4 Total Expenditure: 3 5 0 1 4 8  
Earlier Year adjustment: 5 6 7 9 Balance Brought Forward: 2 7 1 7 5  
Profit/Loss before Tax: 1 0 3 5 6 6 Profit/Loss after Tax: 8 3 1 3 7  
Earnings per share (Rs.): 0 . 5 3 Dividend Rate (%): 2 0

**V. GENERIC NAME OF THE THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY:**

(As per Monetary Terms)

Item Code No. N A

Product Description

R E A L E S T A T E C O N S U L T A N C Y A N D D E V E L O P M E N T

For Delta Corp Limited

Jaydev Mody	Chairman	
Ashish Kapadia	Managing Director	
Ambika Kothari	Director	
Mahesh Gupta	Director	
Rajeev Piramal	Director	
Rajesh Jaggi	Director	Hitesh Kanani
Vrajesh Udani	Director	Company Secretary



## FINANCIAL INFORMATION OF SUBSIDIARIES

Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Liabilities	Total Assets	Investment	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country of Company	(Rupees in Lacs)	
1	Delta Hospitality Private Limited [Formerly Known As Fastrack Impex Pvt. Ltd.]	INR	100.00	299.49	13,890.55	14,290.05	13,726.99	314.22	(177.58)	-	(177.58)	-	India		
2	Hightstreet Cruises & Entertainment Pvt. Ltd.	INR	1,500.00	4,354.66	8,212.33	14,066.98	2,400.25	2,003.30	(2.08)	(18.67)	(20.76)	-	India		
3	Victor Hotels and Motels Limited	INR	150.00	(216.96)	1,472.51	1,405.55	-	503.73	(98.01)	29.52	(68.48)	-	India		
4	Coastal Sports Ventures Private Limited	INR	1.00	(10.62)	154.72	145.10	-	7.61	(4.84)	6.16	1.32	-	India		
5	J M Real Estates Private Limited	INR	5.00	36.36	189.32	230.68	-	-	(0.85)	-	(0.85)	-	India		
6	Jayem Realty Solutions Private Limited	INR	1.00	(0.47)	850.00	850.52	-	-	(0.22)	-	(0.22)	-	India		
7	Mundus Hospitality Private Limited	INR	51.91	(70.04)	208.83	190.70	-	54.31	(43.50)	7.93	(35.57)	-	India		
8	AAA Aviation Private Limited	INR	200.00	(163.72)	1,063.90	1,100.17	-	103.83	(210.96)	47.84	(163.12)	-	India		
9	Richtime Realty Private Limited	INR	1.00	1,080.94	1,796.52	2,878.46	-	2,980.08	957.93	(321.61)	636.32	-	India		
10	Delta Holdings (USA) Inc.	INR	497.18	(27.09)	-	470.08	-	-	(24.60)	-	(24.60)	-	USA		
		USD	10.00	(0.54)	-	9.46	-	-	(0.54)	-	(0.54)	-			
11	Delta PAN Africa Limited	INR	6,001.72	(65.31)	1.49	5,937.90	5,916.04	0.30	(1.44)	-	(1.44)	-	Kenya		
		KSHS	8,891.43	(96.75)	2.21	8,796.89	8,764.50	0.44	(2.15)	-	(2.15)	-			
12	Delta Corp East Africa Limited	INR	11,027.07	3,108.32	8,394.34	22,529.73	0.68	488.64	339.92	(107.00)	232.91	-	Kenya		
		KSHS	16,336.40	4,604.92	12,436.06	33,377.38	1.00	730.07	507.87	(159.87)	348.00	-			
13	Delta Square Limited	INR	0.68	(2.42)	10,052.81	10,051.07	-	-	(1.45)	-	(1.45)	-	Kenya		
		KSHS	1.00	(3.58)	14,893.05	14,890.47	-	-	(2.15)	-	(2.15)	-			

\*Exchange rate as on 31.03.2009

1 KES = Closing Rate Rs. 0.6750

Average Rate Rs. 0.6693

\*Exchange rate as on 31.12.2008

1 USD = Closing Rate Rs. 49.7178

Average Rate Rs. 45.1426



1. We have audited the attached consolidated balance sheet of Delta Corp Limited (formerly known as Arrow Webtex Limited) ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") as at 31st March, 2009, and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto which we have signed under reference to this report. These consolidated financial statements are the responsibility of the management and have been prepared by the management on the basis of separate financial statements and other financial information. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of three of the subsidiaries, whose financial statements reflect total assets of Rs. 22,536.20 Lacs as at 31st March, 2009, total revenue of Rs. 488.72 Lacs and net cash out flow of Rs. 5,970.30 Lacs for the year then ended. These financial statements and other information have been audited by other auditors whose report have been furnished to us, and our opinion is based solely on the report of the other auditors.
4. We have relied on the unaudited financial statements of one subsidiary whose financial statements reflect total assets of Rs. 470.08 Lacs as at 31st December, 2008, total revenue of Rs. Nil and cash flows amounting to Rs. 34.23 Lacs for the year then ended.

These unaudited financial statements as approved by the respective management of the company have been furnished to us and our report in so far as it relates to the amounts included in respect of the subsidiary is solely based on such approved unaudited financial statements.

5. We report that:
  - a) The consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 on "Consolidated Financial Statements" and Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India.
  - b) Based on our audit and on consideration of the report of the other auditors on separate financial statements and on the accounts approved by the management as explained in paragraph 4 above and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements, give a true and fair view in conformity with the accounting principles generally accepted in India;
    - i) in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31st March, 2009;
    - ii) in the case of the consolidated profit and loss account, of the profits of the Group for the year ended on that date; and
    - iii) in the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

For Amit Desai & Co  
Chartered Accountants

**(Amit Desai)**  
Proprietor  
M. No. F-32926

Mumbai: 29th June, 2009



## CONSOLIDATED BALANCE SHEET

### AS AT 31ST MARCH, 2009

		(Rupees in Lacs)			
	Schedule	As at March 31, 2009		As at March 31, 2008	
<b>Sources Of Funds:</b>					
<b>Shareholders' Funds:</b>					
Share Capital	1	2,579.13		2,579.13	
Equity Share Warrants	2	607.50		607.50	
Reserves & Surplus	3	19,815.22	23,001.85	19,582.96	22,769.59
<b>Minority Interest :</b>			8,374.60		7,517.68
<b>Loan Funds:</b>					
Secured Loans	4	11,010.24		12,172.11	
Unsecured Loans	5	21,460.41	32,470.65	20,506.39	32,678.50
<b>Deferred Tax Liability:</b>			18.38		161.56
<b>TOTAL</b>			<u>63,865.48</u>		<u>63,127.33</u>
<b>Application Of Funds:</b>					
<b>Fixed Assets:</b>					
	6				
Gross Block		9,523.28		4,944.10	
Less: Depreciation		(497.90)		(1,408.53)	
Net Block		9,025.38		3,535.57	
Add: Capital Work In Progress		2,661.21	11,686.59	4,542.52	8,078.09
<b>Goodwill:</b>			2,497.62		2,401.84
<b>Investments:</b>	7		22,424.95		26,559.21
<b>Deferred Tax Assets:</b>			152.57		61.60
<b>Current Assets, Loans And Advances:</b>					
Inventories	8	23,447.05		8,593.00	
Sundry Debtors	9	1,168.86		1,561.23	
Cash & Bank Balances	10	1,546.33		8,652.80	
Loans & Advances	11	6,547.49		15,406.41	
			<u>32,709.73</u>		<u>34,213.44</u>
<b>Less: Current Liabilities And Provisions:</b>	12				
Sundry Creditors		2,612.91		4,854.38	
Other Liabilities & Provisions		3,016.94		3,358.46	
			<u>5,629.85</u>		<u>8,212.84</u>
Net Current Assets			27,079.88		26,000.60
<b>Miscellaneous Expenditure:</b>	13		23.87		25.99
(To The Extent Not W/Off Or Adjusted)					
<b>TOTAL</b>			<u>63,865.48</u>		<u>63,127.33</u>
Notes Forming Parts of Accounts	21				

As per Our Report of Even Date

For Delta Corp Limited

For Amit Desai & Co  
Chartered Accountants

(Amit Desai)  
Proprietor  
M. No. F-32926

Mumbai: 29th June, 2009

Jaydev Mody  
Ashish Kapadia  
Ambika Kothari  
Mahesh Gupta  
Rajeev Piramal  
Rajesh Jaggi  
Vrajesh Udani

Chairman  
Managing Director  
Director  
Director  
Director  
Director  
Director

Hitesh Kanani  
Company Secretary

**CONSOLIDATED PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH, 2009**



(Rupees in Lacs)			
	Schedule	Year ended March 31, 2009	Year ended March 31, 2008
<b>Income:</b>			
Sales / Operating Income	14	10,106.10	10,352.93
Increase/(Decrease) In Stocks	15	-	5.62
Other Income	16	756.66	292.47
		10,862.76	10,651.02
<b>Expenditure:</b>			
Raw Materials Consumed	17	2,680.11	4,333.46
Staff Costs	18	702.88	336.24
Administrative & Other Expenses	19	2,626.38	1,030.79
		6,009.37	5,700.49
<b>Profit Before Finance Charges, Depreciation &amp; Tax:</b>			
		4,853.39	4,950.53
Finance Charges (net)	20	3,061.16	1,384.81
Depreciation	6	331.09	238.50
		1,461.14	3,327.22
Prior Period Items		68.29	(15.29)
<b>Profit Before Taxes:</b>			
		1,529.43	3,311.93
Provision for Taxation - Income Tax (Including FBT)		608.43	1,092.40
- Deffered Tax		(104.21)	29.17
<b>Profit After Taxes :</b>			
		1,025.21	2,190.36
Less : Earlier Years Tax Adjustments		56.79	205.36
Add: Profit on Discontinued Operations		-	10.60
Less: Profit from Associates Companies		0.45	0.28
Less: Minority Interest etc.		308.37	346.72
<b>Profit After Taxes And Adjustments:</b>			
		659.60	1,648.60
Balance Brought Forward		173.91	124.11
Amount Available For Appropriation		833.51	1,772.71
Transferred To General Reserves		250.00	850.00
Proposed Dividends On Preference Shares		97.91	97.91
Proposed Dividends On Equity Shares		301.06	542.11
Dividends Distribution Tax		67.80	108.77
Balance Carried To Balance Sheet		116.75	173.91
<b>Basic Earning Per Share</b>			
		0.40	1.41
<b>Diluted Earning Per Share</b>			
		0.36	1.41
(Face Value Of Re. 1/- Each)			
Notes Forming Parts of Accounts	21		

As per Our Report of Even Date

For Delta Corp Limited

For Amit Desai & Co  
Chartered Accountants

(Amit Desai)  
Proprietor  
M. No. F-32926

Mumbai: 29th June, 2009

Jaydev Mody  
Ashish Kapadia  
Ambika Kothari  
Mahesh Gupta  
Rajeev Piramal  
Rajesh Jaggi  
Vrajesh Udani

Chairman  
Managing Director  
Director  
Director  
Director  
Director  
Director

Hitesh Kanani  
Company Secretary



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	(Rupees in Lacs)	
	Year ended March 31, 2009	Year ended March 31, 2008
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	1,461.14	3,327.22
Adjustments for :		
Profit on Discontinued Operations	-	10.60
Depreciation	331.09	238.50
Profit on Sale of Assets	(428.30)	(1.94)
Provision for Employee Benefits	18.96	-
Amortisation of Expenses	3.66	3.18
Interest Paid	3,473.71	1,548.81
Interest Income	(412.54)	(164.01)
Dividend Income	(157.93)	(89.07)
(Profit)/Loss on Sale of Investment (Net)	183.40	(125.76)
Sundry Balance W/off.	0.24	-
Loss on Associate	(0.45)	(0.28)
Exchange Rate Difference	1,014.07	126.15
<b>Operating Profit before Working Capital Changes</b>	<b>5,487.05</b>	<b>4,873.42</b>
Trade and Other Receivables	(32.23)	(218.85)
Inventories	(15,203.71)	(8,001.64)
Loans & Advances	9,209.64	(13,580.36)
Trade Payables	(2,133.49)	4,789.24
Other Liabilities	(2.48)	227.12
Taxes Paid	(1,203.80)	(1,287.07)
Prior Period Expenses	68.29	(15.29)
Miscellaneous Expenditure	(1.54)	-
<b>Net Cash Generated From Operating Activities</b>	<b>(3,812.27)</b>	<b>(13,213.43)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(5,911.48)	(2,878.69)
Purchase of Fixed Assets (Capital Work in Progress)	(1,388.00)	(3,826.52)
Purchase of Intangible Assets	(60.21)	(2,430.62)
Sale of Fixed Assets	2,934.00	972.97
Dividend Income	157.93	89.07
Interest Income	412.54	164.01
Sale of Investment (Net)	22,307.29	127.57
Exchange difference arising on Consolidation	163.36	1,493.49
Purchase of Investment	(18,356.68)	(17,714.26)
<b>Net Cash generated from Investing Activities</b>	<b>258.75</b>	<b>(24,003.00)</b>



	(Rupees in Lacs)	
	Year ended March 31, 2009	Year ended March 31, 2008
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Issuance of Share Capital	-	15,883.51
Share Issue Expenses	-	(541.85)
Interest Paid	(3,473.70)	(1,548.81)
Dividend Paid (including Dividend Distribution Tax)	(748.79)	(729.05)
Proceeds from Issue of Shares from Minority Interest	-	7,170.96
Proceeds From Long Term Borrowing	(297.51)	18,825.40
Proceeds From Short Term Borrowing	999.64	5,900.30
Proceeds From issue of Warrants	-	607.50
<b>Net Cash Generated From Financing Activities</b>	<u>(3,520.36)</u>	<u>45,567.96</u>
Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(7,073.88)	8,351.54
Cash Reduced on Demerger	(32.59)	-
Cash & Cash Equivalents as at Beginning of Year	8,652.80	301.26
Cash & Cash Equivalents as at End of the Year	<u>1,546.33</u>	<u>8,652.80</u>

**Notes :**

- 1) 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 ICAI.
- 2) Previous year's figures have been regrouped wherever necessary to confirm the current year's classification.
- 3) The above Cash Flow Statement excludes assets (other than Cash and Cash Equivalents)/liabilities transferred to Arrow Textile Ltd. on demerger.
- 4) Figures in bracket indicate cash outflow.
- 5) Cash and Cash Equivalents includes Rs.167.28 Lacs pledged to various authorities which are not available for use by the Company.

As per Our Report of Even Date

For Delta Corp Limited

For Amit Desai & Co  
Chartered Accountants

(Amit Desai)  
Proprietor  
M. No. F-32926

Mumbai: 29th June, 2009

Jaydev Mody  
Ashish Kapadia  
Ambika Kothari  
Mahesh Gupta  
Rajeev Piramal  
Rajesh Jaggi  
Vrajesh Udani

Chairman  
Managing Director  
Director  
Director  
Director  
Director  
Director

Hitesh Kanani  
Company Secretary



**SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET  
AS AT 31ST MARCH, 2009**

(Rupees in Lacs)		
Particulars	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 1</b>		
<b>Share Capital:</b>		
Authorised:		
1,80,000,000 (1,60,00,000) Equity Shares Of Re.1/- Each	1,800.00	1,600.00
10,00,000 10% Preference Shares Of Rs. 10/- Each	100.00	100.00
1,30,00,000 8% Preference Shares Of Rs.10/-Each	1,300.00	1,300.00
<b>TOTAL</b>	<u>3,200.00</u>	<u>3,000.00</u>
Issued, Subscribed And Paid-Up:		
13,55,28,130 Equity Shares Of Re. 1/- Fully Paid Up	1,355.28	1,355.28
12,238,535 8% Non Cumulative Preference Shares Of Rs. 10/- Each Fully Paid Up	1,223.85	1,223.85
<b>TOTAL</b>	<u>2,579.13</u>	<u>2,579.13</u>
1) During the F.Y. 07-08, the Company has issued and allotted 3,04,80,280 Equity Shares of Re.1/- each on preferential basis at a price of Rs.40.50 per share to entities other than promoters as per the approval of Share Holders and applicable Statutory Provisions.		
2) During the F.Y. 07-08, Equity Share of Rs.10/- each was sub-divided into Equity Share of Re. 1/- each.		
<b>SCHEDULE NO. 2</b>		
<b>Equity Share Warrants :</b>	607.50	607.50
During the F.Y. 07-08, the Company has issued 1,50,00,000 Share Warrants to a promoter as per the approval of Share Holders and applicable statutory provisions. The warrant holder has a right to apply for equity shares within 18 months from the date of allotment. Amount received against the warrants is shown as Equity Share Warrants in the Balance Sheet, pending exercise thereof.		
<b>TOTAL</b>	<u>607.50</u>	<u>607.50</u>





(Rupees in Lacs)		
Particulars	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 3</b>		
<b>Reserves &amp; Surplus:</b>		
Security Premium Account:		
Opening Balance	15,017.86	-
Add: Transferred During the Year	-	15,559.71
Less: Share Issue And Other Expenses	-	(541.85)
	<u>15,017.86</u>	<u>15,017.86</u>
<b>General Reserves:</b>		
Opening Balance	2,228.56	1,390.74
Less: Charge On Account Of Transitional Provisions Under Accounting Standard 15	-	(12.18)
Less: Reduction In General Reserve On Account Of Demerger	(364.63)	-
Add : Transfer From Profit & Loss Account	250.00	850.00
	<u>2,113.93</u>	<u>2,228.56</u>
<b>Capital Reserves:</b>	1,756.50	1,855.45
<b>Capital Redemption Reserves:</b>	181.03	181.03
<b>Foreign Currency Translation Reserves:</b>	629.15	126.15
<b>Profit And Loss Account:</b>	116.75	173.91
<b>TOTAL</b>	<u>19,815.22</u>	<u>19,582.96</u>



(Rupees in Lacs)		
Particulars	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 4</b>		
<b>Secured Loans:</b>		
From a Bank		
Cash Credit Facility	-	184.36
Term Loan	-	680.00
(Secured against the first charge over Fixed Assets of Textiles Division by way of equitable mortgage of an Immovable Fixed Assets and hypothecation of Movable Assets)		
	-	864.36
From a Financial Institution		
(Secure by mortgage of a Immovable Property at Mumbai and its future Lease Rentals Income)	11,010.24	11,307.75
<b>TOTAL</b>	<u>11,010.24</u>	<u>12,172.11</u>
<b>SCHEDULE NO. 5</b>		
<b>Unsecured Loans:</b>		
Sales Tax Loan	-	39.40
From a Bank	4,557.33	6,000.00
Vehicle Loan	-	6.22
Inter Corporate	15,281.73	11,699.58
Due to a Director	1,621.35	2,761.19
<b>TOTAL</b>	<u>21,460.41</u>	<u>20,506.39</u>

## SCHEDULE NO. 6

### Fixed Assets / Depreciation

(Rupees in Lacs)

Particulars	Gross Block			Depreciation			Net Block			
	As on	Acqui- sition	Additions	Transla- tion Exchange Difference	As on	Acqui- sition	Additions	Transla- tion Exchange Difference	As on	As on
	01.04.08	08-09	08-09	08-09	31.03.09	01.04.08	08-09	08-09	31.03.09	31.03.08
Land	858.93	-	-	858.93	-	-	-	-	-	858.93
Building	281.70	-	766.73	621.82	426.61	86.02	90.23	-	12.28	414.33
Plant & Machinery	2,135.12	4.45	1,270.90	2,147.49	1,263.05	1,082.71	1,067.71	0.01	47.82	1,215.23
Computers & Accessories	61.40	0.58	40.08	34.38	67.94	29.83	11.41	0.11	21.22	46.72
Furniture & Fixtures	152.82	-	1,593.04	20.45	1,727.90	74.07	56.17	0.42	112.80	1,615.10
Gaming Equipments	-	-	570.38	-	570.38	-	16.41	-	16.41	553.97
Vehicles	299.97	2.49	142.23	74.38	371.50	90.41	74.28	0.41	133.01	238.49
Ships	481.23	201.89	3,394.77	408.36	3,669.53	13.17	78.32	-	102.62	3,566.91
Feeder/Speed Boat	20.01	-	495.97	-	515.98	9.78	16.33	-	26.11	489.87
Aircraft	652.08	-	907.25	652.08	907.25	22.23	48.41	-	25.00	882.25
Intangible Assets	0.84	-	2.23	-	3.14	0.31	0.30	0.02	0.63	2.50
<b>Total</b>	4,944.10	209.41	9,183.58	4,817.89	9,523.28	1,408.53	350.83	0.97	497.90	9,025.38
<b>Previous Year</b>	3,806.49	85.03	2,193.47	1,140.89	4,944.10	1,330.24	244.46	-	1,408.53	3,535.57
Capital Work In Progress	4,542.52	-	1,792.90	3,674.21	2,661.21	-	-	-	-	2,661.21

Note :

An amount Rs.350.84 Lacs shown as depreciation for the year includes an amount of Rs.19.75 Lacs being depreciation for the year of two of subsidiary companies which is charged to pre-operative expenses.



(Rupees in Lacs)				
Particulars	Current Year Nos.	Previous Year Nos.	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE NO. 7</b>				
<b>A) Trade Investments (at cost)</b>				
<b>Fully Paid Equity Shares</b>				
<b>Quoted:</b>				
Peninsula Land Limited (Face value of Rs. 2)	48,000	48,000	2.64	2.64
(Aggregate Market Value Rs. 10.44 Lacs - P.Y. Rs. 42.89 Lacs)				
<b>Unquoted:</b>				
<b>(i) Associate Companies</b>				
Pavurotti Finance & Investment Private Limited	21,000	43,000	1.50	4.15
J M Realty Management Private Limited	-	2,500	-	0.13
<b>(ii) Other Companies</b>				
Aero Ports & Infrastructure Project Private Limited	43,750	-	4.38	-
Delta Realities Private Limited	1	1	-	-
J M Township and Real Estate Private Limited	175,000	175,000	17.50	17.50
Lakeview Mercantile Company Private Limited	-	1,500	-	0.15
Peninsula Mega Prperties Private Limited	2,600	2,600	0.26	0.26
<b>Fully Paid Preference Shares (Unquoted)</b>				
Lakeview Mercantile Company Private Limited (CCP)	-	150,000	-	15.00
<b>B) Other Investments (at cost)</b>				
<b>(a) Fully Paid Equity Shares</b>				
<b>Quoted</b>				
Piramal Healthcare Limited (formerly known as Nicholas Piramal Limited)	423	423	0.10	0.10
Reliance Capital Limited	-	500	-	0.24
Victoria Mills Limited	40	40	0.02	0.02
UTV Software Communication Limited	244,460	750,000	372.71	5,100.00



(Rupees in Lacs)				
Particulars	Current Year Nos.	Previous Year Nos.	As at 31st March, 2009	As at 31st March, 2008
Piramal Glass Limited *	19	19	-	-
Piramal Life Sciences Limited *	42	42	-	-
Advani Hotels & Resorts Limited	16,145,022	8,192,358	13,726.99	5,545.42
(Aggregate Market Value Rs. 5209.01 Lacs - P.Y. Rs. 13113.88 Lacs)				
*Issued free against holding of shares of Piramal Healthcare Ltd.				
<b>Unquoted</b>				
Arrow Textiles Limited	1	1	-	-
Elixir Infotech Private Limited	60,000	60,000	6.00	6.00
Freedom Aviation Private Limited	120	120	0.01	0.01
The Shamrao Vithal Co.Op. Bank Limited	2,100	2,100	0.53	0.53
<b>(b) Fully Paid Debenture (Unquoted)</b>				
<b>Other Companies</b>				
Advent Investment & Finance Co. Private Limited	330,000	330,000	33.00	33.00
<b>C) Investment in Mutual Fund</b>				
Reliance Fixed Horizon Fund VI	-	800,000	-	800.00
Reliance FMP	-	20,143,149	-	2,016.03
Reliance Liquid Plus Fund	-	175,021	-	1,752.20
Reliance Monthly Interval Fund	-	1,492,354	-	1,500.00
Reliance Medium Term Fund	-	15,064,419	-	1,506.52
<b>D) Investment in Immoveable Property</b>				
Property at Mumbai			8,259.31	8,259.31
<b>TOTAL</b>			<u>22,424.95</u>	<u>26,559.21</u>



### Details of Investment made in Mutual Fund For The Year Ended 31st March, 2009

Name of Mutual Fund	Balance As at 01-04-2008		Purchased during the year		Sold during the year		Balance As at 31.03.2009	
	No. of Units	Rs. In Lacs	No. of Units	Rs. In Lacs	No. of Units	Rs. In Lacs	No. of Units	Rs. In Lacs
<b>Reliance Fixed Horizon Fund - VI - Series II - Institutional Dividend Plan</b>	8,000,000	800.00	-	-	8,000,000	800.00	-	-
<b>Reliance Medium Term Fund - Series III - Institutional Dividend Plan</b>	15,064,419	1,506.52	246,112	24.44	15,310,531	1,530.96	-	-
<b>Reliance Monthly Interval Fund - Series III - Institutional Dividend Plan</b>	14,992,354	1,500.00	13,082,231	1,313.13	28,074,585	2,813.13	-	-
<b>Reliance Medium Term Fund - Daily Dividend Plan</b>	-	-	1,180,016	201.73	1,180,016	201.73	-	-
<b>Reliance Monthly Interval Fund - Series I - Institutional Dividend Plan</b>	20,140,179	2,016.03	212,576	21.28	20,352,756	2,037.31	-	-
<b>Reliance Liquid Fund - Treasury Plan- Institutional Option-Daily Dividend</b>	-	-	1,963,101	300.10	1,963,101	300.10	-	-
<b>Reliance Liquidity Fund - Daily Dividend Reinvestment Option</b>	-	-	2,002,712	200.33	2,002,712	200.33	-	-
<b>Reliance Liquid Plus Fund - Institutional Option, Daily Dividend Plan</b>	175,021	1,752.20	734,885	7,357.20	909,906	9,109.40	-	-
<b>TOTAL</b>	<b>58,371,973</b>	<b>7,574.75</b>	<b>19,421,633</b>	<b>9,418.21</b>	<b>77,793,607</b>	<b>16,992.96</b>	<b>-</b>	<b>-</b>



Particulars	(Rupees in Lacs)	
	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 8</b>		
<b>Inventories:</b>		
(At Cost/Net Realisable Value whichever is Lower as Certified by the Management)		
Raw Materials	-	225.25
Work-In-Process	20,464.39	4,847.95
Finished Goods	-	78.92
Spares & Stores	-	26.44
Packing Materials	-	3.26
Cutlery, Crockery, Linen and Others	273.80	-
Food and Beverages	34.67	-
Property	2,674.19	3,411.18
<b>TOTAL</b>	<b>23,447.05</b>	<b>8,593.00</b>
<b>SCHEDULE NO. 9</b>		
<b>Sundry Debtors:</b>		
(Unsecured And Considered Good)		
Outstanding For More Than Six Months	333.10	1.50
Others	835.76	1,559.73
<b>TOTAL</b>	<b>1,168.86</b>	<b>1,561.23</b>
<b>SCHEDULE NO. 10</b>		
<b>Cash And Bank Balances:</b>		
Cash and Cheques on Hand	602.39	17.61
Balances With Schedule Banks:		
In Current Account	360.35	287.68
In Unclaimed Dividend Account	33.45	23.90
In Fixed Deposit Account	168.57	2,495.77
Balance in Foreign Banks: (Non Schedule)		
In Current Account	84.57	244.06
In Fixed Deposit Account	297.00	5,583.78
	943.94	8,635.19
<b>TOTAL</b>	<b>1,546.33</b>	<b>8,652.80</b>



(Rupees in Lacs)		
Particulars	As at March 31, 2009	As at March 31, 2008
<b>SCHEDULE NO. 11</b>		
<b>Loans &amp; Advances:</b>		
(Recoverable in Cash or in Kind or for Value to be Received)		
Unsecured And Considered Good:		
Advances:		
(Due from Companies in which Director and / or Relative of Director of the Company is a Director)	1,476.11	95.70
Loans and Advances to Others	1,490.64	11.12
Deposits	469.26	8,131.29
Advance Tax (net)	978.48	444.78
Others	2,133.00	6,723.52
<b>TOTAL</b>	<u>6,547.49</u>	<u>15,406.41</u>
<b>SCHEDULE NO. 12</b>		
<b>Current Liabilities &amp; Provisions:</b>		
Sundry Creditors	2,612.91	4,854.38
Deposits	2,049.99	2,059.61
Other Liabilities	466.73	526.16
Proposed Dividend on Preference Shares	97.91	97.91
Proposed Dividend on Equity Shares	301.06	542.11
Provision for Dividend Tax	67.80	108.77
Unclaimed Dividends	33.45	23.90
<b>TOTAL</b>	<u>5,629.85</u>	<u>8,212.84</u>
<b>SCHEDULE NO. 13</b>		
<b>Miscellaneous Expenditure:</b>		
Preliminary Expenses	23.87	25.99
(To the extent not written off)		
<b>TOTAL</b>	<u>23.87</u>	<u>25.99</u>



**SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH, 2009**



		(Rupees in Lacs)	
Particulars	Year ended March 31, 2009	Year ended March 31, 2008	
<b>SCHEDULE NO. 14</b>			
<b>Sales/Operating Income</b>			
Textiles Division:			
Gross Sales	-	1,606.11	
Less: Rejections	-	19.31	
Net Sales	-	1,586.80	
Real Estate Division:			
Consultancy Income	751.70	510.53	
Sale Of Property & Compensation Income	3,480.01	4,802.35	
Profit on Sale of Shares	1,182.02	-	
	<u>5,413.73</u>	<u>5,312.88</u>	
Hospitality Division:			
Income From Casino Operations	1,944.73	-	
Sale (Foods & Beverages)	174.33	12.03	
Income from Cruising & Advertisement	13.96	47.66	
Income from Chartering Operations	70.40	-	
Profit on Sale of Shares	-	951.11	
	<u>2,203.42</u>	<u>1,010.80</u>	
Lease Rentals	2,488.95	2,442.45	
<b>TOTAL</b>	<u>10,106.10</u>	<u>10,352.93</u>	
<b>SCHEDULE NO. 15</b>			
<b>Increase/(Decrease) In Stocks:</b>			
Opening Stocks: Work-In-Process / Finished Goods	-	93.53	
Closing Stocks: Work-In-Process / Finished Goods	-	99.15	
Increase / (Decrease)	-	5.62	
<b>TOTAL</b>		<u>5.62</u>	
<b>SCHEDULE NO. 16</b>			
<b>Other Income:</b>			
Dividend Income	157.93	89.07	
Profit On Sale Of Assets	428.30	1.94	
Profit On Sale Of Shares	-	125.76	
Other Income	170.43	75.70	
<b>TOTAL</b>	<u>756.66</u>	<u>292.47</u>	



(Rupees in Lacs)

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
<b>SCHEDULE NO. 17</b>		
<b>Raw Materials/Others Consumed:</b>		
Opening Stocks	7,305.80	171.89
Add: Purchases	7,728.51	11,470.28
	15,034.31	11,642.17
Less: Transferred	(225.25)	(2.91)
Less: Closing Stocks	(12,128.95)	(7,305.80)
<b>TOTAL</b>	<b>2,680.11</b>	<b>4,333.46</b>
(Refer note 2(m) in Schedule '21')		
<b>SCHEDULE NO. 18</b>		
<b>Staff Costs:</b>		
Salaries and Incentives	596.37	314.07
Contribution to Provident & Other Funds	23.69	11.90
Gratuity Fund Contributions	15.19	2.50
Staff Welfare Expenses	67.63	7.77
<b>TOTAL</b>	<b>702.88</b>	<b>336.24</b>
<b>SCHEDULE NO. 19</b>		
<b>Administration and Other Expenses :</b>		
Licence Fees & Registration Charges	541.30	-
Other Operating Expenses (Gaming)	219.96	-
Gaming & Entertainment Tax	193.44	-
Spares & Stores	-	24.22
Packing Materials	-	17.10
Processing Charges	-	29.49
Labour Charges	-	17.51
Electricity Charges	197.61	87.90
Aviation Expenses	18.82	23.90
Advertisement Expenses	85.58	17.48
Auditor's Remuneration	17.94	26.54
Conveyance	2.35	6.51



(Rupees in Lacs)		
Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Exchange Fluctuations Loss	14.20	-
Director Sitting Fees	2.43	1.75
Donations	64.36	26.23
Insurance	30.36	11.68
Legal & Professional Fees	390.20	189.44
Miscellaneous & General Expenses	113.74	37.02
Postage & Telephone	40.39	26.68
Property Tax	36.88	25.10
Printing And Stationery	28.01	8.61
Loss on Sale of Shares & Mutual Fund	183.33	-
Rent, Rates & Taxes	47.83	83.87
Repairs & Maintenance	172.44	77.41
Remuneration To Directors	61.99	62.52
Travelling Expenses	71.92	65.37
Vehicle Expenses	34.79	33.02
Selling & Distribution Expenses	-	77.55
Sales Promotion Expenses	52.85	50.71
Preliminary Expenses Written off	3.66	3.18
<b>TOTAL</b>	<u>2,626.38</u>	<u>1,030.79</u>
<b>SCHEDULE NO. 20</b>		
<b>Finance Charges:</b>		
Interest on Term Loan from a Financial Institution	1,633.61	916.37
Interest on Unsecured Loan from a Bank	743.74	109.43
Interest on Loan from Others	847.23	434.48
Other Financial Charges	249.12	88.53
	<u>3,473.70</u>	<u>1,548.81</u>
Less : Interest Received:		
On Inter Corporate Deposits	31.66	3.33
Other Interest	380.88	160.67
	<u>412.54</u>	<u>164.00</u>
<b>TOTAL</b>	<u>3,061.16</u>	<u>1,384.81</u>



## **SCHEDULE NO. 21**

### **1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Principles of Consolidation**

The consolidated financial statements related to Delta Corp Limited ('the Company') and its subsidiary companies have been prepared on following basis:

- i) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements".
- ii) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the foreign currency translation reserve.
- iii) The difference between the cost of the investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- iv) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of the disposal is recognized in the consolidated statement of Profit and Loss Account.
- v) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- vi) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.
- vii) In case of associates, where the Company directly or indirectly through subsidiaries holds more than 20% equity, investments in associates are accounted for using equity method in accordance with Accounting Standard (AS) 23 – "Accounting for investments in associates in consolidated financial statements".
- viii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

#### **b) Revenue Recognition**

- i. Sale of Product, Properties & Services are recognized when significant risks and rewards of ownership of products are passed on to customers or when the full / complete services have been provided. Sales are stated at contractual realizable value.
- ii. Full provision is made for any loss in the year in which when it is first foreseen.
- iii. Interest income is generally recognized on a time proportion method.
- iv. Dividend income is recognized when the right to receive dividend is established.
- v. Claims for price variation/exchange rate variation in case of contracts are accounted for on acceptance.
- vi. Rent income is accounted on accrual basis.



vii. Income from Live Casino Business is accounted for on the basis of winning and losses at the end of each gaming day of play with the count of chips. Income from Slot Machines is accounted for on the basis of actual collection in each respective machine.

viii. Sale comprise sale of food and beverages, allied services relating to entertainment and hospitality operations.

**c) Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Finance cost relates to acquisition of fixed assets are included to the extent they relate to the period till such assets are ready to be put to use.

In the case of new projects successfully implemented, substantial expansion of existing units and expenditure resulting into enduring benefit, all pre-operative expenses including depreciation and interest on borrowings for the project, incurred up to the date of installation are capitalized and added pro-rata to the Cost of related Fixed Assets of project.

**Capital Work-In-Progress**

In respect of supply-cum-erection contracts, the values of supplies received at site and accepted and not installed are treated as Capital Work-in-Progress.

Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of operation. Capital Work in Progress is stated at the amount expended up to the date of Balance Sheet.

**d) Depreciation**

Depreciation is provided on Written Down Value (WDV) method as prescribed in Schedule XIV of the Companies Act, 1956 except on Fixed Assets directly pertaining to Aviation and Casino business where depreciation is charged on Straight Line Method (SLM). Depreciation is provided from the date of acquisition till the date of sale of assets.

**e) Investments**

Long-term investments are stated at cost less provision for other than temporary diminution in value. Investments in Immovable Properties include purchase price, duties, interest and cost of improvements. The Management has laid out guidelines for the purpose of assessing likely diminutions' in Investments and accordingly made provisions for the same wherever required.

**f) Inventories**

Inventories are valued at cost and net realizable value, whichever is lower.

**g) Employee Benefits**

Liability is provided for retirement benefits for provident fund, gratuity and leave encashment in respect of all eligible employees. Contributions under the defined contribution schemes are charged to revenue. The liability in respect of defined benefit schemes like gratuity and leave encashment is provided in the accounts on the basis of actuarial valuations as at the year end.

**h) Foreign Currency Transactions**

The reporting currency of the company is the Indian Rupee. Foreign currency transactions are initially recorded at the rates of exchange prevailing at the date of transaction.



All foreign currency denomination monetary assets and liabilities are translated at the exchange rates prevailing on the Balance Sheet date.

Exchange differences arising on foreign currency transactions settled during the period are recognized in the Profit and Loss Account for the year other than exchange differences related to the liabilities for acquisition of fixed assets that are adjusted to the cost of the related fixed assets.

**i) 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.

**j) Accounting for Taxes on Income**

Provision for tax is made for both Current and Deferred tax. Provision for Current Tax is made, at the current rate of tax, based on assessable income. Deferred tax resulting from timing differences between the book profits and the tax profits is accounted to the extent that the timing differences are expected to crystallize. Deferred tax assets are not recognized unless there is sufficient assurance with respect to reversal of the same in the future.

**k) Impairment of Assets**

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

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

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.

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.

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) Segment Accounting**

Segment accounting policies are in the line with the accounting policies of the Company.

- i) Segment revenue includes sales and other income directly identifiable with/allocable to the segment.
- ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the Segment Result. Expenses which relate to the Company as a whole and not allocable to segments are included under "Unallocable Corporate Expenditure".
- iii) Income which relates to the Company as a whole and not allocable to segments is included in "Unallocable Corporate Income".
- iv) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.



**n) Operating Leases**

Rental applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against Profit & Loss Account as per the terms of lease agreement over the period lease.

**o) Miscellaneous Expenditure**

Miscellaneous expenses are being amortized over a period of ten years from the year in which expenses are incurred except in case of expenses incurred by Mundus Hospitality Private Limited where it is amortized over the period of five years.

**2) NOTES TO THE ACCOUNTS**

**a) The Subsidiary Companies considered in the consolidated financial statements are:**

Name of the Company	Country of Incorporation	Percentage of Voting Right as on 31st March, 2009
<b>Subsidiaries (held directly)</b>		
Highstreet Cruises & Entertainment Private Limited	India	80.00
Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)	India	74.00
AAA Aviation Private Limited	India	90.00
Jayem Realty Solutions Private Limited	India	50.01
J M Real Estates Private Limited	India	50.01
Richtime Realty Private Limited	India	50.01
AAA Real Land Developers Private Limited-upto 01.10.2009	India	100.00
Delta Pan Africa Limited (formerly known Peninsula Kenya Limited)	Kenya	100.00
Mundus Hospitality Private Limited – From 30.03.09	India	100.00
Delta Holdings (USA) Inc.	USA	100.00
<b>Fellow Subsidiaries</b>		
Victor Hotels and Motels Limited	India	80.00
Costal Sports Ventures Private Limited	India	80.00
Delta Corp East Africa Limited (Formerly Known as Delta Resource Limited)	Kenya	53.65
Delta Square Limited	Kenya	53.65
Mundus Hospitality Private Limited – upto 30.03.2009	India	80.00

**b) The significant Associates Companies considered in the consolidated financial statements are:**

Name of the Company	Country of Incorporation	Percentage of Voting Right as on 31st March, 2009
Pavurotti Finance and Investment Private Ltd.	India	21.00
J M Realty Management Private Ltd. - upto 18.03.2009	India	25.00



One of the subsidiary of the company namely Delta Hospitality Private Limited (DHPL) holds more than 20% of the voting power in a company namely Advani Hotels and Resorts (India) Limited (AHRL). However, since the significant influence (as per Accounting Standard – 23 issued by Institute of Chartered Accountant of India) is not exercised by DHPL on AHRL thus AHRL is not considered as indirect associate of the Company.

- c) The audited consolidated financial statements of Delta Pan Africa Ltd. and Delta Holding USA Inc have been prepared in accordance with International Financial Reporting Standard. The said statements are adjusted in consolidated financial statements of Company, to fall in line with Indian Accounting Standards.
- d) In case of the Delta Holdings (USA) Inc. unaudited financial statements as on 31st December, 2008 as certified by the management, have been considered in the consolidated financial statements.

**e) Segments Disclosures:**

**Primary Segment Information:**

(Rupees in Lacs)

Sr.	Particulars	Textile	Real Estate	Lease Rent	Gaming & Hospitality	Others	Total
	Segment Revenue						
I	Gross Turnover	Nil (1589.00)	5413.73 (5885.61)	2518.95 (2464.47)	2182.17 (1110.57)	846.47 (117.30)	10961.32 (11166.94)
	Inter Segment Turnover	Nil (Nil)	Nil (506.87)	30 (14.68)	Nil (Nil)	68.56 (Nil)	98.57 (521.55)
	Net Turnover	Nil (1589.00)	5413.73 (5378.74)	2488.95 (2449.79)	2182.17 (1110.57)	777.91 (117.30)	10862.76 (10645.40)
II	Segment Results	Nil	2329.33	2286.57	-292.31	266.93	4590.52
	(Profit before Interest and Tax)	(137.79)	(1262.70)	(2335.89)	(935.85)	(24.52)	(4696.75)
	Less : Finance charges	-	-	-	-	-	3061.09 (1384.82)
	Profit Before tax	-	-	-	-	-	1529.43 (3311.93)
	Less : Taxes	-	-	-	-	-	561.01 (1326.92)
	Profit After tax	-	-	-	-	-	968.42 (1985.00)
	Add: Profit on Discontinued Operations	-	-	-	-	-	Nil (10.60)
	Add/Less : Capital Profit/ Minority Interest	-	-	-	-	-	-308.81 (347.00)
	Profit After Tax (after adjusting Capital Profit and Minority Interest)	-	-	-	-	-	659.61 (1648.60)
III	Segment Assets	Nil (2135.03)	30560.71 (30134.97)	11644.11 (9728.37)	28386.85 (18107.57)	944.92 (12822.39)	71536.59 (72928.34)
IV	Segment Liabilities	Nil (1126.23)	17523.28 (17637.94)	8786.52 (7885.97)	10184.47 (1761.00)	3689.72 (14236.91)	40183.99 (42648.05)
V	Capital Expenditure	Nil (11.26)	1447.94 (1158.99)	Nil (408.36)	4853.47 (1164.85)	279.01 (0.11)	6580.42 (3243.57)
VI	Depreciation	Nil (159.47)	112.19 (61.48)	Nil (3.41)	194.07 (12.89)	24.82 (1.24)	331.09 (238.50)





**f) Employee Benefits**

Disclosure required as per AS – 15 are as under:

- i) The Company has recognized the expected liability arising out of the compensated absence and gratuity as at 31st March, 2009 based on actuarial valuation carried out using the Project Credit Method.
- ii) The below disclosure have been obtained from independent actuary. The other disclosures are made in accordance with AS – 15 (revised) pertaining to the Defined Benefit Plan is as given below :

(Rupees in Lacs)

Particulars	Gratuity	Gratuity	Leave Encashment
	(Funded)	(Non funded)	
<b>Assumptions :</b>			
Discount Rate – Previous	8.00%	Nil	8.00%
Salary Escalation – Previous	5.00%	Nil	5.00%
Discount Rate – Current	8.00%	8.00%	5.00%
Salary Escalation – Current	5.00%	5.00%	5.00%
<b>Change in Benefit Obligation :</b>			
Liability at the beginning of the year	47.47	Nil	14.13
Interest Cost	0.35	Nil	0.28
Current Service Cost	1.47	9.01	17.15
Past Service Cost (Non Vested Benefit)	Nil	Nil	Nil
Past Service Cost (Vested Benefit)	Nil	Nil	Nil
Liability Transfer in	Nil	Nil	Nil
Liability Transfer out	(44.25)	Nil	(11.37)
Benefit Paid	(0.55)	Nil	(1.42)
Actuarial (Gain) / Loss on obligations	0.10	Nil	0.20
Liability at the end of the year	4.59	9.01	18.98
<b>Amount recognized in the Balance Sheet :</b>			
Liability at the end of the year	4.59	9.01	18.98
Fair value of Plan Assets at the end of the year	4.08	Nil	Nil
Difference	(0.51)	(9.01)	(18.98)
Unrecognized Past Service Cost	Nil	Nil	Nil
Unrecognized Transition Liability	Nil	Nil	Nil
Amount recognized in the Balance Sheet	(0.51)	(9.01)	(18.98)
<b>Expenses recognized in the Profit and Loss Account:</b>			
Current Service Cost	1.47	9.01	17.16
Interest Cost	0.35	Nil	0.28
Expected return on Plan assets	(0.28)	Nil	Nil



Particulars	Gratuity	Gratuity	Leave Encashment
	(Funded)	(Non funded)	
Past Service Cost (non-vested benefit) recognized	Nil	Nil	Nil
Past Service Cost (vested benefit) recognized	Nil	Nil	Nil
Recognition of Transition Liability	Nil	Nil	Nil
Actuarial Gain or (Loss)	(0.43)	Nil	0.20
Expenses recognized in the Profit and Loss Account	1.11	9.01	17.64
<b>Balance Sheet Reconciliation :</b>			
As on 01.04.08	(14.19)	Nil	14.13
Transferred due to De-merger	14.59	Nil	11.37
Expenses as above	1.11	9.01	17.64
Employer's Contribution	1.01	Nil	(1.42)
Closing Net Liability	0.51	9.01	18.98

#### g) Contingent Liabilities

##### l) Claims against the Company not acknowledged as debts:

- Property Tax for immovable property at Mumbai Rs. 80 Lacs (Previous Year Rs.60 Lacs)
- Income Tax Liabilities for Asst. Year 2004-05: Rs. 6.06 Lacs (Previous year Rs.6.06 Lacs)
- Bond given to Custom Authority of Goa towards Vessel towards Custom Liability Rs. 3937.19 Lacs (P.Y Nil)
- Bank Guarantees given in the normal course of business Rs. 613.65 Lacs (P.Y 113.65 Lacs)
- Liability on account of matter pending with FDA is not determinable.

##### Export Obligations:

The Company has obtained licenses under the Export Promotion Credit Guarantee ('EPCG') Scheme for importing capital goods at a concessional rate of custom duty against submission of bank guarantee and bonds.

Under the terms of the respective schemes, the Company is required to earn foreign exchange value equivalent to, or more than, eight times the CIF value of imports in respect of certain licenses and eight times the duty saved in respect of other licenses where export obligation has been fixed by the order of the Director General Foreign Trade, Ministry of Finance, as applicable with in a period of 8 years from the date of import of capital goods. The Export Promotion Capital Goods Schemes, Foreign Trade Policy 2004-2009 as issued by the Central Government of India, covers both manufacturers exports and service providers. Accordingly, in accordance with the Chapter 5 of Foreign Trade Policy 2004- 2009, the Company is required to export goods of FOB value of Rs. 2225.41 Lacs.



II) Commitment on Capital Account:

- Acquisition of shares of a subsidiary company from one of the minority shareholder: Rs. 50 Crores (Previous Year Rs. 50 Crores) Refer note 'I' below.

**h) (A) Related parties and transactions with them during the year as identified by the Management are given below:**

(i) Individual owning directly an Interest in the voting power that gives her significant influence:

- Mrs. Zia Mody (ZM)

(ii) Key Management Personnels:

- Mr. Jaydev Mody (JM) – Chairman
- Mr. Chand Arora (CA) – Managing Director up to 01.10.2008
- Mr. Hardik Dhebar (HD) – Group C.F.O.

(iii) Enterprises over which persons mentioned in (i) and (ii) above exercise significant influence:

- Aarti Management Consultancy Private Limited (AMCLP)
- Delta Magnets Limited (Formerly known as G P Electronics Ltd.) (DML)
- Aditi Management Consultancy Private Limited (ADMPL)
- Anjoss Trading Private Limited (ATPL)
- West Star Agro - Realities Private Limited (WSARPL)
- AZB & Partners (AZB)
- Freedom Aviation Private Limited (FAPL)
- Freedom Registry Limited (Formerly known as Amtrac Management Services Limited) (FRL)
- Sea Star Trading Company Private Limited (SSTPL)
- Dacapo Brokerage India Private Limited (DBIPL)
- Lakeview Mercantile Co. Private Limited (LMPL)
- Fivestar Mercantile Private Limited (FMPL)
- Bayside Realty Private Limited (BRPL)
- Bayside Properties Private Limited (BPPL)
- AAA Holding Trust (AAAHT)
- New Plaza Multitrade Private Limited (NPMTPL)
- Blackpool Realty Private Limited (BPRPL)
- Arrow Textiles Limited (ATL)
- Pavurotti Finance and Investment Pvt. Ltd. (PFIPL)
- J M Reality Management Private Limited (JMRMPL)



(B) Details of Transactions carried out with related parties in ordinary courses of business  
(Excluding reimbursement):

(Rupees in Lacs)

Sr. No.	Nature of Transactions	Key Management Personnel / Individual owning directly or indirectly interest in voting power		Enterprises over which Individuals/ Key Management Personnel exercise significant influence		Total	
		08-09	07-08	08-09	07-08	08-09	07-08
<b>1</b>	<b>Sales</b>						
	BRPL	-	-	5.38	-	5.38	-
	BPPL	-	-	7.21	-	7.21	-
		-	-	12.59	-	12.59	-
<b>2</b>	<b>Sale of Land &amp; Equipment</b>						
	AAAHT	-	-	1450.00	-	1450.00	-
		-	-	1450.00	-	1450.00	-
<b>3</b>	<b>Interest Paid</b>						
	DML	-	-	20.54	1.36	20.54	1.36
	DBIPL	-	-	5.36	-	5.36	-
	FMPL	-	-	483.92	-	483.92	-
		-	-	509.82	1.36	509.82	1.36
<b>4</b>	<b>Directors Sitting Fess</b>						
	JM	0.20	0.15	-	-	0.20	0.15
		0.20	0.15	-	-	0.20	0.15
<b>5</b>	<b>Professional Fees</b>						
	FRL	-	-	1.25	-	1.25	-
	AZB	-	-	26.02	42.68	26.02	42.68
		-	-	27.27	42.68	27.27	42.68
<b>6</b>	<b>Remuneration/Commission</b>						
	CA	-	47.92	-	-	-	47.92
		-	47.92	-	-	-	47.92
<b>7</b>	<b>Other Expenses</b>						
	DBIPL	-	-	3.60	-	3.60	-
		-	-	3.60	-	3.60	-
<b>8</b>	<b>Brokerage Income</b>						
	LMPL	-	-	-	150.41	-	150.41
		-	-	-	150.41	-	150.41
<b>9</b>	<b>Interest Received</b>						
	ATL	-	-	31.89	-	31.89	-
		-	-	31.89	-	31.89	-
<b>10</b>	<b>Sale of Property</b>						
	AMCLP	-	-	-	165.74	-	165.74
		-	-	-	165.74	-	165.74



Sr. No.	Nature of Transactions	Key Management Personnel / Individual owning directly or indirectly interest in voting power		Enterprises over which Individuals/ Key Management Personnel exercise significant influence		Total	
		08-09	07-08	08-09	07-08	08-09	07-08
<b>11</b>	<b>Loan taken</b>						
	AMCLP	-	-	2179.29	2030.50	2179.29	2030.50
	ADMPL	-	-	1519.16	137.00	1519.16	137.00
	ATPL	-	-	1413.63	189.77	1413.63	189.77
	DBIPL	-	-	100.00	-	100.00	-
	DML	-	-	-	221.00	-	221.00
	FMPL	-	-	1994.67	-	1994.67	-
	JM	2092.00	5455.00	-	-	2092.00	5455.00
	ZM	-	486.25	-	-	-	486.25
	WSARPL	-	-	-	60.00	-	60.00
	NPMTPL	-	-	1.15	-	1.15	-
	BPRPL	-	-	-	40.00	-	40.00
		2092.00	5941.25	7207.90	2678.27	9299.90	8619.52
<b>12</b>	<b>Loan Repayment</b>						
	AMCLP	-	-	2227.64	400.46	2227.64	400.46
	ADMPL	-	-	1352.90	160.00	1352.90	160.00
	ATPL	-	-	1186.04	168.28	1186.04	168.28
	DML	-	-	104.81	-	104.81	-
	FMPL	-	-	4518.24	-	4518.24	-
	JM	2963.75	5021.00	-	-	2963.75	5021.00
	ZM	-	486.25	-	-	-	486.25
	SSTPL	-	-	-	286.51	-	286.51
	WSARPL	-	-	-	60.00	-	60.00
		2963.75	5507.25	9389.63	1075.25	12353.38	6582.51
<b>13</b>	<b>Advance Given for Property / (Received Back)</b>						
	AMCLP	-	-	(56.67)	56.67	(56.67)	56.67
	ADMPL	-	-	(66.67)	66.67	(66.67)	66.67
	ATPL	-	-	(60.00)	60.00	(60.00)	60.00
		-	-	(183.34)	183.34	(183.34)	183.34
<b>14</b>	<b>Advance Received for Property</b>						
	JMRMPL	-	-	-	21.00	-	21.00
	LMPL	-	-	-	21.00	-	21.00
		-	-	-	42.00	-	42.00



Sr. No.	Nature of Transactions	Key Management Personnel / Individual owning directly or indirectly interest in voting power		Enterprises over which Individuals/ Key Management Personnel exercise significant influence		Total	
		08-09	07-08	08-09	07-08	08-09	07-08
<b>15</b>	<b>Advance Received for Property and Given Back</b>						
	BPRPL	-	-	80.00	-	80.00	-
		-	-	80.00	-	80.00	-
<b>16</b>	<b>Loan Given</b>						
	AMCLP	-	-	-	100.00	-	100.00
	ATL	-	-	30.00	-	30.00	-
		-	-	30.00	100.00	30.00	100.00
<b>17</b>	<b>Loan received back</b>						
	AMCLP	-	-	-	100.00	-	100.00
	ATL	-	-	157.75	-	157.75	-
		-	-	157.75	100.00	157.75	100.00
<b>18</b>	<b>Dividend On Equity Shares</b>						
	JM	28.10	-	-	-	28.10	-
	ZM	241.25	-	-	-	241.25	-
		269.35	-	-	-	269.35	-
<b>19</b>	<b>Dividend On Preference Shares</b>						
	JM	48.95	48.95	-	-	48.95	48.95
	ZM	48.95	48.95	-	-	48.95	48.95
		97.90	97.90	-	-	97.90	97.90
<b>20</b>	<b>Investments in Shares:</b>						
	LMPL	-	-	-	15.15	-	15.15
	JMRMPL	-	-	-	0.25	-	0.25
	PFIPL	-	-	-	4.30	-	4.30
	FAPL	-	-	3.38	0.01	3.38	0.01
		-	-	3.38	15.41	3.38	41.71
<b>21</b>	<b>Outstandings As on 31st March</b>						
	Unsecured Loans						
	DBIPL	-	-	116.18	-	116.18	-
	DML	-	-	118.26	222.08	118.26	222.08
	NPMTPL	-	-	1.15	-	1.15	-
	JM	807.25	1,393.50	-	-	807.25	1,393.50
	AMCLP	-	-	245.65	294.00	245.65	294.00
	ADMPL	-	-	210.26	44.00	210.26	44.00
	ATPL	-	-	227.59	52.00	227.59	52.00
		807.25	1,393.50	919.09	612.08	1,726.34	1,785.71



Sr. No.	Nature of Transactions	Key Management Personnel / Individual owning directly or indirectly interest in voting power		Enterprises over which Individuals/ Key Management Personnel exercise significant influence		Total	
		08-09	07-08	08-09	07-08	08-09	07-08
<b>22</b>	<b>Professional Fees</b>						
	AZB	-	-	19.56	46.73	19.56	46.73
	FRL	-	-	0.34	-	0.34	-
		-	-	19.90	46.73	19.90	46.73
<b>23</b>	<b>Receivables:</b>						
	BRPL	-	-	5.38	-	5.38	-
	BPPL	-	-	7.21	-	7.21	-
	AMCLP	-	-	-	56.67	-	56.67
	ADMPL	-	-	-	66.67	-	66.67
	ATPL	-	-	-	60.00	-	60.00
	JMRMPL	-	-	21.00	21.00	21.00	21.00
	LMPL	-	-	21.00	21.00	21.00	21.00
		-	-	54.59	225.34	54.59	225.34
<b>24</b>	<b>Loan Given</b>						
	ATL	-	-	178.00	-	178.00	-
		-	-	178.00	-	178.00	-
<b>25</b>	<b>Advance for Properties</b>						
	PFIPL	-	-	1,196.45	1,196.45	1,196.45	1,196.45
		-	-	1,196.45	1,196.45	1,196.45	1,196.45

**i) Deferred Tax**

In accordance with Accounting Standard 22 “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, the Company has accounted for Deferred Tax during the year.

The components of Deferred Tax Assets to the extent recognized and Deferred Tax Liabilities as on March 31, 2009 are as follows:

(Rupees in Lacs)

Particulars	2008-09	2007-08
<b>Deferred Tax Liability :</b>		
Difference Between Book and Tax Depreciation	157.28	161.56
Carried Forward Losses	(135.20)	Nil
Expenses Disallowed	(3.70)	Nil
Net Deferred Tax Liability	18.38	161.56
<b>Deferred Tax Assets :</b>		
Difference Between Book and Tax Depreciation	(118.05)	Nil
Unrealized Exchange Difference	Nil	60.65
Carried Forward Losses And Unabsorbed Depreciation	268.03	Nil
Expenses Disallowed	2.58	0.95
Net Deferred Tax Asset Recognized	152.57	61.60



Deferred Tax Asset recognized on carried forwards losses is on the basis of Management's view of reasonable certainty of availability sufficient future taxable income. Further, the sales trend for first two months of FY 09-10 also revealed that Company is likely to generate sizable amount of profit in future years.

**j) Earnings Per Share**

(Rupees in Lacs) (Unless Specified)

Particulars	31 March, 2009	31 March, 2008
Numerator used for calculating basic and diluted earnings per share – Profit for the Year	544.06	1,530.35
Weighted average number of equity shares used as denominator for calculating basic earnings per share	1355.28	1085.46
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	1505.28	1085.46
Basic earnings per share (Rs.)	0.40	1.41
Diluted earnings per share (Rs.)	0.36	1.41
Nominal value per equity share (Re)	1	1

Diluted EPS has been calculated on the basis the share warrants as on the first and last date of the year were fully paid potential Equity Shares.

- k)** The proposed dividend includes an amount of Rs. 30,00,000/- being the dividend at 20% on 1,50,00,000 equity warrant which are likely to be converted into shares from share warrants on or before the date of annual general meeting.

**l) Events occurring after the Balance Sheet Date:**

- The Members of the Company at their Extra-ordinary General Meeting held on 22 May, 2009, have approved the proposal of raising of additional long term funds through further issuance of securities including by way of Qualified Institution Placement for an amount up to an aggregate principal up to Rs. 150 Crores.
- On account of a transaction of Purchase of Shares, the Company's obligation to purchase the said Shares, under a contract, comes to an end. Consequently the Contingent Liability on account of Capital Commitment of Rs. 50.00 Crores no longer exists.
- On the Basis of the decree given on 24th June, 2009 by the High Court of Kenya, the overseas fellow subsidiaries of the Company namely of Delta Corp East Africa Limited and Delta Square Limited has been entitled to get a refund of Rs. 928.13 Lacs (KHS 1375 Lacs) from the vendor of an immovable property with whom Company has entered into a contract and Rs. 371.25 Lac (KHS 550 Lac) from collector of stamp duty as a refund of stamp duty after paying Rs.202.50 Lacs (KHS 300 Lacs) as cost, thereby receding the contract and putting end to the dispute.

- m)** The Scheme of Arrangement (the Scheme) under Section 391 to 394 of the Companies Act, 1956, between the Company and Arrow Textiles Limited ('ATL') and their respective shareholders is sanctioned by the honorable High Court of Judicature at Bombay vide Order dated 22nd August, 2008, and copy of the Order has been filed with the Registrar of Companies, Pune, Maharashtra on 16th September, 2008. Pursuant to the Scheme, Textiles business of the





Company is transferred to and vested to ATL on appointed date i.e. 1st April, 2008 on a going concern basis. This Scheme has been given effect to in the financial statements for the year ended 31st March, 2009. This demerged undertaking is engaged in carrying on the business of manufacture and sale of textile products and related activities. In terms of the scheme, all the assets and liabilities of textiles division of the demerged undertaking have been transferred for at their carrying amounts on 1st April, 2008. As per the Scheme and in consideration of the above, Arrow Textiles Limited has issued 13,552,813 number of equity shares of Rs.10 each aggregating to Rs.1,35,528.13 thousand to the Share Holders of the Company. These shares have been issued in the ratio of one equity share for every ten equity share held by the shareholders of the Company.

Pursuant to the Scheme, the following assets & liabilities are transferred and vested in the demerged Company on appointed date i.e. 1st April, 2008, on a going concern basis.

Particulars	Rupees in thousand
Gross Block of Fixed Assets	2,44,969.75
Less: Depreciation	1,18,800.06
Net Block of Fixed Assets	1,26,169.69
Capital Work in Progress	413.46
Current Assets, Loans and Advances	87,699.01
<b>TOTAL – (A)</b>	<b>2,14,282.16</b>
Loan Funds	1,18,774.08
Deferred Tax Liability	12,469.62
Current Liabilities and Provisions	19,129.15
<b>TOTAL – (B)</b>	<b>1,50,372.85</b>
<b>NET BALANCE (A) –(B)</b>	<b>63,909.31</b>

n) Maximum and Outstanding balances with foreign banks (non schedule bank) are as follows:

(Rupees in Lacs)

Name of the Bank	Closing Balance	Maximum Balance
<b>Current Account</b>		
CFC Stanbic Bank Limited, Kenya	62.99	1,842.93
Guardian Bank Limited, Kenya	2.12	680.76
HSBC, USA	19.45	459.79
<b>Deposit Account</b>		
CFC Stanbic Bank Limited, Kenya	297.00	5,180.38



- o) The Group has taken on operating lease, certain assets, the minimum future lease rentals payable on which are as follows :

(Rupees in Lacs)		
Particulars	2008-09	2007-08
Not Later than one year	20.84	Nil
Later than one year but not later than Five Years	56.06	Nil
Later than Five Years	Nil	Nil

- p) Previous Year Comparatives:

The previous year's figures have been reworked, regrouped, rearranged, recast and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year. Previous year figures are really not comparable as it also includes the figures of demerged undertaking. (Please refer note m above).

As per Our Report of Even Date

For Amit Desai & Co  
Chartered Accountants

(Amit Desai)  
Proprietor  
M. No. F-32926

Mumbai: 29th June, 2009

For Delta Corp Limited

Jaydev Mody	Chairman
Ashish Kapadia	Managing Director
Ambika Kothari	Director
Mahesh Gupta	Director
Rajeev Piramal	Director
Rajesh Jaggi	Director
Vrajesh Udani	Director

Hitesh Kanani  
Company Secretary



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