

**THE FIRST LAW OF SUCCESS  
IS CONCENTRATION-  
TO BEND ALL THE ENERGIES  
TO ONE POINT,**

**AND TO GO DIRECTLY TO THAT POINT,  
LOOKING NEITHER TO THE RIGHT  
NOR TO THE LEFT**





Delta Corp Limited (Delta Corp) is a fast growing Indian company operating primarily in two business segments – Gaming & Entertainment and Real Estate. Delta Corp is the largest gaming company in the country and the only listed company in this space. The Company is also an emerging player in the real estate segment in East Africa where it is operating through a 40:60 JV with a wholly owned subsidiary of Reliance Industries Limited.

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**"Our focus on building distinguished businesses – gaming and entertainment, and real estate in East Africa – is paying off. Our consolidated PAT grew by 58 per cent in 2009-10."**

Dear Shareowners,

Delta Corp Limited is a unique company. I say this with deliberation.

The uniqueness comes from our focus. Our focus on building distinguished businesses – gaming and entertainment, and real estate in East Africa – is paying off. Our consolidated PAT grew by 58 per cent in 2009-10.

Indian gaming and entertainment industry is in its infancy. The industry has been growing every year as is evident by the increase in our visitations and our revenues. Goa continues to be an extremely popular tourist destination and we expect to benefit from the same in the coming years.

The casino industry is over USD 22.87 billion in USA and over USD 25.56 billion in the Asia-Pacific region (Casino Winnings). And India is just waking up. Goa is preparing to be the Las Vegas of India. And in this endeavor, Delta Corp is leading the effort by having three of the six offshore live gaming casino licenses in Goa.

Delta Corp through its subsidiaries operates two offshore live casinos, namely, 'Casino Royale and 'King's Casino' aboard two vessels, M. V. Casino Royale and M. V. Arabian Sea King. These casinos provide world-class facilities which are amongst the best in the industry. Delta Corp has also entered into an agreement to acquire a controlling stake in Advani Pleasure Cruise Company Pvt. Limited that operates India's first live offshore casino 'Casino Goa' in Goa. It acquired 51 per cent of the share capital from its existing promoters M/s. Advani Hotels & Resorts (India) Limited.

At Delta Corp, we are maximizing this opportunity not just through offshore casinos, but onshore casinos as well. Our first onshore casino was opened during the year at the five star hotel, Riviera De Goa through a casino management agreement. Three more onshore casinos are in the pipeline and are expected to be operational in 2010-11. The Company also intends to expand its operations to other states. It has received an in principle expression of interest for setting up an onshore casino at Daman. The proposal is under consideration.

We have seen large growth of visitations in the last 12 months of operation and the fact that we have clocked an income from operations in the gaming business of Rs. 6,571 lakhs denotes that our focus and our business plan are in the right direction. With our added efforts in sales promotion and marketing to increase awareness of a world class gaming destination being available within easy reach, we hope that we will continue to demonstrate strong growth in the years to come.

# FROM THE CHAIRMAN



Similar to our focus on the gaming and entertainment business is our real estate foray in East Africa. East Africa is one of the fastest growing regions in the world and we are confident of the real estate opportunity in that region.

Delta Corp has a presence in the real estate development business in Kenya through a Joint Venture with Reliance Industries Limited. We are amongst the largest real estate developers in terms of square footage in Nairobi, Kenya with a total of nine plots of land and Four projects under development. Work on two of our properties is nearing completion. We expect the Four properties to contribute to our income from 2011-12.

On the hospitality side of our business, which directly impacts the gaming business, Delta Corp holds an investment of approximately 34.9 per cent of the equity share capital of M/s. Advani Hotels & Resorts (India) Limited. Delta Corp through its subsidiaries is also slated to commence operations very soon on the first floating hotel in Goa, namely Royale Floatel which will be a very exclusive, all suite, 20/22 room boutique property to be anchored in the River Mandovi to facilitate and enhance the overall experience to our high rolling guests.

Another interesting development during the year was our QIP of Rs. 8,326.90 lakhs. We used half of it to pay off our Yes Bank debt and the balance we have used for our gaming and entertainment business. Further, in August 2010, we sold our property, Delta Plaza, in Prabhadevi, Mumbai for a total cash consideration of Rs. 250 crores to M/s. ICICI Lombard General Insurance Company Limited. This property was previously leased out and generated significant fixed lease income for us every year.

We have used part of the proceeds to pay off our HFDC Ltd loan. The balance proceeds will be utilized in our gaming and hospitality businesses. Our total standalone debt on the books now stands at Rs. 6,775 lakhs and our debt equity ratio has significantly improved to 0.25.

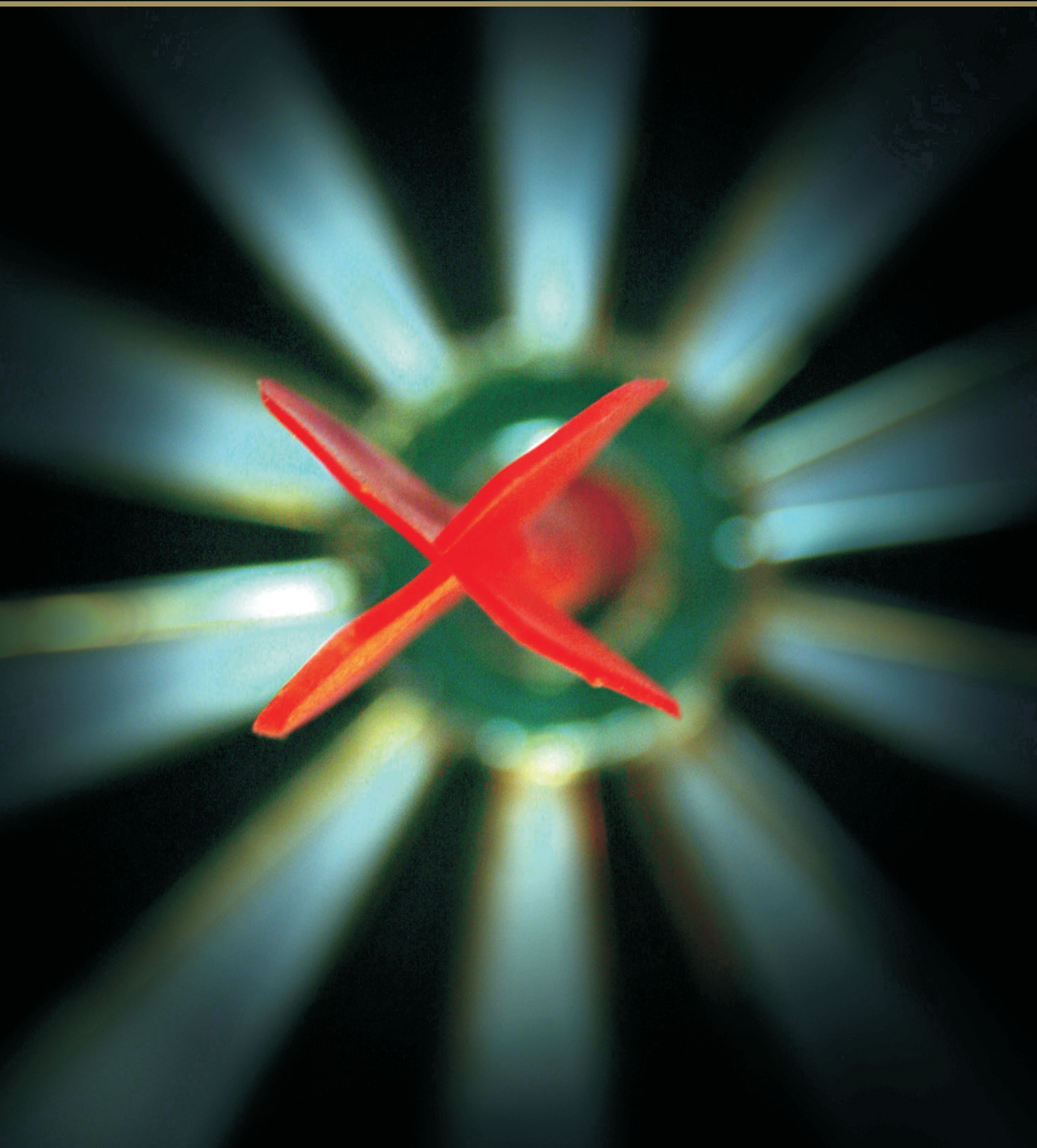
As I look ahead, I expect the gaming business to gain traction as more visitors come and enjoy the Casino Royale experience. With costs being the same, we expect high operating leverage in this business. 44 per cent of our capital employed is in real estate in East Africa. The P&L doesn't reflect the same. We hope to generate income from 2011-12.

We aspire for consistent and strong growth going forward. Our employees have played and will continue to play a key role in helping us achieve this goal. As a measure to motivate and reward our employees and enable them to participate in our growth, we have granted 31 lakh options to grantees under the Employee Stock Option (ESOP) Scheme of the Company in July 2010.

We are optimistic about the next phase at Delta Corp. Thank you for your support.

Yours Sincerely,

Jaydev Mody  
Chairman



In a country of close to 1.2 billion people, when things are in momentum, there are opportunities everywhere. And you want to make the most of every one of them.

However, in business, what is most important is **focus**. And that is what we have done.

Focus on the entertainment and gaming industry in India.

This is how.

Of the six offshore licences issued, we own three (one through a strategic investment).

Of the 13 onshore licences issued, we currently operate one and plan to add three more.

We have 725 gaming positions, amongst the largest in the industry.

We plan to have over 300 rooms connected to our casinos allowing our guests to stay and play.

Today, we have established a leadership position in this space.

Further, we believe that focus accelerates growth. And growth creates value.

Our gaming and entertainment business is a high operating leverage business. As we get more and more gamers to come and experience the power of gaming, every incremental cash flow will add to the bottom line, and create value.

In 2009-10, we increased our consolidated revenues by 22.7% and our consolidated PAT by 58%.

We are also accelerating growth through our real estate business in East Africa. We have already purchased nine plots of land in prime locations in Nairobi and Four projects are currently under development. As we execute the same by 2012, we are geared to deliver higher value.

That's the power of **focus**.

Welcome to Delta Corp Limited. A company focused on entertainment and gaming and real estate development in East Africa.

Both unique and distinguished opportunities.

Both offering high growth. And operating leverage.

Both enabling us to create long term sustainable value.

Welcome to a '**focused**' company.





The casino gaming opportunity in India is at an inflection point. Here's how.

Every one loves to bet and win. The same is true for Indians as well. Indians wager over USD 15 billion annually. As gaming options in India are limited, people frequent the gaming havens of Nepal and Sri Lanka. In fact, 70% of the visitors at Nepal's casinos are Indians. But things are changing now.

Goa has issued 6 licenses for live offshore casinos. Daman and Sikkim are the other two locations in the country that have allowed casinos recently. Indians will now be able to enjoy a world-class casino experience in India itself.

We saw this opportunity early on and decided to **focus** on it. Today we are reaping the benefits.

With 725 gaming positions, we are amongst the largest entertainment and gaming companies in the country. Two of our live offshore casinos are currently in operation – 'Casino Royale' and 'King's Casino' aboard two vessels M.V. Casino Royale and M.V. Arabian Sea King respectively on the river Mandovi. These offer world-class facilities – separate VIP and VVIP gaming areas, a 6,000 sq. ft. restaurant, crèche, amphitheatre, helipad and are serviced by 3 jetties and high speed feeder boats. The experience is amongst the best in the industry.

The result.

In the last 12 months of operation, we have recorded large number of visitations. our income from operations in the gaming business amounted to approximately Rs. 65 crores.

This is the power of **focus**.

We have also acquired a 51% stake in Advani Pleasure Cruise Company Pvt. Limited that operates India's first offshore live casino – 'Casino Goa' aboard the vessel M.V. Caravela. With this, we now own 3 out of the 6 live offshore casino licenses issued in Goa, effectively establishing our leadership position in the country.

During the year, we also commenced operations on our first onshore casino in the 5-star hotel Riviera De Goa Resort, in Arpora, North Goa. We run the 'Casino Royale Riviera', one of the largest onshore casinos in Goa through a casino management agreement with the hotel.

And this is just the beginning.

Further, we believe the hospitality business will be synergistic with our gaming business. Hence, we have entered the hospitality sector with a view to maximize the gaming experience. We hold an investment of approximately 34.9% of the equity share capital of Advani Hotels & Resorts (India) Limited which owns a 5-star luxury beach resort in Goa, 'The Ramada Caravela Beach Resort'. Plans are afoot to further enhance our presence in this segment.

We have put in significant efforts during the year to market and promote our casinos to raise awareness of a world class gaming destination being available within easy reach. As we enhance our **focus** on our gaming and entertainment business, we aspire to create more growth and value for all our stakeholders.







Delta Corp has a unique tradition. A tradition of thinking big. A tradition of thinking out-of-the-box. A tradition of identifying businesses that have vast potential.

We have already demonstrated this with our gaming and entertainment business. We continue to demonstrate the same with our real estate business.

We **focused** on the East Africa opportunity early on.

East Africa is one of the most promising regions across the world and is expected to exhibit strong growth in the coming years. Population, stability and prosperity in the region are likely to increase significantly. As the region grows, the real estate opportunity here will be huge, both for residential as well as commercial property. The shortfall in supply in comparison to the demand will also lead to capital appreciation in the long run. Simultaneously, there is a paucity of organized real estate developers in this region. We realized this early on.

Currently, our **focus** is on the real estate sector in Kenya where we are present through a 40:60 JV, Delta Corp East Africa Limited (DCEAL) with a wholly owned subsidiary of Reliance Industries Limited, India's largest private sector company. We are amongst the largest real estate developers in terms of square footage in Nairobi, Kenya. We have invested close to Rs. 200 crores to acquire nine plots of land.

The first of the two projects Delta Centre and Delta Corner are nearing completion and we plan to lease them out in the near future. This strategy will leave the opportunity for capital appreciation open for us. During the year, work commenced on our third project Delta Riverside. We propose to sell this project once completed. All three projects are expected to contribute to the revenue stream from 2011-12. Approximately 3.5 million sq. ft. will be delivered in the next 3-4 years.

DCEAL also owns a commercial property in Nairobi, 'Delta House', which was developed by DCEAL. This property is currently leased out.

Apart from East Africa, we also have a credible presence in the real estate sector in India. We have a real estate leasing and consultancy services business that began in 2003. We are currently consulting on three ongoing projects of Peninsula Land Limited, a leading real estate company.

We also owned prime property (Delta Plaza) in Prabhadevi, Mumbai which used to generate significant fixed lease income for us every year. In August 2010, we sold this property for a total cash consideration of Rs. 250 crores to M/s. ICICI Lombard General Insurance Company Limited. While part of the proceeds have been used to pay off our HFDC Ltd loan, the balance proceeds will be utilized in our gaming and hospitality businesses.

In the coming years, we will continue to develop our real estate business in line with the global opportunity.

We are **focused** and ready.



**DELTA** CORP LIMITED



We have laid a strong foundation for our business.

It is now time to **focus** on our future. A future of growth. Strong, sustainable, long term.

The opportunity is massive.

With a fast growing economy, increasing middle class base of over 30 crore people and rising per capita income, India is on a strong growth path. Consumerism is on the rise and so is leisure. Hence, the desire to do something thrilling and exciting. And gaming is fundamental to human nature.

The gaming and entertainment industry is at a nascent stage in India and exhibits strong potential for growth. The global economic environment is improving and the tourist arrivals in Goa (including foreign tourists) are higher than ever. We have taken a number of initiatives to maximize the available opportunity.

We have been aggressively promoting our casinos during the year and will continue to do in the future. We plan to significantly expand our portfolio of casinos. Delta Corp proposes to enter into JVs with luxury hotels to set up more onshore casinos. At least 3 new onshore casinos are expected to become operational in 2010-11.

We are also exploring the Daman and Sikkim markets which have recently opened up to this sector. We already have an in-principle Expression of Interest (EoI) to set up an onshore casino in Daman.

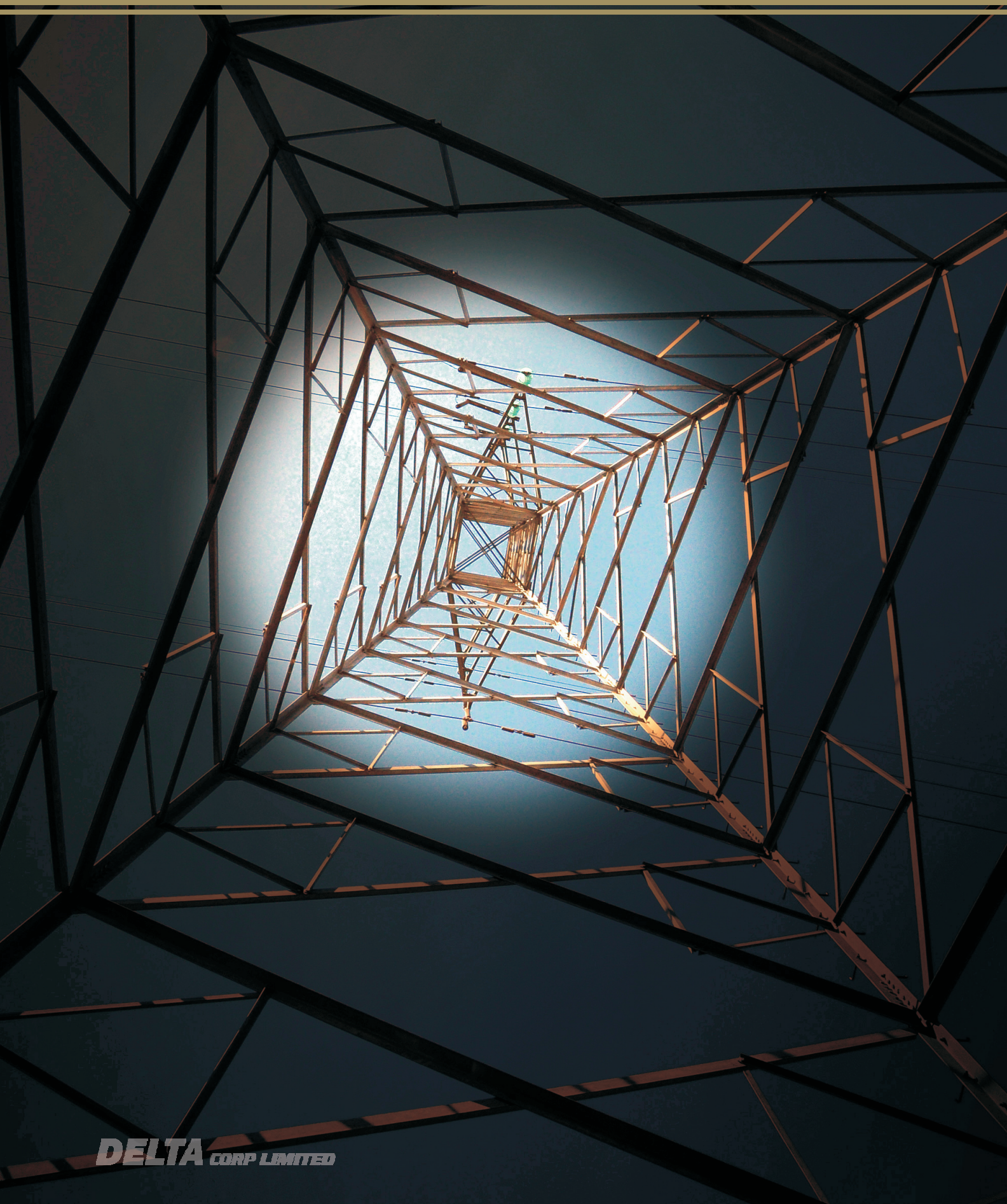
Further, we are in the process of acquiring 5-star hotels in North and South Goa to synergize with our gaming business. Delta Corp is slated commence operations very soon on Goa's first floating hotel, 'Royale Floatel', an exclusive, all suite, 20/22 room boutique property, that will be anchored on River Mandovi, close to 'Casino Royale' to facilitate and enhance the overall experience of our high rolling guests.

To enable us to accomplish all this, we have **focused** on acquiring new talent to grow our business. Delta Corp has talent strength of 616 people, up 40% over the previous year. We have not only hired the best talent but have also invested in their training and development. Further, in an initiative to motivate our employees and enable them to participate in our growth and success, we granted 31 lakh options to grantees under the Employee Stock Option (ESOP) Scheme of the Company in July 2010.

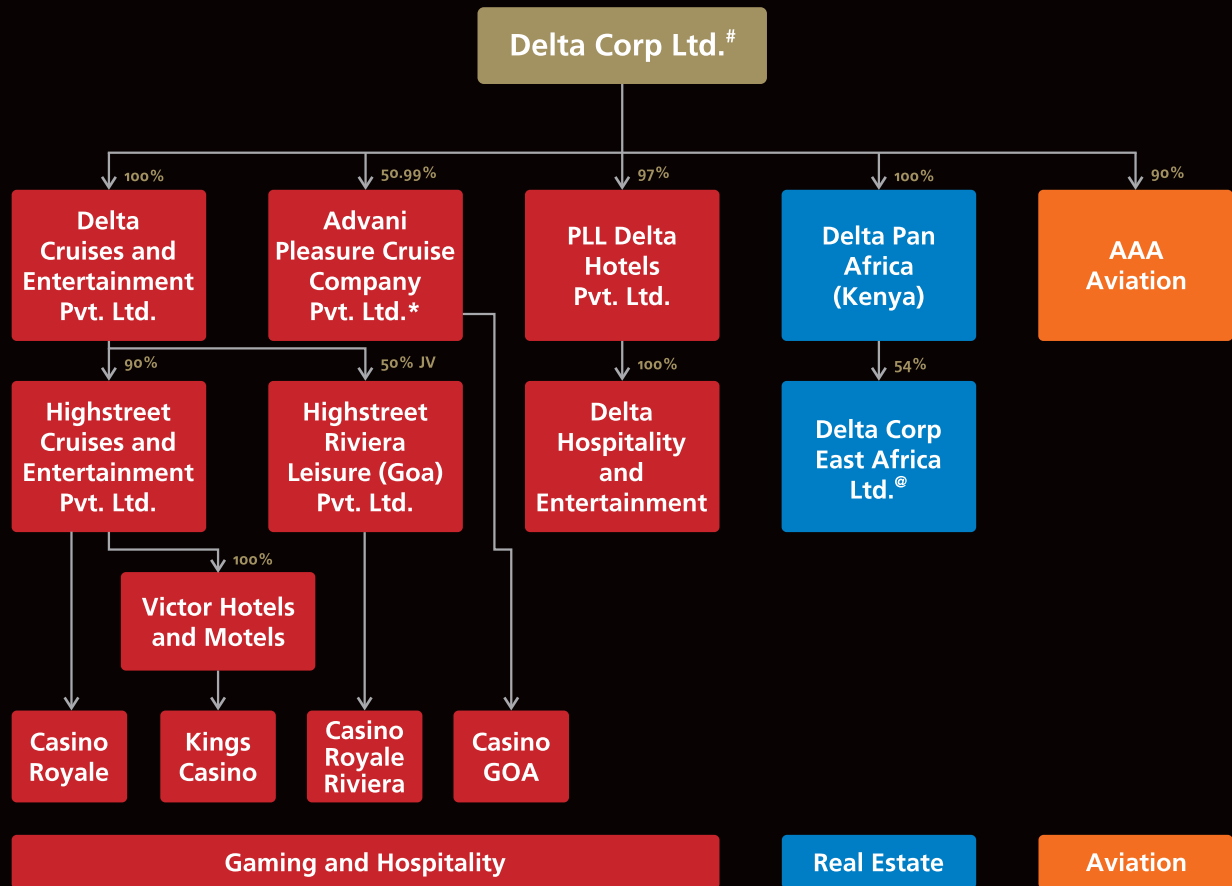
We have raised Rs. 8,326.90 lakhs through the QIP route during the year. The proceeds from the same will enable us to post stronger growth in the coming years. With the sale of Delta Plaza and the subsequent repayment of our HDFC Ltd debt, our standalone debt equity ratio now stands at a healthy 0.25.

We are very optimistic about the real estate opportunity in East Africa as well, especially Kenya which exhibits strong potential. We look forward to expanding our presence in the real estate sector in Kenya and exploring opportunities in other East African countries depending on the available opportunity.

With **focus**, expertise, experience and dominance in our businesses, Delta Corp is well poised to capitalise on the opportunity and deliver consistent shareholder value in the years to come.



# COMPANY STRUCTURE

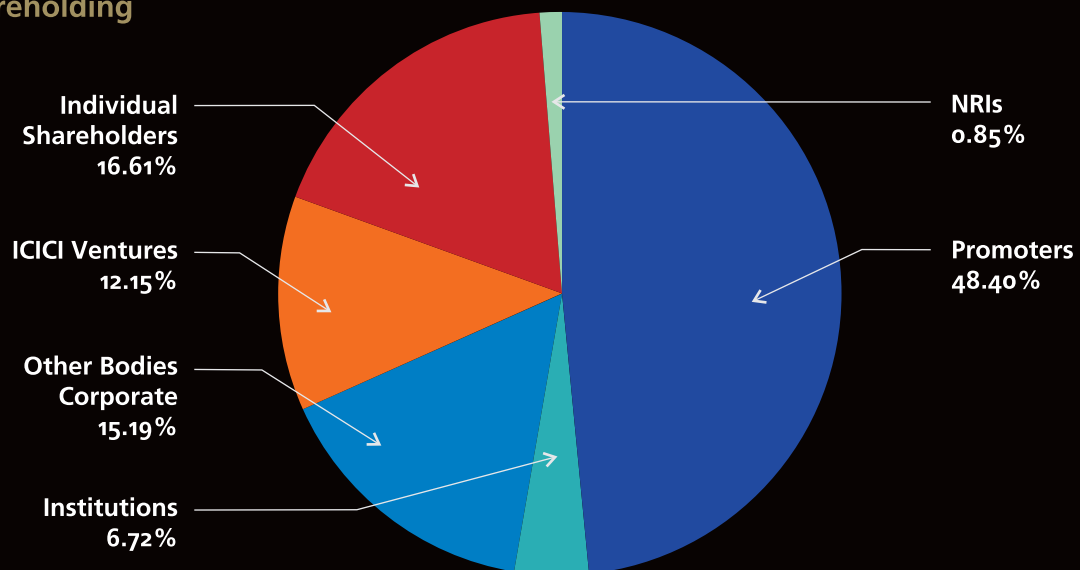


# Owns 35% stake in Advani Hotels & Resorts (India) Ltd.

\* Delta Corp has entered into the share purchase agreement subject to conditions as per SPA

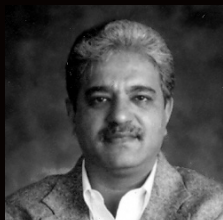
® Reliance Industries through its WOS holds 46% stake

## Shareholding





# BOARD OF DIRECTORS



**Mr. Jaydev Mody**

**Chairman**

Mr. Jaydev Mody, 55 years of age, is a well known businessman and has been in business for more than 33 years. He has over 23 years of experience in the field of real estate development and has played a key role in building and developing Crossroads, one of the first shopping malls of international standards in India. A graduate in Arts from Mumbai University, Mr. Mody 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 and other landmark projects of global standard.



**Mr. Ashish Kapadia**

**Managing Director**

Mr. Ashish Kapadia, 40 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.



**Mr. Mahesh S. Gupta**

Mr. Mahesh S. Gupta, 53 years of age has 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 had an outstanding academic record and rank holder and a Silver Medalist in Company Secretaries Final examination. Mr. Gupta's expertise in mergers and acquisitions has further accelerated growth in all the business, particularly in the real estate and auto-components business. 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. He has worked with the Piramal Group for over 22 years including 9 years as Group CFO and Whole Time Director of Nicholas Piramal (India) Limited (now Piramal Healthcare Limited). He has also worked with RPG Group as Group CFO and Management Board Member and as CEO-Welspun India Limited. Mr. Gupta has received a number of recognitions for his business and professional acumen. He was awarded the CFO of the Year Award, 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 and has also been associated with various Committees of The Institute of Chartered Accountants of India (ICAI), Member Governing Council of Indian Association Corporate CFOs and Treasurers (InACT), Advisory Board of Chennai Business School.



**Mr. Rajesh Jaggi**

Mr. Rajesh Jaggi, 41 years of age, Management professional from Babson Graduate School of Business, Boston. Mr. Rajesh Jaggi is responsible for the direction and performance of the real estate business of the Ashok Piramal Group, Peninsula Land Limited, Peninsula Realty Fund and Peninsula Facility Management Services Limited. Under Mr. Jaggi's leadership, Peninsula Land Limited has extended its reach from solely a Mumbai based developer to extending its presence across western and southern India. Mr. Jaggi has over thirteen years of experience in every sector of the real estate business, from sourcing new ventures, construction management, facility management, marketing and sales. In real estate since 1996, 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 running of the Company.

# BOARD OF DIRECTORS



## **Mr. Rajeev A. Piramal**

Mr. Rajeev A. Piramal, 34 years of age, holds a BBA (Bachelor in Business Administration) from Baldwin Wallace College, Cleveland, USA. Mr. Piramal spearheads the real estate business of the Ashok Piramal Group. Mr. Piramal is the chief strategist and leverages his in-depth understanding of the business to enhance the growth of the Company. Mr. Piramal leads a strong team of managers with a mission of delivering premium value to all stakeholders. With a vision and keen understanding of the dynamic market trends, Mr. Piramal has grown Peninsula Land Limited from Mumbai-based to multiple locations real estate Company. Mr. Piramal was a part of the team that developed the first textile mill land in Mumbai, after it was opened up for development in Mumbai. Peninsula Corporate Park was developed on textile mill land in Central Mumbai and this project transformed Lower Parel into a new age business district. His implicit sense of business has enabled Peninsula Land Limited to carve a niche for itself in the real estate sector. Peninsula Land Limited is the only real estate Company in India whose profit increased in 2009 over the previous year, according to survey by Business Today (Date: November, 2009).



## **Lt. Gen (Retd) Noble Thamburaj**

Lt. Gen (Retd) Noble Thamburaj, PVSM, SM, 60 years of age, is the former Vice Chief of Army Staff. A second generation Army officer who did his schooling from King George's School and Sainik School prior to joining the National Defence Academy in 1965, General Thamburaj was commissioned as an Officer in the Bombay Sappers from the Indian Military Academy in June 1969 and superannuated from the appointment of Vice Chief of the Army Staff on 30th September, 2009. General Thamburaj established a reputation of being an astute military commander at a very early stage in his career. He commanded the only Parachute Field Company of the Corps of Engineers as well as an Engineer Regiment. He was also the only Engineer Officer to have commanded a Rashtriya Rifles Sector in the Kashmir Valley. For his exemplary leadership as the Sector Commander, he was awarded the Sena Medal. General Thamburaj later commanded an Infantry Division in the deserts during Operation PARAKRAM and a Corps in Punjab. Prior to taking over as the Vice Chief of the Indian Army, he commanded the Southern Army as well. For his outstanding contribution as the Commander of the Southern Army field force, he was decorated with the Param Vishisht Seva Medal. He was also conferred the Honorary Aide – de – Camp to the President of India. During his illustrious career of four decades, General Thamburaj has held key appointments in various establishments. He has been an instructor in Officers Training Academy and the prestigious Defence Services Staff College. In addition, he holds an M Tech Degree in Building Sciences from IIT Delhi and an M Phil in Defence Studies. Known today as a leader on the move with abundant creative energy, General Thamburaj continues to leave an indelible mark on all his assignments.



## **Mr. Sudarshan Bajoria**

Sudarshan Bajoria, 36 years of age, has been with ICICI Venture since 2000. He has over 10 years of private equity and RE investment experience. He brings a blend of experience in investment management, business development, appraisal, valuation and financial structuring. Prior to this, he has over two years of industry experience at Reliance Industries Limited. He is also on the board of various companies.



# OPERATING TEAM - DELTA CORP EAST AFRICA LIMITED



**Mr. Nileesh A. Shah**

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

Mr. Nileesh Shah, 54 years of age, is a certified Chartered Accountant. Mr. Shah has been instrumental in the incorporation and management of various 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 31 years of experience in managing various successful businesses in East Africa.



**Mr. Madabhushi Soundararajan**

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

Mr. Madabhushi Soundararajan, 60 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 34 years local and international working 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 of Director - Corporate Banking in CFC Bank in October 2002. In June 2005, he was appointed as 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, 45 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 has obtained BA in Building Economics from University of Nairobi (1987) and has 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.

# OPERATING TEAM - DELTA GROUP & ITS SUBSIDIARY



## **Mr. Ashish Kapadia**

### **Managing Director**

Mr. Ashish Kapadia, 40 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.



## **Mr. Anil Malani**

### **President Operations, Highstreet Cruises and Entertainment Private Limited**

Mr. Anil Malani, aged 43 years, is a Bachelor of Commerce from Mumbai University and has over 26 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, 35 years of age, holds a Post Graduate Diploma in Finance from the Welingkar Institute of Management, and has an experience of over 14 years in finance and treasury operations. He has in the past worked with the Piramal group of the 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, 55 years of age, is a Bachelor of Commerce from St. Xavier's College, Kolkata and has more than 31 years 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 as the Casino Inspector, Assistant Casino Manager and Casino Director of the said casinos.





# DELTA CORP IN NUMBERS

150

no. of customers that can be accommodated at a time on King's Casino

3

no. of onshore casinos we will open in 2010-11

40:60

JV with a wholly owned subsidiary of Reliance Industries Limited to develop real estate in East Africa

803000

sq. ft. land to be developed in Nairobi for commercial and residential purposes

1

st position in India amongst gaming companies

725

no. of gaming positions, the largest in India

3

out of 6 live gaming casino licenses in Goa. Casino Royale, King's Casino and Casino Goa

5

total no. of casino licenses including one onshore casino in Goa and one in-principle license in Daman

83.26

crores amount raised during the year through the QIP issue

2

billion rupees investment in East Africa to acquire prime land in Nairobi

4

no. of projects under development in Nairobi currently

888

no. of customers that can be accommodated



## Board of Directors

Mr. Jaydev Mody	Chairman
Mr. Ashish Kapadia	Managing Director
Mr. Mahesh Gupta	
Mr. Rajeev Piramal	
Mr. Rajesh Jaggi	
Lt. Gen. (Retd.) Noble Thamburaj	
Mr. Sudarshan Bajoria	

## 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. Haribhakti & Co  
Chartered Accountants

M/s. Amit Desai & Co  
Chartered Accountants

## Bankers

Axis Bank Limited

## Share Transfer Agents

Freedom Registry 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 19<sup>th</sup> Annual General Meeting of Members of Delta Corp Limited will be held on Monday, 27<sup>th</sup> September, 2010 at 3.00 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 31<sup>st</sup> March, 2010 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 Mr. Jaydev Mody, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajesh Jaggi, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Rajeev Piramal, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint auditors and to fix their remuneration.

**Special Business:**

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

“RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), Lt. Gen. (Retd.) Noble Thamburaj, who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and 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 Lt. Gen. (Retd.) Noble Thamburaj, 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, liable to retire by rotation.”

8. To consider and if thought fit, to pass, with or without modification (s), the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Section 81(1A) 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) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to the regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India (SEBI) or any other relevant authority from time to time to the extent applicable, and subject to such consents and such other approvals as may be required from the Government of India, Reserve Bank of India, SEBI and any other regulatory authority, and subject to such conditions and modifications as may be considered necessary by the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) or as may be prescribed or made, in granting such consents and approvals and which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot, (including with provision for reservation on firm and/or competitive basis of such part of issue and for such categories of persons as may be permitted), in the course of domestic/international offering(s) to all eligible investors including Domestic/ Foreign Investors, including Domestic/ Foreign Institutional, Non-Resident Indians, Corporate Bodies, Trusts, Mutual Funds, Banks, Insurance Companies, Pension Funds, individuals and/or trustees and/or Stabilization Agents or otherwise, whether shareholders of the Company or not, through a public issue and/or on a private placement basis including allotment to qualified institutional buyers by way of Qualified Institutional Placement in terms of the Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,



2009 ("SEBI Regulations"), Equity Shares, Debentures whether partly/ fully convertible and/or securities linked to Equity Shares and/or foreign currency convertible bonds convertible into Equity Shares or Depository Receipts (GDRs/ADRs) and/or securities convertible into Equity Shares at the option of the Company and/or the holder of such securities and/or Equity Shares through depository receipts (GDRs/ADRs) and/or non-convertible debentures with warrants (hereinafter collectively referred to as "Securities"), secured or unsecured, through prospectus and/or offer letter and / or placement memorandum and/ or offering circular, upto an aggregate principal amount of Rs. 200 Crores, such issue and allotment to be made at such time or times, in one or more tranches, at such price or prices, in such manner and where necessary in consultation with the Lead Managers and/ or Underwriters and/or Stabilization Agents and/or other Advisors or otherwise, on such terms and conditions as the Board, may, in its absolute discretion decide at the time of issue of securities.

RESOLVED FURTHER THAT in case of a qualified institutional placement of Securities within the meaning of Chapter VIII of the SEBI Regulations, the total amount raised in such manner should not, together with the over-allotment option exceed five times the net worth of the Company as per the audited balance sheet of the previous financial year.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted for the issue of the Securities referred above or as may be necessary in accordance with the terms of the offering and all such Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the then existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT in the event of issue of securities by way of Global Depository Receipts and/or American Depository Receipts, the relevant date on the basis of which price of the resultant shares shall be determined as specified under applicable

law, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of securities:

RESOLVED FURTHER THAT in the event of issue of Securities by way of qualified institutional placement:

- a. the relevant date on the basis of which price of the resultant shares shall be determined as specified under applicable law, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of Securities; and
- b. the allotment of Securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by the SEBI guidelines from time to time.

RESOLVED FURTHER THAT the Board be and is hereby entitled to appoint (or modify the terms of appointment or terminate the appointment of) or enter into and execute all such arrangements/agreements, with any Lead Manager(s) / Underwriter(s) / Merchant Banker(s) / Stabilising Agent(s)/ Guarantor(s) / Depository(ies) / Listing Agent(s) / Trustees / Legal Counsel/Custodian(s)/ProcessAgent(s) / Advisor(s) / and all such agencies or entities, inside and outside India, as may be involved or concerned in such issue/offering of the Securities and to remunerate all such agencies and entities as may be involved, in cash or otherwise including by way of payment of commission, brokerage, fees, expenses incurred in relation to the issue/offering of Securities and other expenses, if any or the like, subject to applicable laws and regulations and also to seek the listing of such Securities in one or more stock exchanges outside India and the listing of Equity Shares underlying the Securities in one or more stock exchanges in India.

RESOLVED FURTHER THAT without prejudice to the generality of the above and subject to all applicable laws, the aforesaid issue of Securities may have all or any terms or combination of terms as are provided in issue of securities of such nature internationally



including terms relating to surrender of the Securities for the purposes of cancellation against receipt of the corresponding number of underlying Equity Shares.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board, in consultation with the Lead Managers, Underwriters, Advisors, Merchant Bankers and/or other persons as appointed by the Company, be and is hereby authorised to determine the form, terms and timing of the issue(s)/offering(s), including the class of investors to whom the Securities are to be issued / allotted in aggregate and in each tranche (subject to the overall specified limit), the issue price, face value, premium amount on issue, number of securities, listing on one or more Stock Exchanges and fixing of record date or book closure (if required) and related or incidental matters, as the Board in its absolute discretion may deem fit and accept any modifications/variations in the terms of issues as may be required including variations required by the applicable authorities and/or in consultation with the Lead Manager(s) and/or Underwriter(s) and/or Stabilising Agent(s) and/or Advisor(s) in such issues and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the said specified securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do such acts deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the issue of the Securities and to give effect to these (resolutions, including, without limitation the following:

- (i) sign, execute and issue all documents necessary in connection with the issue of the Securities including listing applications

to stock exchanges (whether in India or abroad) and various agreements, undertakings, deeds, declarations;

- (ii) seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the issue and allotment of the Securities;
- (iii) giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and
- (iv) settling any questions, difficulties or doubts that may arise in regard to any such issue or allotment of Securities as it may in its absolute discretions deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Directors or any other officer or officers of the Company to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid securities and listing thereof with the stock exchanges (s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the said securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."



**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. Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956 is annexed to this notice.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In terms of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Jaydev Mody, Mr. Rajesh Jaggi and Mr. Rajeev Piramal, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commends their respective re-appointments.
5. Brief resume of all Directors including those proposed to be appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are attached as Annexure to this notice.
6. Members are requested to bring their attendance slip duly completed and signed along with their copy of annual report to the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2010 to 27th September, 2010(both days inclusive), for determining the eligibility for payment of dividend, if declared at the meeting.
9. The dividend on Equity Shares, if declared at the Meeting, will be paid on or before 26th October, 2010, to those Members or their mandates:
  - (a) whose name appears at the end of the business hours on 22nd September, 2010, in the list of Beneficial Owners to be furnished by Depositories (NSDL and CDSL) in respect of the shares held in dematerialized form ; and
  - (b) whose names appear as Members on the Company's Register of Members after giving effect to valid share transfer request in physical form lodged with Registrar and Share Transfer Agents (RTA) of the Company on or before 22nd September, 2010.
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company / RTA.
11. Non-Resident Indian Members are requested to inform RTA of the Company, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
12. Members may please note that, Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such



transactions. SEBI has also mandated that for securities market transactions and off market/private transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) to furnish copy of PAN card to the Company/RTA for registration of such transfer of shares.

Members may please note that, SEBI has also made it mandatory for submission of PAN in the following cases viz., (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.

13. 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 RTA of the Company at their Nasik address.
14. 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 RTA of the Company at their Nasik address.
15. 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.

16. 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.
17. 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.

**By Order of the Board of Directors,**

**HITESH KANANI**  
**General Manager**  
**Company Secretary and Legal**

Mumbai, 28th July, 2010.

**Registered Office:**

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

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



## Item No. 7

The Board of Directors appointed Lt. Gen. (Retd.) Noble Thamburaj, as an Additional Director of the Company with effect from 28th July, 2010, at their Meeting held on 28th July, 2010.

Under Section 260 of the Companies Act, 1956, Lt. Gen. (Retd.) Noble Thamburaj 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 Lt. Gen. (Retd.) Noble Thamburaj as Director of the Company.

Lt. Gen. (Retd.) Noble Thamburaj is not disqualified from being appointed as Director in terms of Section 274 (1) (g) of the Companies Act, 1956.

Brief profile of Lt. Gen. (Retd.) Noble Thamburaj, as required under Clause 49 of the Listing Agreement entered with the Stock Exchanges, is forming a part of this Notice.

Save and except, Lt. Gen. (Retd.) Noble Thamburaj, no other Directors of the Company are interested in the resolution except to the extent of their shareholding.

The Board recommends the Ordinary Resolution set out in the Notice for approval by the members.

## Item No. 8

The Company in order to strengthen its financial position plans to augment long term resources. It is therefore proposed to issue the securities as stated in the resolution in one or more tranches, in such form on such terms, in such manner, at such price or prices and at such times as may be considered appropriate by the Board, to various categories of investors in domestic and/or international market(s), including but not limited to undertaking an offering of American Depositary

Receipts and / or Global Depositary Receipts in the international capital markets or undertaking a qualified institutions placement of its Equity Shares to qualified institutional buyers under the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Section 81 of the Companies Act, 1956, provides, inter alia, that whenever a public company proposes to increase its subscribed capital by further issue/ offer and allotment of shares, such shares shall be offered to the existing, shareholders of the company in the manner laid down in the said Section, unless the shareholders decide otherwise by a Special Resolution. Accordingly, the consent of the members is being sought pursuant to the provisions of Section 81 of the Companies Act, 1956 and all other applicable provisions of the Act authorizing the Board to issue Securities, as stated in the resolution, which may result in issuance of shares of the Company to persons other than the existing members of the Company.

None of the Directors are concerned or interested in the said resolution except to the extent of their shareholding.

The Board recommends the Special Resolution set out in the Notice for approval by the members.

**By Order of the Board of Directors,**

**HITESH KANANI**  
**General Manager**  
**Company Secretary and Legal**

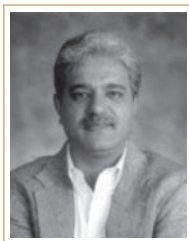
Mumbai, 28th July, 2010.

## Registered Office:

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



# BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AT THIS ANNUAL GENERAL MEETING (IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)



## **Name of Director**

Mr. Jaydev Mody

## **Date of Birth**

9th June, 1955

## **Date of Appointment**

15th March, 2007

## **Qualification**

Mr. Jaydev Mody has completed his graduation in Arts from the Mumbai University.

## **Profile and Expertise**

Mr. Jaydev Mody, has been in business for more than 33 years. He has over 22 years of experience in the field of real estate development and has played a key role in building and developing Crossroads, one of the first shopping malls of international standards in India. A graduate in Arts from Mumbai University, Mr. Mody 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 and other landmark projects of global standard.

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

Mr. Jaydev Mody holds 19606501 Equity Shares of the Company.

## **Directorship and Committee memberships (Excluding Delta Corp Limited)**

### **i) Directorships held in other Companies**

Alibagh Farming and Agriculturist Company Private Limited.

Arrow Textiles Limited.

Aryanish Finance and Investment Private Limited.

Bayside Property Developers Private Limited.

Delta Magnets Limited.

Elixir Infotech Private Limited.

Freedom Aviation Private Limited.

Highland Resorts Private Limited.

J M Livestock Private Limited.

Providence Educational Academy Private Limited.

Riteline Exports Private Limited.

Seastar Trading Company Private Limited.

Peninsula Land Limited.

Ashok Piramal Management Corporation Limited.

Peninsula Investment Management Company Limited.

Peninsula Pharma Research Centre Private Limited.

Cromwell Tools (India) Private Limited.

Crossroads Shoppertainment Private Limited.

Highpoint Agro Star Private Limited.

L And T-Cross Roads Private Limited.

MMG India Private Limited.

Peninsula Project Management Private Limited.

Peninsula Sa Realty Private Limited.

Peninsula Townships Development Private Limited.

Piramyd Retail and Merchandising Private Limited.

### **ii) Chairman of Board Committees**

Arrow Textiles Limited - Shareholders / Investor Grievance Committee

Delta Magnets Limited - Shareholders / Investor Grievance Committee

### **iii) Member of Board Committees**

Arrow Textiles Limited – Remuneration Committee

Delta Magnets – Remuneration Committee

**Name of Director**

Mr. Rajesh Jaggi

**Date of Birth**

7th January, 1969

**Date of Appointment**

28th July, 2007

**Qualification**

Mr. Rajesh Jaggi, is a Management professional from Babson Graduate School of Business, Boston.

**Profile and Expertise**

Mr. Rajesh Jaggi is responsible for the direction and performance of the real estate business of the Ashok Piramal Group, Peninsula Land Limited, Peninsula Realty Fund and Peninsula Facility Management Services Limited. Under Mr. Jaggi's leadership, Peninsula Land Limited has extended its reach from solely a Mumbai based developer to extending its presence across western and southern India.

Mr. Jaggi has over thirteen years of experience in every sector of the real estate business, from sourcing new ventures, construction management, facility management, marketing and sales. In real estate since 1996, 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 running of the Company.

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

Mr. Rajesh Jaggi holds 63000 Equity Shares of the Company.

**Directorship and Committee memberships (Excluding Delta Corp Limited)****i) Directorships held in other Companies**

Addvalue Trading Company Private Limited.	Peninsula Investment Management Company Limited.
Antarctica Trading Company Private Limited.	Peninsula Land Limited.
Ashok Piramal Mega Properties Private Limited.	Peninsula Mega Township Developers Private Limited.
Ashok Piramal Mega-City Development Private Limited.	Peninsula Real Estate Services Private Limited.
Ashok Piramal Township Development Private Limited.	Planetview Mercantile Company Private Limited.
City Parks Private Limited.	Red Rocket Entertainment Private Limited.
Delta Magnets Limited.	Rockfirst Real Estate Limited.
Highstreet Cruises & Entertainment Private Limited.	RR Mega City Builders Private Limited.
Inox Mercantile Company Private Limited.	RR Mega Property Developers Private Limited.
Peninsula Holdings and Investments Private Limited. (formerly Boom Realty Private Limited)	RR Real Estate Development Private Limited.
	Takenow Property Developers Private Limited.

**ii) Chairman of Board Committees**

None

**iii) Member of Board Committees**

Delta Magnets – Audit Committee

**Name of Director**

Mr. Rajeev Piramal

**Date of Birth**

12th May, 1976

**Date of Appointment**

28th July , 2007

**Qualification**

Mr. Rajeev A. Piramal, holds a Bachelors Degree in Business Administration from Baldwin Wallace College, Cleveland, U.S.A

**Profile and Expertise**

Mr. Piramal spearheads the real estate business of the Ashok Piramal Group. Mr. Piramal is the chief strategist and leverages his in-depth understanding of the business to enhance the growth of the Company. Mr. Piramal leads a strong team of managers with a mission of delivering premium value to all stakeholders. With a vision and keen understanding of the dynamic market trends, Mr. Piramal has grown Peninsula Land Limited from Mumbai-based to multiple locations real estate Company.

Mr. Piramal was a part of the team that developed the first textile mill land in Mumbai, after it was opened up for development in Mumbai. Peninsula Corporate Park was developed on textile mill land in Central Mumbai and this project transformed Lower Parel into a new age business district.

His implicit sense of business has enabled Peninsula Land Limited to carve a niche for itself in the real estate sector. Peninsula Land Limited is the only real estate Company in India whose profit increased in 2009 over the previous year, according to survey by Business Today (Date: November, 2009).

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

Mr. Rajeev Piramal is not holding any Share in the Company.

**Directorship and Committee memberships (Excluding Delta Corp Limited)****i) Directorships held in other Companies**

Ashok Piramal Enterprises Private Limited.	Lifeline Mercantile Private Limited.
Aarti Management Consultancy Private Limited.	Miranda Few Tools Private Limited.
Ashok Piramal Management Corporation Limited.	Omega Multitrade Private Limited.
Ashok Piramal Mega Properties Private Limited.	Onestar Mercantile Company Private Limited.
Ashok Piramal Mega-City Development Private Limited.	Onestar Trading Company Private Limited.
Ashok Piramal Overseas Investment Company Limited.	Oneup Mercantile Company Private Limited.
Ashok Piramal Township Development Private Limited.	Peninsula Investment Management Company Limited.
City Parks Private Limited.	Peninsula Land Limited.
Goldlife Mercantile Company Private Limited.	Peninsula Mega Properties Private Limited.
Highpoint Agro Star Private Limited.	Peninsula Mega Township Developers Private Limited.
Inox Mercantile Company Private Limited.	Peninsula Pharma Research Centre Private Limited.
Lifestar Hospitality Private Limited.	Peninsula SA Realty Private Limited.



Peninsula Townships Development Private Limited.  
Planetview Mercantile Company Private Limited.  
PMP Auto Components Private Limited.  
Powerjet Carriers And Transporters Private Limited.  
Pune Football Club Limited.  
Pune Sports Club Private Limited.  
Rockfirst Real Estate Limited.  
RR Mega City Builders Private Limited.

RR Mega Property Developers Private Limited.  
RR Real Estate Development Private Limited.  
Seastar Trading Company Private Limited.  
Supertime Trading Private Limited.  
Takenow Property Developers Private Limited.  
Topstar Mercantile Private Limited.  
Toptech Mercantile Company Private Limited.  
Truewin Realty Private Limited.

**ii) Chairman of Board Committees**

Peninsula Investment Management Company Limited – Audit Committee

**iii) Member of Board Committees**

None

**Name of Director**

Lt. Gen. (Retd.) Noble Thamburaj

**Date of Birth**

09th September, 1949

**Date of Appointment**

28th July, 2010

**Qualification**

B. Tech. Civil Engineering ,CME Pune

M. Tech Bldg Sc IIT Delhi

M.Sc Defence Studies Madras University

M.Phil Defence Studies Indore University

**Profile and Expertise**

Lt Gen(Retd) Noble Thamburaj, PVSM, SM, is a second generation Army Officer who did his schooling from King George's School and Sainik Schools, prior to joining the National Defence Academy in 1965. He was commissioned as an Officer in The Bombay Sappers from Indian Military Academy in Jun 1969 and superannuated from the appointment of Vice Chief of the Army Staff on 30 Sep 2009.

The General had established a reputation as an astute military commander at a very early stage of his career. Known today as a leader on the move with abundant creative energy, he has left an indelible mark in all his assignments.

An active paratrooper till date, General Thamburaj had the unique honour of commanding the only Parachute Field Company of the Corps of Engineers as well as an Engineer Regiment. He is the only Engineer Officer to have commanded a Rashtriya Rifles Sector in Kashmir Valley. Under his leadership, the Sector achieved stupendous results which includes neutralizing a substantial number of hardcore terrorists, while simultaneously endearing the local populace. For his exemplary leadership as the Sector Commander, he was awarded the Sena Medal.

The General later commanded an Infantry Division in deserts during Operation PARAKRAM and a Corps in Punjab. Prior to taking over the Vice Chief of the Indian Army, he commanded the Southern Army during which period, he conceptualized and realized a large number of projects to enhance operational contingencies and administrative efficiency. In this period, the Southern Army undertook some major military manoeuvres and conducted the 4th CISM World Military Games. The General was conferred the Honorary Aide-de-Camp to the President of India during this period. For his outstanding contribution as the Commander of the Southern Army field force, he was decorated with the Param Vishisht Seva Medal.

During his illustrious career of four decades, he has held key appointments in various establishments. He has been instructor in Officers Training Academy and the prestigious Defence Services Staff College. In addition, he holds a M Tech Degree in Building Sciences from IIT Delhi and an M Phil in Defence Studies. A keen sportsman from young age, the General has represented the Army Teams at various levels and takes active interest in supporting budding talents in the field of sports.

Renowned for his oratory skills and sense of humour, the General has articulated his views on leadership as well as contemporary issues in various academic and corporate forums.

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

NIL

**Directorship and Committee memberships (Excluding Delta Corp Limited)****i) Directorships held in other Companies**

NIL

**ii) Chairman of Board Committees**

NIL

**iii) Member of Board Committees**

None



Your Directors present their Nineteenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2010.

## Financial Highlights

(Rupees in Lacs)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2010	Year ended 31.03.2009	Year ended 31.03.2010	Year ended 31.03.2009
Income for the year	5,460	4,383	13,328	10,863
Profit before Interest, Depreciation and Tax	4,420	3,602	4,674	4,853
Finance Charges	2,403	(2,492)	1,868	(3061)
Profit before Depreciation and Taxes	2,017	1,110	2,806	1,792
Depreciation	42	(69)	561	(331)
Provisions for Taxation / Deferred Tax	(509)	(204)	(820)	(561)
Prior Period Items / Extra Ordinary Items	(109)	(5)	(157)	68
Profit / (Loss) from Associates	-	-	-	(0.45)
Minority Interest	-	-	(56)	(308)
Net Profit for the Current Year	1,357	831	1,211	660
Earlier Years Balance Brought forward	386	271	117	174
Net Profit available for Appropriation	1,743	1,103	1,327	834
Appropriation:				
Proposed dividend on Equity Shares	(418)	(301)	(418)	(301)
Proposed dividend on Preference Shares	(98)	(98)	(98)	(98)
Dividend on Equity Shares	(33)	-	(33)	-
Dividend Distribution Tax	(91)	(68)	(91)	(68)
Transfer to General Reserves	(300)	(250)	(300)	(250)
Balance carried to Balance Sheet	803	386	163	117

## DIVIDEND

Your Directors are glad to recommend dividend @ 8 % on the Preference Share Capital (i.e. Rs. 0.08 per Preference Share of Rs. 10/- each) and @ 25 % on the Equity Share Capital (i.e. Rs. 0.25 per Equity Share of Re. 1/- each) of the Company.

## OPERATIONS

During the year under review, your Company recorded a total income of Rs. 13,328 lacs (Consolidated) and Net Profit of Rs. 1,327 lacs (Consolidated). For further information, kindly refer to Management Discussion and Analysis Report, forming part of this Annual report.

## AMALGAMATION WITH M/S. DELTA HOSPITALITY PRIVATE LIMITED (WHOLLY OWNED SUBSIDIARY OF THE COMPANY)

During the year, the Scheme of Arrangement for Amalgamation of M/s. Delta Hospitality Private Limited (Wholly Owned Subsidiary of the Company) with the Company was approved by the Hon'ble High Court (Judicature at Bombay) vide its order dated 26th February, 2010. While approving the Scheme, among other things, the Hon'ble High Court (Judicature at Bombay) also approved transfer of Authorised Share Capital of M/s. Delta Hospitality Private Limited into Authorised Share Capital of the Company. By virtue of the same, the Authorised Share Capital of the Company increased from Rs. 44,00,00,000 (Rupees Forty Four Crores) to Rs. 49,00,00,000 (Rupees Forty Nine Crores). The Company has complied with all the necessary formalities in connection with Amalgamation.



## **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, 2010. Accordingly, the annual accounts of the subsidiary companies have not been attached to the Balance Sheet of the Company as at 31st March, 2010. 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, 2010, is included in 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 and 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 Practising Company Secretary, on compliance with the conditions of Corporate Governance as laid down, forms part of this Annual Report.

## **PARTICULARS OF EMPLOYEES**

In terms of 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 not applicable to the Company. Hence details are not provided.

During the year, the foreign exchange outgo was Rs. 37.45 lacs (L.Y. 443.52 Lacs) the foreign exchange earned was Rs. Nil (L.Y. Nil.)

## **DIRECTORS**

The Board of Directors of the Company have appointed Lt. Gen. (Retd.) Noble Thamburaj as an Additional Director of the Company with effect from 28th July, 2010 in accordance with Section 260 of the Companies Act, 1956, and Articles of Association of the Company. Lt. Gen. (Retd.) Noble Thamburaj hold office as an Additional Director of the Company upto the date of the ensuing Annual General Meeting.

Dr. Vrajesh Udani and Ms. Ambika Kothari ceased to be the Directors of the Company with effect from 28th July, 2010. The Board of Directors would like to place on record their sincere appreciation for the valuable contribution made by Dr. Vrajesh Udani and Ms. Ambika Kothari from time to time during their tenure as Directors of the Company.



At the ensuing Annual General Meeting Mr. Jaydev Mody, Mr. Rajesh Jaggi and Mr. Rajeev Piramal 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 proposed to be appointed/ re-appointed are furnished as an Annexure to the notice of the ensuing Annual General Meeting.

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

### **CHANGE OF CORPORATE OFFICE OF THE COMPANY**

During the year, the Company has changed its Corporate Office from 16/A, Ali Chambers, 2nd Floor, Nagindas Master Road, Fort, Mumbai- 400 001, Maharashtra to Bayside Mall 1st Floor, Opp. Sobo Central Mall, Tardeo Road, Haji Ali, Mumbai- 400 034, Maharashtra.

### **ISSUE OF SHARES BY WAY OF QUALIFIED INSTITUTION PLACEMENT**

During the year, on 7th September, 2009, the Company has issued 1,66,33,000 fully paid-up Equity Shares of face value Re.1/- each, of the Company, at a price of Rs. 50.0625/- per Equity Share (including a premium of Rs. 49.0625/- per equity share), aggregating to Rs. 83,26,89,562.50 (Rupees Eighty Three Crores Twenty Six Lacs Eighty Nine Thousand Five Hundred and Sixty Two and Paise Fifty only) by way of Qualified Institutional Placement to Various Qualified Institutional Buyers (QIB's).

### **CONVERTIBLE WARRANTS**

In respect of 1,50,00,000 convertible warrants issued by the Company on 14th February, 2008, to the promoter of the Company i.e. Mr. Jaydev Mody, the following warrants were transferred by him to various transferees during the last financial year and those transferees exercised their right to convert the entire warrants so transferred to them into Equity Shares of the Company:

Name of the Transferees	No. of warrants transferred which were converted into Equity Shares of the Company
M/s. Bennett Coleman & Company Limited	12,34,568
M/s. Brand Equity Treaties Limited	37,03,703
Mr. Deepak Lulla	1,00,000
Ms. Sangeeta Lulla	2,25,000
Ms. Mriganka Lulla	1,00,000
Mr. Advay Lulla	1,25,000
Ms. Neelam Tapia	13,50,000
Mr. Azim Tapia	3,00,000
M/s. Corniche Realty Private Limited	7,22,578
<b>TOTAL</b>	<b>78,60,849</b>

In respect of balance 71,39,151 warrants held by Mr. Jaydev Mody, he exercised his right to convert the same into Equity Shares of the Company.

### **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 March 31, 2010, 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, 2010 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, 2010, on 'going concern' basis.

#### **FIXED DEPOSITS**

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

#### **AUDITORS**

The Board of Directors recommends to re-appoint M/s. Haribhakti & Co., Chartered Accountants and M/s. Amit Desai & Co., Chartered Accountants as Joint Statutory Auditors of the Company who retires at the conclusion of forthcoming Annual General Meeting and are eligible for re-appointment. M/s. Amit Desai & Co. and M/s. Haribhakti & Co., have given their consent to act as joint auditors, if re-appointed. Members are requested to consider their re-appointment. The auditors comments on the Company's accounts for the year ended on 31st March, 2010, 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, 2010

#### **Regd. 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 and 12 of the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Jaydev Mukund Mody	Delta Real Estate and Consultancy Private Limited
Zia Jaydev Mody	Delta Square Limited
Anjali Jaydev Mody	Elixir Infotech Private Limited
Aarti Jaydev Mody	Freedom Aviation Private Limited
Aditi Jaydev Mody	Freedom Training Academy Private Limited
Anjali J Mody Trust	Freedom Registry Limited
Aarti J Mody Trust	Highland Resorts Private Limited
Aditi J Mody Trust	Highstreet Cruises and Entertainment Private Limited
AAA Holding Trust	Intertrade Mercantile Company Private Limited
AAA Aviation Private Limited	J M Holding (USA) Inc.
AAA Township Private Limited	J M Holdings Limited, Dubai (UAE)
Aarti Management Consultancy Private Limited	J M Livestock Private Limited
Aditi Management Consultancy Private Limited	J M Property Management Private Limited
Alibagh Farming and Agriculturist Company Private Limited	J M Real Estates Private Limited
Anjoss Trading Private Limited	J M Realty Management Private Limited
Aryanish Finance and Investments Private Limited	J M Township and Real Estate Private Limited
Arrow Textiles Limited	Jayem Properties Private Limited
Bayside Property Developers Private Limited	Jayem Realty Solutions Private Limited
Champs Elysee Enterprises Private Limited	Newplaza Multitrade Private Limited
Coastal Sports Ventures Private Limited	Onestar Mercantile Company Private Limited
Delta Adventures and Entertainment Private Limited	Outreach Mercantile Company Private Limited
Dacapo Brokerage India Private Limited	PLL Delta Hotels Private Limited
Delta Corp East Africa Limited	Providence Educational Academy Private Limited
Delta Cruises and Entertainment Private Limited	Providence Education Institute Private Limited
Delta Hospitality and Entertainment Private Limited	Richtime Realty Private Limited
Delta Holding (USA) Inc.	Riteline Exports Private Limited
Delta Lifestyle and Entertainment Private Limited	Seastar Trading Company Private Limited
Delta Magnets Limited	Victor Hotels and Motels Limited
Delta Pan Africa Limited	West Star Agro -Realities Private Limited

## 1. Economic overview

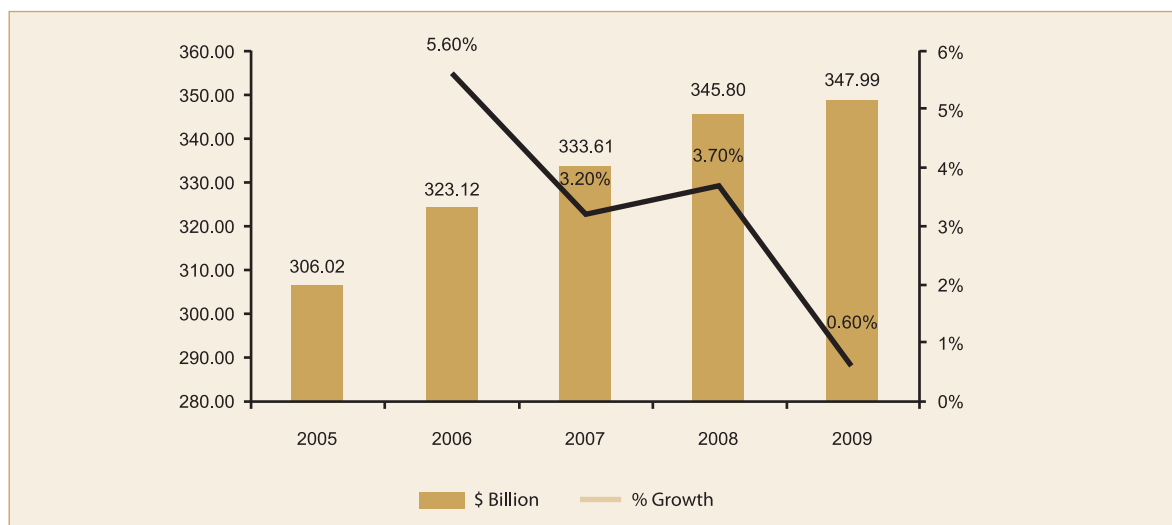
Post a challenging 2008-09, there was a distinct turnaround in the economic climate in 2009-10. The Indian economy grew at a better-than-expected 7.4%, helped by strong growth in manufacturing and agriculture, which lifted fourth quarter numbers. The Bombay Stock Exchange (BSE) climbed over 18,000 points for the first time in more than two years in April 2010. Foreign Institutional Investors (FIIs) have pumped in nearly Rs. 43,000 crore into the Indian markets between January and April 1, 2010, according to the data released by the Securities and Exchange Board of India (SEBI). Heavy inflows from FIIs also propelled the Rupee to a 19-month high against the US Dollar in April 2010. While inflation remains a cause of worry, recovery has firmly taken root with exports, industrial production and infrastructure growth up quite sharply.

According to the World Economic Outlook Report (2010) by the International Monetary Fund (IMF), the Indian economy is projected to grow at 8.8% in 2010 and 8.5% in 2011. Domestic demand coupled with the strong fundamentals of the economy is expected to propel this growth. India is a young country with two-thirds of the people under the age of 35. Growing urbanisation, rising disposable incomes and increased consumerism will give a significant push to the economy in the coming years.

## 2. Industry overview

### Gaming and Entertainment

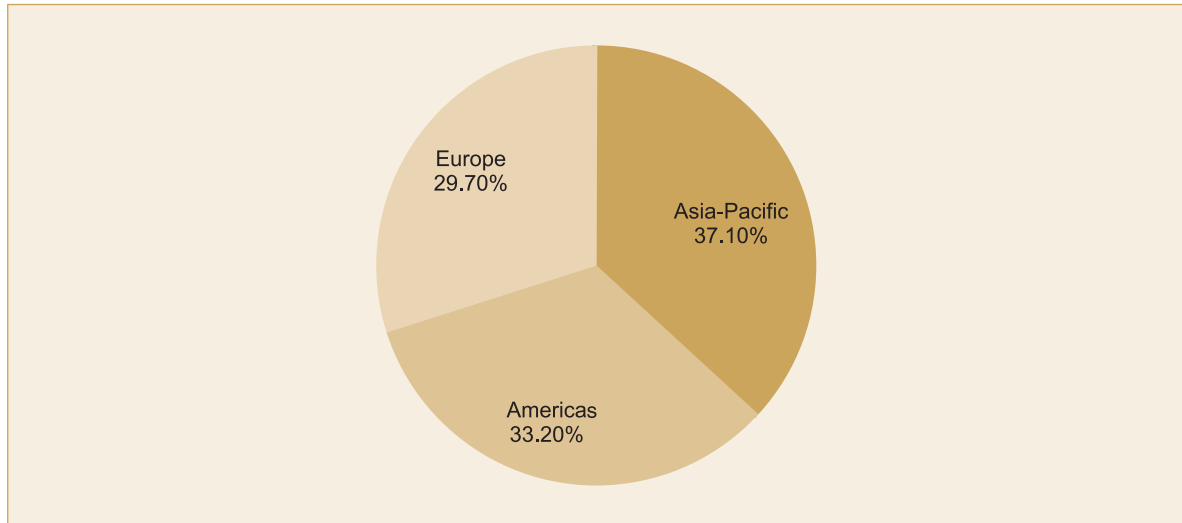
#### Growth in global casinos and gaming industry



Source: DATAMONITOR Global Casinos & Gaming Report - June 2010

The global casinos & gaming sector generated total revenues of USD 348 billion in 2009, representing a Compound Annual Growth Rate (CAGR) of 3.3% for the period spanning 2005-2009. In comparison, the European and the Asia-Pacific sectors grew at CAGRs of 3.7% and 3.6% respectively, over the same period, to reach respective values of USD 103.4 billion and USD 129.1 billion in 2009. The casinos segment (brick-and-mortar casinos such as onshore casinos, casinos on river boats, dockside casinos, tribal casinos, racinos (casinos at racetracks) and limited stakes casinos) constituted approximately 19.8% of the industry's revenues at USD 68.90 billion. The gaming segment (other forms of wagered gaming such as racing and sports betting, bingo, lotteries, pachinko and gaming machines not located on casino premises) was thus more lucrative, constituting approximately 80.2% of the industry's revenue. This industry is highly fragmented, intensely competitive and operates differently from country to country in accordance with the respective legislative and regulatory barriers.

## Geographical distribution of global casinos and gaming industry in 2009



Source: DATAMONITOR Global Casinos & Gaming Report – June 2010

The Asia-Pacific region has become the largest market in the world in terms of casino winnings, with total casino winnings of approximately USD 25.56 billion in 2009. As casinos become increasingly acceptable as a means of entertainment in the Asia-Pacific region, significant capital infusion is taking place in the gaming industry with global gaming companies vying for a slice of the market. The Asia-Pacific region is expected to remain the fastest-growing region in the world. Simultaneously, the Americas continue to be the most important region for the global casinos and gaming industry. Europe has proved resistant to economic downturns as well.

Casinos do not really gamble. In the long run, the house will always come out ahead, given the odds of the games. Casinos globally operate with high EBIDTA margins of 35-50% with fixed costs providing high operating leverage. Some of the popular casino games are Magic Wheel, Baccarat, Stud Poker, Flush, Slot Machines, Rummy, Pontoon, Black Jack and Double Zero Roulette.

### India

It is estimated that Indians wager over USD 15 billion annually. Given India's nascent legalized gaming industry (being restricted to lotteries and betting on horse races), Indians flock to gaming havens in Nepal and Sri Lanka. Goa was the first state in India to license live casino gaming with Casino Goa being the first offshore live casino. The Government of Goa has issued five more offshore casino licenses in order to attract high rollers from India and abroad. 12 land casinos are also present in 5-star hotels where live gaming is not permitted. Further, the Government of Goa has decided not to issue any more licenses. Given Goa's prominence as a tourist destination and the increase in affluence in India, Goa is expected to witness significant growth in tourist arrivals in the coming years, giving a boost to the hospitality and gaming industry in the state. Sikkim and Daman are the only other places in India that permit casinos apart from Goa.

### Real estate

#### India

According to the Federation of Indian Chambers of Commerce and Industry (FICCI), the real estate sector in India is worth around USD 12 billion and has been growing at approximately 30% for the last few years. Almost 80% of the sector comprises of residential space with the rest consisting of offices,



shopping malls, hotels and hospitals. Consistent GDP growth, rapid urbanisation, expanding service sector, rising purchasing power, growing aspiration level and proactive government policies have lent strong momentum to this sector.

### **Kenya**

For the last three years, Kenya has recorded GDP growth of over 5%. This has led to the development of the country's commercial and residential property markets. With the emergence of Nairobi as a regional base, real estate activity has witnessed an upswing in the city. Some other factors that have boosted the real estate sector in Kenya include economic recovery, increase in population, relative stability in the region, availability of developer and end-user finance, better enforcement of land rights, lower and stable interest rates, improved transfer processing as well as stricter enforcement of building standards.

Due to overcrowding in the Central Business District of Nairobi, the commercial hub of the city, most businesses especially larger organizations are relocating to satellite areas such as Upper Hill, Westlands, Kilimani and Mombasa Road which are rapidly developing into commercial centres. Kenyatta Avenue, University Way, Uhuru Highway and Moi Avenue form a rectangular zone in the heart of Nairobi which has the highest occupancy rates, despite high rent, due to its accessibility from most residential neighborhoods around Nairobi.

### **Hospitality**

The favorable economy, rising per capita income and online access to travel transformation over the last few years has given a boost to business and leisure travel in the country. This in turn, has led to strong growth in the hospitality industry in India. Further, the long term outlook of the sector remains promising due to a significant shortage in supply of rooms in comparison to the increasing demand. According to industry data, India is expected to double the number of branded hotel rooms from 100,000 currently in three years. Global hotel chains are expected to add over 300 hotel properties (around 55,000 rooms) by 2013.

## **3. Business overview**

Delta Corp Limited (Delta Corp) is primarily engaged in two main lines of business: Gaming & Entertainment and Real Estate.

### **Gaming and Entertainment**

Delta Corp is the largest gaming company in India (offering 725 gaming positions) and the only listed company in this space. The Company is an early entrant in this space and has attained leadership position in a short span of time. Delta Corp is also the only gaming company to have a Foreign Investment Promotion Board (FIPB) approval and is thus capable of having foreign participation.

The Company owns and operates 2 offshore live gaming casinos in Goa on River Mandovi – Casino Royale and King's Casino and is in the final stage of acquiring the third license. Effectively, Delta Corp owns 3 out of the 6 offshore live gaming casino licenses issued by the Government of Goa. Offering a variety of international games like Baccarat, Poker, Roulette, Black Jack, etc., these casinos have become extremely popular amongst the gaming population in India.

Casino Royale is India's largest live offshore gaming casino with 480 gaming positions (47 live gaming tables and 30 slot machines). Furnished with 4 decks and an amphitheatre with live music on the sun deck, the casino has separate VIP and VVIP gaming areas for high rollers. Serviced by a helipad, high speed feeder boats and three jetties, the casino offerings also include a crèche, an aquabar, 3 suites which are usually occupied by high rollers and their families as well as a 6,000 sq. ft. live kitchen that is managed by China Garden.



King's Casino is a 2,000 sq. ft. gaming vessel that offers 100 gaming positions (9 gaming tables and 10 slot machines). The casino has 2 operational decks with level 1 being the gaming area and level 2 being the Food & Beverage (F&B) area. The size of the boat allows mooring in shallow water, thus giving the casino access to the other river in Goa and subsequently, to untapped markets such as South Goa and North Goa. The Company plans to invest and increase the size of the vessel in the near future.

These casinos are serviced by 3 jetties and 6 fully air conditioned feeder boats (Gulf Crafts) with luxurious interiors that can seat 19 passengers at a time. The three jetties are Noah's Ark, Barcolento and Betim & Reis Magos. Noah's Ark in Panaji on Mandovi river, is India's first fine dining floating restaurant, on a beautiful hand crafted wooden boat offering world class cuisine and a full fledged bar. Barcolento in Panaji on Mandovi river is an inland passenger craft house boat with a floating bar, restaurant, crèche and a separate entertainment area. Betim and Reis Magos are located on the North Bank of the Mandovi river and enable the Company to tap into a larger target audience.

Casino Goa on board the ship M.V. Caravela is India's first offshore live gaming casino offering 190 gaming positions (20 live gaming tables and 10 slot machines). The Company is in the process of acquiring a 51% stake from its existing promoters in APCCPL. APCCPL proposes to replace the M.V. Caravela with a larger vessel M.V. Majesty which is currently under renovation. M.V. Majesty will offer 300 gaming positions having 30 gaming tables and 30 slot machines.

The Company through its subsidiary is also operating an onshore casino, Casino Royale Riviera in the hotel "Riviera De Goa Resort" under a casino management agreement. Riviera De Goa is a 5-star property located at Arpora in North Goa offering 98 rooms, 6 suites and apartments for guests. Casino Royale Riviera offers 80 gaming positions with 8 gaming tables and 7 slot machines. Further, Delta Corp has an in-principle license to set up an onshore casino in Daman as well.

Revenues from this segment in 2009-10 amounted to Rs. 6,585 lakhs, up 210.8% over the previous year. Since the operations commenced from November 2008, therefore the figures for the financial year ended on 31st March, 2010 are not comparable to the previous year.

### **Real estate**

Real estate in East Africa has been identified as an emerging opportunity with immense potential by the Company. To tap this opportunity, the Company has entered into a 40:60 JV, Delta Corp East Africa Limited (DCEAL) with a wholly owned subsidiary of Reliance Industries Limited. The JV has invested Rs. 2 billion till date, acquiring 9 plots of land in prime locations in Nairobi. Approximately 803,000 sq. ft. of land will be developed for commercial as well as residential purposes. As of date, four projects are under development including one project that has been leased out to the Ministry of Justice and Constitutional Affairs, Kenya. DCEAL will commence work on the other projects in the near future.



**Projects undertaken by the DCEAL are as follows:**

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.
Kanyingi	Westlands, Nairobi	48,976	This property is adjoining Delta Corner. DCEAL intends to develop a commercial and/or residential project.
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 entered into a partnership with Team Management Services Consulting Group Limited (TMSCGL) under which TMSCGL is the sole project and construction manager for DCEAL. TMSCGL is a multidisciplinary firm that specializes in offering consultancies in all major areas of the built environment including Architecture, Construction Management, Project Management and Engineering.

Apart from the above venture in East Africa, Delta Corp runs a real estate consultancy business in India. Currently, the Company consults on three ongoing projects of Peninsula Land Limited, a leading real estate company in India. In August 2010, Delta Corp sold its prime property (Delta Plaza) in Prabhadevi, Mumbai for a total cash consideration of Rs. 250 crores to M/s. ICICI Lombard General Insurance Company Limited. Spread over approximately 150,000 sq. ft., Delta Plaza was earlier leased out by virtue



of which the Company received fixed lease income every year. Part of the proceeds from this sale has been used to repay the HDFC Limited loan. The balance proceeds will be used in the Company's gaming and hospitality businesses.

Revenues from this segment for 2009-10 amounted to Rs. 6,484 lakhs.

### **Hospitality**

Through a subsidiary company Delta Hospitality Private Limited, Delta Corp holds 35% equity in Advani Hotels & Resorts (India) Limited (Advani Hotels). Advani Hotels owns the hotel Ramada Caravela Beach Resort and operates the offshore casino, Casino Goa aboard the vessel M.V. Caravela, through a subsidiary. Delta Corp believes its hospitality business will boost its gaming operations and provide stability to revenues.

### **Qualified Institutional Placement (QIP)**

During the year, the Company raised funds aggregating to Rs. 8326.90 lakhs through the QIP route, by allotment of 16,633,000 equity shares of face value Re. 1/ each, issued at a price of Rs. 50.0625 per share, including a premium of Rs. 49.0625 per share, to Qualified Institutional Buyers, as per SEBI QIP guidelines.

## **4. Subsidiary companies**

*Delta Corp has the following subsidiaries:*

### *Domestic subsidiaries*

- AAA Aviation Private Limited
- Delta Cruises and Entertainment Private Limited
- Delta Lifestyle and Entertainment Private Limited
- Delta Adventures and Entertainment Private Limited
- PLL Delta Hotels Private Limited

### *International subsidiaries*

- Delta Pan Africa Limited
- Delta Holding (USA) Inc.

### *Domestic fellow subsidiaries*

- AAA Township Private Limited
- Coastal Sports Ventures Private Limited
- Delta Hospitality and Entertainment Private Limited (Formerly Mundus Hospitality Private Limited)
- Highstreet Cruises and Entertainment Private Limited
- Richtime Realty Private Limited
- Victor Hotels and Motels Limited

### *International fellow subsidiaries*

- Delta Corp East Africa Limited
- Delta Squire Limited



## 5. Discussion on financial performance

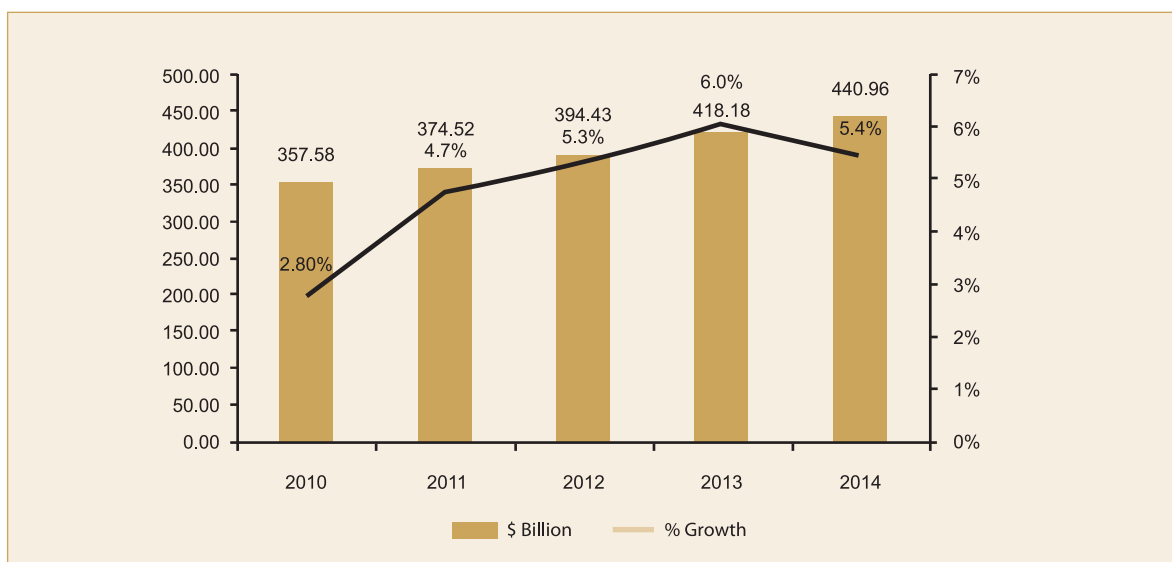
**Income:** The Company recorded total income of Rs. 13,328 lakhs, as compared to Rs. 10,863 lakhs for the previous year.

**EBIDTA before other income:** The Company's EBIDTA stood at Rs. 4,591 lakhs, up 12.1% over the previous year.

**PAT before adjustments:** The Profit After Tax (PAT) of the Company for the year 2009-10 was Rs. 1,424 lakhs, up 58.2% over the previous year.

## 6. Opportunities

Projected growth in the global casinos and gaming industry



Source: DATAMONITOR Global Casinos & Gaming Report - June 2010

The global casinos and gaming industry is expected to be worth USD 440.96 billion in 2014, growing at a CAGR of 4.8% over the period 2009-2014. The Asia-Pacific region has already surpassed revenues of other regions such as Europe, Middle East and Africa, fuelled by the new casinos in the Chinese gaming enclave of Macau. Many countries like Singapore now view casinos as an important part of their tourism development initiatives. Asia's favorable demographics will play a huge role in the growth of casino gaming in this region. Given that a sizeable amount of gaming revenues in developed markets comes from Asian players, the opening of integrated casinos will definitely lead to the inflow of gaming revenues in Asia.

While the casinos and gaming industry in India is at a nascent stage, it exhibits phenomenal growth potential. In USA, lotteries constitute 48% of the industry while casino gaming accounts for 29%. In India, lotteries are a USD 12.5 billion industry while casino gaming is just around 0.4% of the lottery industry, at USD 50 million. Approximately 70% of the clientele at Nepal's casinos are Indians.

Goa is the best place in India to set up casinos. The state attracts over 2 million tourists annually who spend approximately Rs. 1,581 crores in aggregate. Goa also accounts for around 12% of all foreign tourist arrivals in India. With 6 offshore live casinos and 12 onshore casinos, Goa is set to become India's gaming capital.



Kenya exhibits strong potential for growth in the coming years. The country is projected to grow at 4% in 2010 aided by the receding economic crisis, subsiding inflation, boost in agricultural production, economic reforms, relative market stability, political goodwill and remittances from the diaspora. Thus, the real estate sector in Kenya presents phenomenal opportunity for the Company.

Given the economic revival and India's strong fundamentals viz. high GDP growth rate, rapid urbanization, favorable demographics, rising per capita income and the increase in domestic demand; the real estate, hospitality and chartered aviation segments in India are likely to experience robust growth in the coming years.

## 7. Outlook

Delta Corp is all set to maximize the available opportunity by virtue of its strengths viz. diversified business portfolio, early mover advantage in nascent and growing sectors of entertainment and gaming and real estate in East Africa, robust relationships in the industry and a highly qualified and experienced management team. Entertainment and gaming segment will be the key focus area of the Company going forward with the Hospitality and Aviation businesses further enhancing the gaming proposition. A massive promotional campaign which includes an advertising deal with the Times of India newspaper, loyalty programmes for regular high rollers as well as marketing tie-ups for specially designed casino packages (consisting of hotel stay, airfare and free chips) with 5-star hotels, travel agents and airlines, has been launched to maximize revenues from the entertainment and gaming business.

Further, the Company intends to offer offshore hospitality services to customers of its offshore casinos on the vessel Royale Flotel. The Company is also exploring the option of acquiring 5-star hotels in North and South Goa to synergize with the gaming business. While Delta Corp is in the process of acquiring the third offshore live gaming casino license in Goa, plans are afoot to open 3 more onshore casinos in 2010-11 by way of management contracts with luxury hotel operators. Delta Corp believes this will enable the Company to tap a larger audience and subsequently generate interest in its offshore casinos as well.

The Company is currently one of the largest developers in the real estate market in Kenya. Delta Corp intends to continue expanding its real estate business in Kenya and further in other suitable East African countries, depending on the available opportunity.

## 8. Risks and concerns

### *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, rupee appreciation, changes in tax, trade, fiscal and monetary policies, scarcity of credit etc. However, given the resilience of the economy in the face of the recession, strong fundamentals including favorable demographics, rapid urbanization and rising per capita disposable income and spending, 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.**

The business of Delta Corp can be negatively impacted in case of adverse changes in Government policy regarding the casinos and gaming, real estate, hospitality and aviation industries. However, given the Company's experience in handling regulatory procedures, Delta Corp believes this risk is



adequately mitigated if not completely. Besides preparing well in advance to avoid any delays, the Company further mitigates this risk by achieving cost efficiencies and maximizing revenue.

#### ***Competition risk***

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

Delta Corp's strengths viz. relevant expertise, extensive experience, goodwill in the market, long term relationships in the industry, sound financials and a highly qualified and experienced management team, give it a significant edge over its peers. With an early-mover advantage in the high growth entertainment and gaming industry, Delta Corp is the largest and the only listed gaming company in India, owning 3 of the 6 offshore live gaming casino licenses in Goa. Further, real estate in East Africa presents strong potential for high growth. Delta Corp has an early-mover advantage in this business as well and is well poised to maximize this opportunity. Given the above, 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 is present in two main lines of business: Gaming & Entertainment and Real Estate in India as well as East Africa. It is also present in the Hospitality and the Aviation segments essentially to propel further growth in the gaming business. The Company believes it can significantly scale up its business in these segments in the coming years, given the opportunity, its early-mover advantage and its strengths. The diversified mix of projects (in operation and under development) across industries and geographies will ensure stable revenues and growth opportunities, protecting the Company from individual downturns in any one sector. Given the above, the Company does not expect to be significantly affected by this risk.

While concerns like shortage of skilled manpower and technological obsolescence remain, these are threats faced by the entire industry. Delta Corp has significant experience in dealing with such challenges and is well positioned to achieve high growth in the coming years.

### **9. Internal control systems and their adequacy**

The internal audit and internal control procedures adopted in Delta Corp are adequate and commensurate with the size and the complexity of the business. The Company continuously upgrades its systems in line with best available practices. These systems are supported by periodical reviews by the management and standard policies and guidelines to ensure that financial and other records are prepared accurately. A well defined organizational structure, internal controls, defined authority matrix and documented policy guidelines ensure compliance with internal policies and applicable laws and regulations, efficiency of operations and protection of resources. All major expenses are controlled and business plans are monitored so that the actual spending is in accordance with the budget.

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

Investing in people is one of the most important success factors for any organization today. Delta Corp has a well-drawn recruitment policy and a performance based compensation policy to attract and retain the best talent. As on 31st March, 2010, the Company had 616 employees on its payrolls, an increase of 40% over the previous year. Delta Corp has also put in place sound policies for the growth and progress of its employees. Significant effort is put in to create a working environment that will encourage innovation, enhance work satisfaction and build a merit driven organization. Thus,



training programmes are conducted regularly to enable the employees to enhance their skills and experience. Further, as a step to attract, retain, motivate and reward employees and enable them to participate in the growth, development and success of the Company, Delta Corp granted 31 lakh options to grantees under the Delta Corp Employee Stock Option (ESOP) Scheme of the Company in July 2010. Delta Corp's human resource vision is to create a committed workforce through people enabling processes and knowledge sharing practices based upon the Company's value system.

#### **11. 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 Corporate Governance

The Company's philosophy on Corporate Governance is to achieve business excellence by enhancing the long term value of its stakeholders and is guided by a strong emphasis on transparency, accountability and integrity.

A report on compliance with the Code of Corporate Governance as prescribed by the Securities and Exchange Board of India and incorporated in the Listing Agreement with the Stock Exchanges is given below.

## Board of Directors

### A. Composition of the Board

The Board of Directors consists of professionals drawn from diverse fields, who bring in a wide range of skills and experience to the Board. The majority of the Directors on the Board including the Chairman are Non-Executive Directors. Fifty percent of the Board comprises of Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement, as amended from time to time.

None of the Director of the Company is a member of the Board of more than fifteen Public Companies (including Private Companies which is subsidiary of Public Companies) or a member of more than ten Board level committees or Chairman of more than five such committees.

The Board reviews and approves strategy and oversees the results of management to ensure that the long term objectives of enhancing stakeholder's value are met. The day-to-day management of the Company is conducted by the Managing Director subject to the supervision and control of the Board of Directors.

### B. Board Procedure

A detailed Agenda folder is sent to each Director in advance of Board and Committee meetings. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background notes and other material information to enable the Board to take informed decisions. Agenda papers are circulated at least a week in advance to the Board meeting.

### C. Information placed before the Board

Apart from the items that are required under the statutes, to be placed before the Board for its approval, the following are placed before the Board periodically for its review / information in compliance with the Listing Agreement as amended from time to time.

1. Annual operating plans and budgets, Capital budgets and any updates.
2. Quarterly results for the Company.
3. Minutes of meetings of Audit Committee and other Committees of the Board.
4. The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
5. Materially important show cause, demand, prosecution notices and penalty notices.
6. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
7. Any material default in financial obligations to and by the Company, or substantial nonpayment for goods sold by the Company.



8. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the Conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
9. Details of any joint venture or collaboration agreement.
10. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
11. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front.
12. Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
13. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
14. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

#### **D. Post - meeting follow - up systems**

The Governance system in the Company include an effective post – meeting follow-up, review and reporting process for action taken / pending on decisions of the Board and its Committees.

#### **E. Board Support**

The Company Secretary of the Company attends all the meetings of the Board and its Committees and advises / assures the Board and Committee on compliance and governance principles.

#### **F. Code of Conduct**

The Board has laid down Code of Conduct for the Board members and for senior Management and Employees of the Company. The same has been posted on the website of the Company. All Board members and Senior Management Personnel have affirmed compliance with this Code.

#### **G. CEO / CFO Certification**

As required under Clause 49 V of the Listing Agreement with the Stock Exchanges, the Managing Director and the Group C.F.O. of the Company have certified to the Board regarding the Financial Statements for the year ended 31st March, 2010.

#### **H. Details of the Board Meetings held during the financial year**

During the financial year ended 31st March, 2010, six meetings of the Board were held, as follows:

No.	Date	Board Strength	No. of Directors present
1	27th April, 2009	8	7
2	29th June, 2009	8	5
3	28th July, 2009	8	6
4	28th October, 2009	8	6
5	19th January, 2010	8	7
6	23rd January, 2010	8	7

The maximum gap between two Board Meetings was less than four months.



# **I. Attendance at the Board Meetings and at Annual General Meeting (AGM), no. of Directorship in other Public Companies, no. of Committee positions held in other Public Companies**

The current composition of the Board of Directors as on date and attendance of the Directors at the Board Meetings as well as their directorship/membership in Committees of Public Companies as on 31st March, 2010, 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.)

Name of the Director	Category	Number of Board Meetings during the year 2009-2010		Whether attended the last AGM held on 30.09.09	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Mr. Jaydev Mody (Chairman)	Non-Executive, Promoter	6	6	No	2	7	2	0
Mr. Ashish Kapadia * (Managing Director)	Executive, Non-Independent	6	6	Yes	0	6	0	0
Dr. Vrajesh Udani #	Non-Executive, Independent	6	5	No	0	1	0	0
Mr. Mahesh Gupta	Non-Executive, Independent	6	6	Yes	2	10	4	5
Mr. Rajeev Piramal	Non-Executive, Independent	6	3	No	10	4	1	0
Mr. Rajesh Jaggi	Non-Executive, Independent	6	4	No	2	12	0	1
Ms. Ambika Kothari #	Non-Executive, Promoter	6	5	No	0	0	0	0
Mr. Sudarshan Bajoria	Non-Executive, Non-Independent	6	3	No	0	3	0	0
Lt. Gen. (Retd.) Noble Thamburaj **	Non-Executive, Independent	0	0	No	0	0	0	0

\* Mr. Ashish Kapadia has been appointed as Managing Director of the Company with effect from 27th April, 2009.

# Dr. Vrajesh Udani and Ms. Ambika Kothari have resigned as Directors of the Company with effect from 28 July, 2010.

\*\* Lt.Gen. (Retd.) Noble Thamburaj have been appointed as an additional Director of the Company with effect from 28th July, 2010.

## **Details of the Directors being re – appointed**

Mr. Jaydev Mody, Mr. Rajesh Jaggi and Mr. Rajeev Piramal are the Directors of the Company, who are retiring by rotation at the ensuing Annual General Meeting of the Company. Their detailed profile in line with Clause 49 of the Listing Agreement is forming the part of the Notice of the Annual General Meeting.

## **Committees of the Board**

### **A. Audit Committee**

The Audit Committee acts as a link between Statutory and internal Auditors and the Board of Directors. The Audit Committee provides reassurance to the Board regarding the existence of an effective internal control environment that ensures:

- Efficiency and effectiveness of operations.
- Safeguarding of assets and adequacy of provisions for all liabilities;
- Reliability of financial and other management information and adequacy of disclosures;
- Compliance with all relevant statutes.

#### **Powers**

The Audit Committee is empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference
- Seek any information it requires from any employee
- Obtain legal or other independent professional advice and
- Secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

#### **Terms of Reference**

The terms of reference of Audit Committee are in accordance with Section 292A of the Companies Act, 1956 and the guidelines set out in Clause 49 of the Listing Agreement with the Stock Exchanges. The Audit Committee is entrusted with the responsibility to supervise the Company's financial control and reporting process and inter-alia perform the following functions:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment and removal of external auditors, fixation of audit fee and approval of payment of fees for any other services rendered by the auditors;
- Reviewing with the management the quarterly and annual financial statements before submission to the Board for approval ;
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing with the management performance of statutory and internal auditors, the adequacy of internal control systems;
- Reviewing the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- Discussion with internal auditors any significant finding and follow up thereon;



- Reviewing reports of internal audit and discussion with internal auditors on any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigations by the internal auditors and the executive management's response on matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with the statutory auditors, before the audit commences, on nature and scope of audit, as well as after conclusion of the audit, to ascertain any areas of concern and review the comments contained in their management letter;
- Reviewing the Company's financial and risk management policies;
- Looking into the reasons for substantial defaults, if any, in payment to shareholders (in case of non-payment of declared dividends) and creditors;
- Approval of appointment of CFO;
- Considering such other matters as may be required by the Board;
- Reviewing any other areas which may be specified as role of the Audit Committee under the Listing Agreement, Companies Act and
- other statutes, as amended from time to time.

#### **Review of Information**

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor;
- Financial statements as well as investments made by unlisted subsidiaries.

#### **Composition**

The Audit Committee of the Company presently comprises of three Directors i.e. Mr. Mahesh Gupta, Mr. Rajesh Jaggi and Mr. Ashish Kapadia, majority of whom are independent directors. 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 Group C.F.O., Internal Auditors and the Statutory Auditors are invitee to the meetings of the Audit Committee. The Secretary of the Company acts as the Secretary to the Committee. All the members of the Committee are financially literate and have accounting and financial management expertise.

#### **Meeting and attendance**

During the financial year ended 31st March, 2010 five meetings of the Audit Committee were held. The meetings of the Audit Committee were held on 27th April, 2009, 29th June, 2009, 27th July, 2009,



27th October, 2009 and 23rd January, 2010 and the same were attended by all the members of the Committee. The maximum gap between any two meetings of the Audit Committee of the Company was not more than four months.

The previous Annual General Meeting of the Company held on Friday, 25th September, 2009 was attended by Mr. Mahesh Gupta, Chairman of the Audit Committee.

## **B. Compensation (Remuneration) Committee**

### **Terms of reference**

- Recommending remuneration including periodic revision, performance bonus, incentives, commission, stock options, other services, perquisites and benefits payable to the executive directors;
- Formulation of the detailed terms and conditions of stock options, granting of administration and superintendence thereof;
- Such other matters as the Board may from time to time request the Compensation Committee to examine and recommend / approve.

### **Composition**

The Compensation (Remuneration) Committee as on date comprises of four members i.e. Mr. Mahesh Gupta, Mr. Jaydev Mody, Mr. Rajesh Jaggi, Mr. Rajeev Piramal. 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 as well as renamed during the period.

The Secretary of the Company acts as the Secretary to the Committee.

### **Meeting and attendance**

During the financial year ended 31st March, 2010, a meeting of the Compensation Committee was held on 27th April, 2009, which was attended by all the members of the Committee.

### **Remuneration Policy**

The remuneration policy of the Company for the Executive Directors is based on the following criteria:

- Performance of the Company and its associate and subsidiary companies ;
- Performance of the individual Executive Director;
- External competitive environment.

### **Service contract, Severance Fee and Notice Period**

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.

### **Employee Stock Option Scheme**

The Company has by way of Postal Ballot Resolution declared, on 7th December, 2009, approved granting of Shares of the Company to employees and Directors of the Company and its subsidiaries,



under the title “Delta Corp Employees Stock Option Scheme – 2009”. The Compensation Committee has at its meeting held on 8th July, 2010, granted in total 31 lacs options to various grantees under the aforesaid Scheme.

**Details of remuneration paid to Executive and Non Executive Directors for the year ended 31st March, 2010 and their relationship with other directors of the Company**

**Executive Director**

Name	Relationship with other Directors	Salary (Rs.)	Benefits, perks and allowances (Rs.)	Commission (Rs.)	Contribution to Provident Fund (Rs.)	Stock Option granted upto 31st March, 2010
Mr. Ashish Kapadia*	None	78,00,000	5,00,000	0.25% of Net Profit (after tax)	NIL	NIL

**Non Executive Directors**

Name	Relationship with other Directors	Sitting Fees (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Jaydev Mody	None	50,000	—	50,000
Mr. Ashish Kapadia *	None	17,500	—	17,500
Dr. Vrajesh Udani	None	50,000	—	50,000
Mr. Mahesh Gupta	None	97,500	—	97,500
Mr. Rajeev Piramal	None	30,000	—	30,000
Mr. Rajesh Jaggi	None	77,500	—	77,500
Ms. Ambika Kothari	None	50,000	—	50,000
Mr. Sudarshan Bajoria	None	30,000	—	30,000

\* Mr. Ashish Kapadia was appointed as Managing Director of the Company w.e.f. 27th April, 2009.

During the financial year ended 31st March, 2010, except payment of sitting fees and dividend on ordinary shares held, if any, by the Non – Executive Directors, the Company do 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	No. of shares held
Mr. Jaydev Mody	19606501
Dr. Vrajesh Udani	70000
Mr. Mahesh Gupta	46500
Mr. Rajeev Piramal	0
Mr. Rajesh Jaggi	63000
Ms. Ambika Kothari	11380
Mr. Sudarshan Bajoria	0
Lt. Gen. (Retd.) Noble Thamburaj	0



## C. Investors Grievance Committee

### Terms of reference

The Committee oversees and reviews all matters connected with transfer of securities and also approves issue of duplicate, split of share certificates, etc. Also the Committee looks into redressal of Shareholders'/Investors' complaints/ grievances pertaining to transfer or credit of shares / transmissions / dematerialisation / rematerialisation / split / issue of duplicate Share Certificates, non-receipt of annual reports, dividend payments and other miscellaneous complaints. The Committee reviews performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services.

### Composition

The Investors Grievance Committee as on date comprises of three members i.e. Mr. Jaydev Mody, Mr. Rajeev Piramal and Mr. Ashish Kapadia. Majority of them are Non-Executive Directors. The Chairman of the Committee is Mr. Jaydev Mody. The Committee was reconstituted during the period.

### Meeting and attendance

During the financial year ended 31st March, 2010, eight meetings of the Investors Grievance Committee meetings were held, as follows:

No.	Date	Committee Strength	No. of Members present
1	8th May, 2009	3	3
2	20th July, 2009	3	2
3	24th July, 2009	3	2
4	27th July, 2009	3	3
5	3rd August, 2009	3	3
6	4th December, 2009	3	3
7	24th December, 2009	3	2
8	31st March, 2010	3	3

### Compliance officer

Mr. Hitesh Kanani, Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreement with the Stock Exchanges.

### Listing fees:

The Company has paid the listing fees to all the Stock Exchanges till 31st March, 2010.

### Redressal of Investors Grievances

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent /issued usually within 7-10 days except in case of dispute over facts or other legal impediments.

During the financial year under review, total 8 investors' complaints were received and 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
2006 - 07	G4, Ground Floor, Clover Classic, North Main Road, Koregaon Park, Pune - 411 001	September 29, 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	September 30, 2008	Tuesday	2.00 p.m.	1
2008 - 09	Peninsula Centre, No 4, Galaxy Co-op. Housing Society, Off Dhole Patil Road, Pune - 411 001	September 25, 2009	Friday	1.30 p.m.	1

### POSTAL BALLOT

During the year, pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, certain resolutions were passed by Shareholders by Postal Ballot. The Notice of the Postal Ballot were dispatched to all the Shareholders of the Company along with postage prepaid envelopes. Mr. Ashish Jain of M/s. A.K Jain & Co; Practicing Company Secretary had been appointed as a scrutinizer for the Postal Ballots, who submitted his report to the Chairman.

The Company has passed following Resolutions on 7th December, 2009 by way of Postal Ballot.

- Increase of Authorized Share Capital of the Company from Rs. 34,00,00,000 (Rupees Thirty Four Crores) to Rs. 44,00,00,000 (Rupees Forty Four Crores).
- Issue of Securities of the Company to the Directors and Employees of the Company under Employees Stock Option Plan.
- Issue of Securities of the Company to the Directors and Employees of the Subsidiaries under Employees Stock Option Plan.
- Increase of Borrowing limits of the Company under Section 293(1)(d) of the Companies Act, 1956.
- Authority to Board of Directors of the Company under Section 293(1)(a) of the Companies Act, 1956.
- Increase in limits under Section 372A of the Companies Act, 1956.

As on date there are no Special Resolutions which are proposed to be passed by way of Postal Ballot.

### Disclosures

- a) During the financial year 2009-2010 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 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 Compensation (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 financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and published in following leading newspapers:

- Economic Times & Free Press Journal (English)
- Maharashtra Times & Navshakti (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

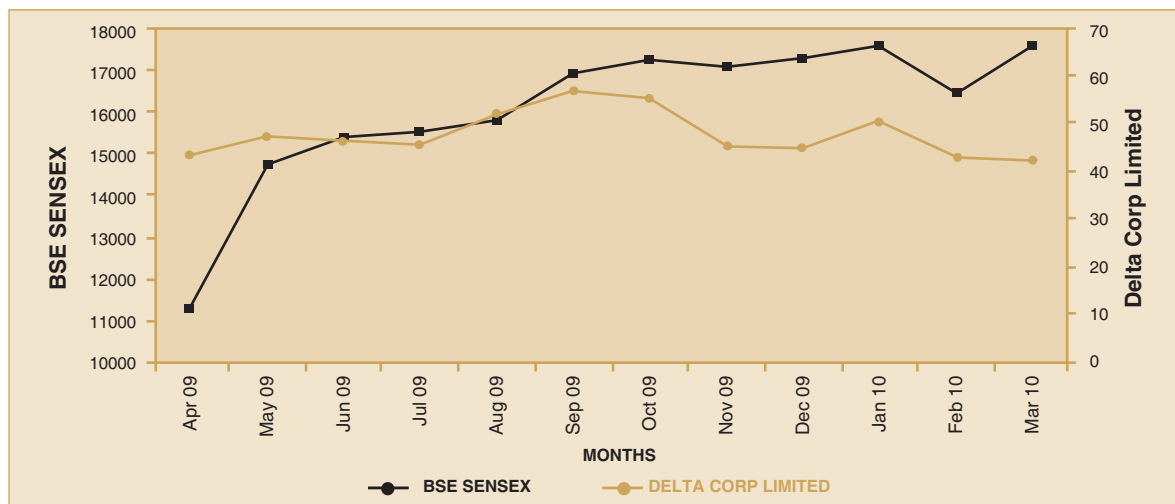
Annual General Meeting:	
Date and Time	Monday, the 27th day of September, 2010, at 3.00 P.M
Venue	Peninsula Centre, No. 4, Galaxy Co-Op. Housing Society, Off Dhole Patil Road, Pune - 411 001, Maharashtra,
As required under Clause 49 (IV) (G)(i) of the Listing Agreements with the Stock Exchanges, particulars 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 27th September, 2010.	
Financial Calendar	1st April, 2010 to 31st March, 2011.
Financial reporting for	
Quarter ending 30th June, 2010	By 14th August, 2010.
Quarter ending 30th September, 2010	By 14th November, 2010.
Quarter ending 31st December, 2010	By 14th February, 2011.
Year ending 31st March, 2011	Latest by 30th May, 2011.
Annual General Meeting for the year ending 31st March, 2011	By 30th September, 2011.
Dates of Book Closure	From Thursday the 23rd day of September, 2010 To Monday, the 27th day of September, 2010. (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 26th October, 2010 i.e. within 30 days from the date of declaration.



Dividend History	Sr	Financial Year	Dividend Per Equity Share (Rs.)	Date of Declaration
	1	2007-2008	0.40	30th September, 2008
	2	2008-2009	0.20	25th September, 2009
Stock Exchange 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			

Stock Market Price data: High /Low during each month for the financial year ended 31st March, 2010

Months	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2009	45.05	29.00	45.15	28.65
May 2009	49.35	37.10	49.00	37.10
June 2009	48.50	40.10	48.90	40.25
July 2009	47.75	37.55	47.15	38.50
August 2009	53.45	40.15	53.45	39.30
September 2009	59.00	45.50	59.25	45.30
October 2009	57.25	40.10	56.80	40.10
November 2009	46.90	35.55	49.90	35.60
December 2009	46.85	40.60	47.10	40.50
January 2010	52.75	38.10	52.45	38.05
February 2010	45.00	36.20	48.40	36.01
March 2010	44.25	33.20	44.25	33.15





## Registrars and Share Transfer Agents

### Freedom Registry Limited

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

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

### Share Transfer Process

Shares in physical form are processed by the Registrar 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 shall be ratified by the Investors Grievances Committee.

### Distribution of Equity Shareholding according to Numbers as at 31st March, 2010

Category	No. of holders	% to total number of shareholders	No of shares held in that slab	% to total number of shares
1 to 5000	14172	94.4	11572552	6.92
5001 to 10000	392	2.61	3043123	1.82
10001 to 20000	210	1.4	3153143	1.89
20001 to 50000	136	0.90	4240314	2.54
50001 to 100000	33	0.22	2470758	1.48
100001 % above	69	0.46	142681240	85.36
<b>TOTAL</b>	<b>15012</b>	<b>100</b>	<b>167161130</b>	<b>100</b>

### Distribution of Equity Shareholding according to categories of Shareholders as at 31st March, 2010

Sr. No.	Category of Shareholder	Number of Share holders	Number of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>	17	80908841	48.40
<b>(B)</b>	<b>Public shareholding</b>			
<b>1</b>	<b>Institutions</b>			
(a)	Mutual Funds/ UTI	2	2177100	1.30
(b)	Financial Institutions / Banks	2	73870	0.04
(c)	Insurance Companies			
(d)	Foreign Institutional Investors	8	8981085	5.37
<b>2</b>	<b>Non-Institutions</b>			
(a)	Bodies Corporate	657	45832355	27.43
(b)	Individuals			
	Individuals			
(i)	holding nominal share capital up to Rs. 1 lakh	14305	20655363	12.36
(ii)	holding nominal share capital in excess of Rs. 1 lakh	21	8532516	5.10
	Total Public Shareholding	14995	86252289	51.60
	<b>TOTAL (A) + (B)</b>	<b>15012</b>	<b>167161130</b>	<b>100</b>



### Dematerialisation of shares and liquidity

As on 31st March, 2010, 16,17,65,500 Equity Shares (96.77 % of the total number of shares) are in dematerialised form as compared to 12,99,41,350 Equity Shares (95.88 % of the total number of shares) as on 31st March, 2009.

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

The Company has not issued any GDR's/ADR's during the financial year.

In respect of 1,50,00,000 convertible warrants issued by the Company on 14th February, 2008, to the promoter of the Company i.e. Mr. Jaydev Mody, the following warrants were transferred by him to various transferees during the last financial year and those transferees exercised their right to convert the entire warrants so transferred to them into Equity Shares of the Company:

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
Ms. Sangeeta Lulla	2,25,000
Ms. Mriganka Lulla	1,00,000
Mr. Advay Lulla	1,25,000
Ms. Neelam Tapia	13,50,000
Mr. Azim Tapia	3,00,000
M/s. Corniche Realty Private Limited	7,22,578
<b>TOTAL</b>	<b>78,60,849</b>

In respect of balance 71,39,151 warrants held by Mr. Jaydev Mody, he exercised his right to convert the same into Equity Shares of the Company.

### Plant Location

The Company has no manufacturing 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	109, Bayside Mall, 1st Floor, Opp. Sobo Central Mall, Tardeo Road, Haji Ali, Mumbai - 400 034 Maharashtra.	(022) 4079 4700 (022) 4079 4777	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 31st March, 2010.

**For Delta Corp Limited**

**Ashish Kapadia**  
**Managing Director**

Date : 28th July, 2010.

## CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of  
Delta Corp Limited

We have examined the compliance of conditions of Corporate Governance by Delta Corp Limited for the year ended 31st March 2010 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.

**Hitesh Buch**

**For, Hitesh Buch Associates**  
**Company Secretaries**  
**FCS 3145; COP No. 8195**

Place: Ahmedabad  
Date: 28th July 2010



# AUDITORS' REPORT TO THE MEMBERS OF DELTA CORP LIMITED

To

The Members of DELTA CORP LIMITED

1. We have audited the attached Balance Sheet of Delta Corp Limited ('the Company') as at March 31, 2010 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the paragraph 3 above, we report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the balance sheet, profit and loss 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 Companies Act, 1956.
- v. On the basis of the written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
  - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For Haribhakti & Co.**

Chartered Accountants

Firm's Registration No.103523W

**Chetan Desai**

Partner

Membership No. 017000

Place: Mumbai

Date: 30th April, 2010

**For Amit Desai & Co**

Chartered Accountants

Firm's Registration No. 130710W

**Amit Desai**

Proprietor

Membership No. 032926

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



Referred to in paragraph 3 of the Auditors' Report of even date to the members of DELTA CORP LIMITED on the financial statements for the year ended 31st March, 2010

- (i) (a) The Company has maintained 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 and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
- (ii) The Company is not having any inventory; hence clause (ii) of the Order is not applicable.
- (iii) (a) The Company has granted unsecured loan to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 198.00 Lacs and the year-end balance of loans granted to such party was Rs. NIL.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans 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) In respect of the aforesaid loans, in the cases where the overdue amount is more than Rupees One lakh, in our opinion, reasonable steps have been taken by the company for the recovery of the principal

amounts, where applicable.

- (e) The Company had taken loan from three companies and one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.829.29 Lacs and the year-end balance of loans taken from such parties was Rs. NIL.
- (f) In our opinion, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
- (g) 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 exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct weakness in internal control system of the Company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us there are no, transactions made in pursuance of contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.



(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.

(ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates
Employee State Insurance, Act	ESIC	3,008	2009-10

(c) According to the records of the Company, the dues outstanding as at the year end, of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the Statute	Nature of dues	(Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax	146.22	F.Y 2006-07	Commissioner of Income Tax (Appeal)

(x) The Company does not have any accumulated losses at the year end. Further, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(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) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, generally the Company did not deal or trade in it. However, on short term basis, surplus funds were invested in mutual fund for which proper records for the transaction and contracts have been maintained and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.

(xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loan taken by one of its subsidiary from a bank during the year, is not prejudicial to the interest of the Company.

(xvi) In our opinion and on overall examination, we report that the term loans have been applied for the purpose for which the loans were raised.



- (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 no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has made allotment of equity shares on conversion of preferential warrants issued in the year 2008, to a party covered in the Register maintained under Section 301 of the Companies Act, 1956 and the price at which shares have been issued is not prejudicial to the interest of the company.
- (xix) The Company has not issued debentures during the year.
- (xx) During the year the Company has not raised any money by way of public issue.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**For Haribhakti & Co.**  
Chartered Accountants  
Firm's Registration No.103523W

**Chetan Desai**  
Partner  
Membership No. 017000

Place: Mumbai  
Date: 30th April, 2010

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

**Amit Desai**  
Proprietor  
Membership No. 032926



# BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

	Schedule	As at March 31, 2010		As at March 31, 2009	
<b>SOURCES OF FUNDS</b>					
<b>Shareholders' Funds</b>					
Share Capital	1	2,895.46		2,579.13	
Equity Share Warrants		-		607.50	
Reserves & Surplus	2	23,915.07	26,810.53	14,188.87	17,375.50
<b>Loan Funds</b>					
Secured Loans	3	17,494.06		11,010.24	
Unsecured Loans	4	-	17,494.06	7,301.10	18,311.34
Deferred Tax Liability			-		13.70
	TOTAL		44,304.59		35,700.54
<b>APPLICATION OF FUNDS</b>					
<b>Fixed Assets</b>					
Gross Block	5	383.41		369.63	
Less: Depreciation		(195.18)		(173.75)	
Net Block		188.23		195.88	
Add: Capital Work In Progress		1,190.17	1,378.40	1,190.17	1,386.05
<b>Investments</b>	6		24,474.76		25,778.51
<b>Deferred Tax Assets</b>			25.90		0.17
<b>Current Assets, Loans And Advances</b>					
Sundry Debtors	7	276.83		831.97	
Cash & Bank Balances	8	447.71		93.51	
Loans & Advances	9	20,846.69		10,621.11	
		21,571.24		11,546.59	
<b>Less: Current Liabilities And Provisions</b>	10				
Current Liabilities		2,384.33		2,483.99	
Provisions		761.38		541.11	
		3,145.71		3,025.10	
Net Current Assets			18,425.53		8,521.49
Miscellaneous Expenditure	11		-		14.33
(To The Extent Not W/off or Adjusted)					
	TOTAL		44,304.59		35,700.54
Significant Accounting Policies	17				
Notes to the Financial Statements	17				

As per our report of even date

For Haribhakti & Co.  
Chartered Accountants

Chetan Desai  
Partner

Place : Mumbai  
Date : 30th April, 2010

For Amit Desai & Co  
Chartered Accountants

Amit Desai  
Proprietor

For and on behalf of Board of Directors

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

# PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010



(Rupees in Lacs)			
	Schedule	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>Income</b>			
Sales / Operating Income	12	5,409.84	4,273.45
Other Income	13	49.92	109.42
		<u>5,459.76</u>	<u>4,382.87</u>
<b>Expenditure</b>			
Staff Costs	14	197.52	100.89
Administrative & Other Expenses	15	842.17	680.05
		<u>1,039.69</u>	<u>780.94</u>
<b>Profit Before Finance Charges, Depreciation &amp; Tax</b>		<u>4,420.07</u>	<u>3,601.93</u>
Finance Charges (Net)	16	2,403.37	2,491.83
Depreciation	5	42.10	69.48
<b>Profit Before Tax</b>		<u>1,974.60</u>	<u>1,040.62</u>
Provision for Taxation			
- Income Tax for Current Year		550.00	160.00
- Income Tax for Earlier Years		(2.00)	56.79
- Fringe Benefit Tax		-	7.00
- Wealth Tax		0.17	0.28
- Deferred Tax		(39.43)	(19.78)
<b>Profit After Tax</b>		<u>1,465.85</u>	<u>836.32</u>
Prior Period Items		108.89	4.96
<b>Profit After Tax and Prior Period Adjustments</b>		<u>1,356.96</u>	<u>831.37</u>
Balance Brought Forward		386.36	271.75
Amount Available for Appropriation		<u>1,743.32</u>	<u>1,103.12</u>
Transferred to General Reserves		300.00	250.00
Proposed Dividends on Preference Shares		97.91	97.91
Proposed Dividends on Equity Shares		417.90	301.06
Dividends on Equity Shares		33.27	-
Dividends Distribution Tax		91.33	67.80
Balance Carried to Balance Sheet		<u>802.91</u>	<u>386.36</u>
Basic Earning Per Share		0.80	0.53
Diluted Earning Per Share		0.80	0.48
(Face Value of Re. 1/- Each)			
Significant Accounting Policies	17		
Notes to the Financial Statements	17		

As per our report of even date

For Haribhakti & Co.  
Chartered Accountants

Chetan Desai  
Partner

Place : Mumbai  
Date : 30th April, 2010

For Amit Desai & Co  
Chartered Accountants

Amit Desai  
Proprietor

For and on behalf of Board of Directors

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, 2010

(Rupees in Lacs)

Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>I Cash Flow from Operating Activities</b>		
Net Profit Before Tax and Extraordinary Items	1,974.60	1,040.62
Adjustments for:		
Depreciation	42.10	69.48
Profit on Sale of Fixed Assets	(1.88)	(5.78)
Amortisation of Expenses	17.84	2.14
Amount Written Off	4.52	0.24
Provision for Employee Benefit	(4.71)	(3.65)
Prior Period Expenses	(108.89)	(4.96)
Interest Paid	2,907.13	3,271.50
Interest Income	(503.76)	(779.67)
Dividend Income	(48.05)	(103.64)
(Profit)/Loss on Sales of Investment	178.89	183.40
<b>Operating Profit before Working Capital Changes</b>	<b>4,457.80</b>	<b>3,669.69</b>
Adjustments For		
Trade and Other Receivables	815.61	289.92
Loans & Advances	(4,418.32)	(120.32)
Trade Payables	(100.59)	(3,771.34)
Other Liabilities	29.27	(44.68)
<b>Cash Generated from Operation</b>	<b>783.78</b>	<b>23.26</b>
Taxes Paid	(456.67)	(653.42)
<b>Net Cash Flow From Operating Activities (A)</b>	<b>327.10</b>	<b>(630.16)</b>
<b>II Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(40.41)	(83.66)
Purchase of Fixed Assets (Capital Work in Progress)	-	(815.31)
Sales of Fixed Assets	14.73	1,010.00
Dividend Income	48.05	103.64
Interest Income	503.76	779.67
Inter Corporate Deposits	(5,903.97)	(5,252.90)
Investment in Subsidiary Companies	(29.00)	(505.85)
Other Investments	(17,493.83)	(9,229.63)
Sale of Investment	17,727.45	21,033.51
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(5,173.22)</b>	<b>7,039.47</b>



(Rupees in Lacs)		
Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>III Cash Flow From Financing Activities</b>		
Proceeds From Issuance of Share Capital	13,794.40	-
Share Issue Expenses	(528.18)	-
Interest Paid	(2,907.13)	(3,271.50)
Dividend Paid	(432.23)	(640.02)
Dividend & Distribution Tax Paid	(84.06)	(108.77)
Proceeds From Long Term Borrowing	10,490.58	-
Repayment of Long Term Borrowing	(4,006.76)	(297.51)
Proceeds From Short Term Borrowing	1,331.18	12,353.15
Repayment of Short Term Borrowing	(12,497.32)	(14,427.70)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>5,160.47</b>	<b>(6,392.35)</b>
Increase/ (Decrease) in Cash and Cash Equivalents (D=A+B+C)	<b>314.36</b>	<b>16.96</b>
Cash adjustment on account of Demerger	-	(32.58)
Cash & Cash Equivalents as at Beginning of Year	93.51	109.13
Add: On Amalgamation	39.84	-
Cash & Cash Equivalents as at End of the Year	<b>447.71</b>	<b>93.51</b>
Cash and Cash Equivalent includes		
Cash and Cheques in Hand	4.58	3.31
Balance with Scheduled Banks		
In Current Accounts	403.55	56.75
In Unclaimed Dividend Account	39.58	33.45

**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) Figures in bracket indicate cash outflow.

As per our report of even date

For Haribhakti & Co.  
Chartered Accountants

Chetan Desai  
Partner

Place : Mumbai  
Date : 30th April, 2010

For Amit Desai & Co  
Chartered Accountants

Amit Desai  
Proprietor

For and on behalf of Board of Directors

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



# SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
3,50,00,000 (1,80,00,000) Equity Shares Of Re.1/- Each	3,500.00	1,800.00
10,00,000 (10,00,000) 10% Non Cumulative Redeemable Preference Shares of Rs. 10/- Each	100.00	100.00
1,30,00,000 (1,30,00,000) 8% Non Cumulative Redeemable Preference Shares of Rs.10/- Each	1,300.00	1,300.00
<b>TOTAL</b>	<b>4,900.00</b>	<b>3,200.00</b>
<b>Issued, Subscribed and Paid-Up</b>		
16,71,61,130 (P.Y. 13,55,28,130) Equity Shares of Re. 1/- Fully Paid Up	1,671.61	1,355.28
1,22,38,535 (P.Y. 1,22,38,535) 8 % Non Cumulative Redeemable Preference Shares of Rs. 10/- Each Fully Paid Up	1,223.85	1,223.85
<b>TOTAL</b>	<b>2,895.46</b>	<b>2,579.13</b>
<p>1) In terms of approval by the Shareholder of the Company and as per the applicable statutory provisions, in the F.Y. 2007-08 of the Company had issued and allotted 150,00,000 warrants to promoter entitling warrant holder to acquire equivalent number of fully paid up equity shares of Re 1/- each of the Company at price of Rs. 40.50 per Equity Share. As per the entitlement, the warrant holder applied for and allotted 150,00,000 Equity Shares of the Company during the Financial Year 2009-10.</p> <p>2) During the F.Y. 2009-10, the Company issued and allotted 1,66,33,000 Equity Shares of Re. 1/- each issued at price of Rs. 50.0625 per share to Qualified Institutional Buyer.</p> <p>3) 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 promoter as per the approval of Share Holder and applicable Statutory Provisions.</p> <p>4) During the F.Y. 07-08, Equity Shares of Rs.10/- each was sub divided into Equity Shares of Re. 1/- each.</p>		



(Rupees in Lacs)		
Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Security Premium Account</b>		
As per last Balance Sheet	11,507.55	11,507.55
Addition from QIP Issue Rs. 8,160.57 Lacs and Rs. 5,925.00 Lacs from Warrants conversion	14,085.57	-
Share Issue and Other Expenses	(528.18)	-
Adjustment Pursuant of Scheme of Arrangement & Amalgamation (Please Refer Note in Schedule "17 (II) (s)")	(4,547.74)	-
	<u>20,517.20</u>	<u>11,507.55</u>
<b>General Reserves</b>		
As per last Balance Sheet	2,113.93	2,228.56
Reduction On Account Of Demerger	-	(364.63)
Transfer From Profit & Loss Account	300.00	250.00
	<u>2,413.93</u>	<u>2,113.93</u>
<b>Capital Reserves</b>		
As per last Balance Sheet	-	262.31
Reduction On Account Of Demerger	-	(262.31)
	<u>-</u>	<u>-</u>
<b>Capital Redemption Reserves</b>	181.03	181.03
<b>Profit and Loss Account</b>	802.91	386.36
<b>TOTAL</b>	<u>23,915.07</u>	<u>14,188.87</u>



## SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 3</b>		
<b>SECURED LOANS</b>		
From Bank (Term Loan)	6,153.92	-
Interest accrued & due	3.00	-
(Secured against the mortgage of Immovable Property of the Company at Bayside Mall, Mumbai and Ship belonging to the Subsidiary Company) (Please Refer Note in Schedule "17 (II) (x)")		
From Financial Institution (Term Loan)	11,319.46	11,010.24
(Secured by mortgage of a Immovable Property at Prabhadevi, Mumbai and its Lease Rentals Income)		
From Company (Vehicle Loan)	17.68	-
(Secured by way of hypothecation of a Motor Vehicle)		
<b>TOTAL</b>	<b>17,494.06</b>	<b>11,010.24</b>
<b>SCHEDULE NO. 4</b>		
<b>UNSECURED LOANS (SHORT TERM)</b>		
From a Bank	-	4,557.33
(Repayable withing one year - Current Year : Nil, Previous Year: Rs. 4,557.33 Lacs)		
Inter Corporate	-	2,743.77
(Repayable withing one year - Current Year : Nil, Previous Year: Rs. 2,743.77 Lacs)		
<b>TOTAL</b>	<b>-</b>	<b>7,301.10</b>



## SCHEDULE NO. 5

### FIXED ASSETS

Particulars	Gross Block				Depreciation				Net Block		(Rupees in Lacs)	
	As at 01.04.09 (Demerger)	Merger / (Demerger)	Additions	Deductions	As at 31.03.10	As at 01.04.09 (Demerger)	Merger / (Demerger)	Additions	Deductions	As at 31.03.10		As at 31.03.10
Electrical Equipments	7.07	-	0.84	-	7.91	4.66	-	0.35	-	5.01	2.90	2.41
Computers	18.52	-	0.71	-	19.22	11.37	-	3.01	-	14.37	4.85	7.15
Office Equipments	35.71	-	4.46	-	40.17	15.21	-	3.04	-	18.25	21.92	20.49
Furniture & Fixtures	165.81	-	8.76	-	174.57	61.37	-	19.24	-	80.61	93.96	104.44
Vehicles	129.36	6.90	25.64	20.35	141.54	71.95	-	15.76	10.78	76.93	64.61	57.41
Ship	13.18	-	-	13.18	-	9.20	-	0.70	9.90	-	-	3.98
TOTAL	369.63	6.90	40.41	33.53	383.41	173.75	-	42.10	20.68	195.18	188.23	195.88
Previous Year	3,796.12	(2,449.70)	83.66	1,060.45	369.63	1,348.50	(1,188.00)	69.48	56.23	173.75	195.88	2,447.62



# SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	Current Year Nos.	Previous Year Nos.	Face Value (Rs.)	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 6</b>					
<b>LONG TERM INVESTMENT</b>					
<b>I) Trade Investments (at cost)</b>					
Fully Paid Equity Shares					
i) Quoted					
Peninsula Land Limited	48,000	48,000	2	2.64	2.64
(Aggregate Market Value Rs. 35.26 Lacs - L.Y. Rs. 10.44 Lacs)					
ii) Unquoted					
Aero Port & Infrastructure Project Private Limited	43,750	43,750	10	4.38	4.38
Delta Realities Private Limited	-	1	10	-	0.00
J M Township and Real Estate Private Limited	175,000	175,000	10	17.50	17.50
Peninsula Mega Properties Private Limited	2,600	2,600	10	0.26	0.26
<b>II) Investments in Subsidiary Companies (at cost)</b>					
Unquoted Equity Shares Fully Paid					
Jayem Realty Solution Private Limited	-	5,001	10	-	0.50
J M Real Estate Private Limited	-	25,001	10	-	21.50
Delta Pan Africa Limited	889,143	889,143	1000 Kshs	5,397.60	5,397.60
Richtime Realty Private Limited	5,001	5,001	10	0.50	0.50
Delta Holding (USA) Inc.	100,000	100,000	10 USD	428.20	428.20
AAA Aviation Private limited	1,800,000	1,800,000	10	180.00	180.00
Delta Hospitality Private Limited*	-	740,000	10	-	74.00
Highstreet Cruises & Entertainment Private Limited	1,200,000	1,200,000	10	1,200.00	1,200.00
Delta Hospitality & Entertainment Private Limited	51,910	51,910	10	77.65	77.65
Delta Adventure & Entertainment Private Limited	10,000	-	10	1.00	-
Delta Cruises & Entertainment Private Limited	10,000	-	10	1.00	-
Delta Lifestyle & Entertainment Private Limited	10,000	-	10	1.00	-
* Merged with Company w.e.f. 01.04.2009					
<b>III) Investments in Associate Company (at cost)</b>					
Unquoted Equity Shares Fully Paid					
Pavurotti Finance & Investment Private Limited	-	21,000	10	-	2.10
<b>IV) Other Investments (at cost)</b>					
<b>(A) Fully Paid Equity Shares</b>					
i) Quoted					
Piramal Healthcare Limited	423	423	2	0.10	0.10
Victoria Mills Limited	40	40	100	0.02	0.02



(Rupees in Lacs)					
Particulars	Current Year Nos.	Previous Year Nos.	Face Value (Rs.)	As at March 31, 2010	As at March 31, 2009
UTV Software Communication Limited	-	95,561	10	-	372.71
Advani Hotels & Resorts Limited	16,127,706	-	2	8,869.82	-
Arrow Textiles Limited	1	1	10	0.00	0.00
Piramal Glass Limited*	19	19	10	-	-
Piramal Life Science Limited*	42	42	10	-	-
*Issued free against holding of shares of Piramal Healthcare Ltd.					
(Aggregate Market Value Rs. 6,470.41 Lacs - L.Y. Rs. 488.37 Lacs)					
<i>ii) Unquoted</i>					
Elixir Infotech Private Limited	-	60,000	10	-	6.00
Freedom Aviation Private Limited	120	120	10	0.01	0.01
The Shamrao Vithal Co.op. Bank Limited	2,100	2,100	25	0.53	0.53
The Saraswat Co. Op. Bank Limited	2,500	-	10	0.25	-
<b>(B) Fully Paid Debenture (Unquoted)</b>					
<i>Subsidiary Companies</i>					
0% Unsecured Optionally Convertible Debenture of Delta Hospitality Private Limited of Rs. 100 Lacs each	-	97	100 Lacs	-	9,700.00
<i>Other Company</i>					
0% Advent Investment & Finance Co. Private Limited	33,000	33,000	100	33.00	33.00
<b>(C) Investment in Immovable Property</b>					
Property at Mumbai				8,259.31	8,259.31
<b>TOTAL</b>				<b>24,474.76</b>	<b>25,778.51</b>

Particulars	As at 31st March, 2010		As at 31st March, 2009	
	Book Value	Market Value	Book Value	Market Value
Aggregate Value of Quoted Investment	8,872.58	6,505.67	375.47	498.80
Aggregate Value of Unquoted Investment	7,342.87	-	17,143.72	-
Investment in Immovable Property	8,259.31	-	8,259.31	-
<b>TOTAL</b>	<b>24,474.76</b>	<b>6,505.67</b>	<b>25,778.51</b>	<b>498.80</b>



# SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

## Details of Investment made in Mutual Fund For the Year Ended 31st March, 2010

Name of Mutual Fund	Balance As at 01.04.2008		Balance As at 01.04.2009		Purchase during F.Y. 08-09		Purchase during F.Y. 09-10		Sold during F.Y. 08-09		Sold during F.Y. 09-10		Balance As at 31.03.2010	
	No. of Unit	Rs. In Lacs	No. of Unit	Rs. In Lacs	No. of Unit	Rs. In Lacs	No. of Unit	Rs. In Lacs	No. of Unit	Rs. In Lacs	No. of Unit	Rs. In Lacs	No. of Unit	Rs. In Lacs
<b>Reliance Fixed Horizon Fund - VI</b>	8,000,000	800.00	-	-	-	-	-	-	8,000,000	800.00	-	-	-	-
Series II - Institutional Dividend Plan														
<b>Reliance Medium Term Fund</b>	15,064,419	1,506.52	-	246,112	24.45	-	-	-	15,310,531	1,530.97	-	-	-	-
Series III - Institutional Dividend Plan														
<b>Reliance Monthly Interval Term Fund</b>	14,992,354	1,500.00	-	13,082,231	1,313.13	-	-	-	28,074,585	2,813.13	-	-	-	-
Series III - Institutional Dividend Plan														
<b>Reliance Medium Term Fund</b>	-	-	-	1,180,016	201.73	-	-	-	1,180,016	201.73	-	-	-	-
Daily Dividend Plan														
<b>Reliance Monthly Interval Fund</b>	20,140,179	2,016.03	-	212,576	21.28	-	-	-	20,352,755	2,037.31	-	-	-	-
Series I - Institutional Dividend Plan														
<b>Reliance Liquid Fund</b>	-	-	-	1,963,101	300.10	50,096,982	7,658.43	1,963,101	300.10	50,096,982	7,658.43	-	-	-
Treasury Plan-Institutional Option-Daily Dividend														
<b>Reliance Money Manager Fund</b>	1,42,160	1,423.21	-	660,456	6,612.06	891,807	8,928.20	802,616	8,035.27	891,807	8,928.20	-	-	-
Institutional Option, Daily Dividend Plan														
<b>JP Morgan India Liquid Fund</b>	-	-	-	-	-	4,497,475	450.10	-	-	4,497,475	450.10	-	-	-
Super Inst. Daily Dividend Plan - Reinvest														
<b>JP Morgan India Treasury Fund</b>	-	-	-	-	-	4,485,980	452.59	-	-	4,485,980	452.59	-	-	-
Super Inst. Daily Dividend Plan - Reinvest														
<b>TOTAL</b>	58,339,112	7,245.76	-	17,344,492	8,472.75	59,972,244	17,489.32	75,683,604	15,718.51	59,972,244	17,489.32	-	-	-



(Rupees in Lacs)		
Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 7</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured And Considered Good)		
Outstanding For More Than Six Months	246.43	319.53
Others	30.41	512.44
<b>TOTAL</b>	<b>276.83</b>	<b>831.97</b>
Note		
Due from a Step down Subsidiary Company		
Victors Hotels & Motels Limited	-	20.41
<b>SCHEDULE NO. 8</b>		
<b>CASH AND BANK BALANCES</b>		
Cash On Hand	4.58	3.31
Balances With Schedule Banks		
In Current Account	403.55	56.75
In Unclaimed Dividend Account	39.58	33.45
	443.13	90.20
<b>TOTAL</b>	<b>447.71</b>	<b>93.51</b>
<b>SCHEDULE NO. 9</b>		
<b>LOANS &amp; ADVANCES</b>		
Unsecured And Considered Good		
Advances		
(Due from Companies in which Director and / or Relative of Director of the Company is a Director)	-	184.24
Loans and Advances to Subsidiary Companies & Associates	12,847.38	8,998.35
Loans and Advances to Others	6,916.90	235.87
Deposits	63.71	163.79
Advance Tax (Net of tax provision of Current Year Rs. 1,142.39 Lacs, Previous Year Rs. 1,127.40 Lacs)	1,018.70	1,038.85
<b>TOTAL</b>	<b>20,846.69</b>	<b>10,621.11</b>



# SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 10</b>		
<b>CURRENT LIABILITIES</b>		
<b>Sundry Creditors</b>		
- Micro, Small and Medium Enterprises	0.08	-
- Others	270.86	227.18
Deposits	1,899.99	2,049.99
Other Liabilities	169.50	173.37
Interest accrued but not due	4.31	-
Unclaimed Dividends *	39.58	33.45
*(Amount due and outstanding to be credited to Investor		
Education Protection Fund - Current Year : NIL, Previous Year : NIL)		
	2,384.33	2,483.99
<b>Provisions</b>		
Proposed Dividend on Preference Shares	97.91	97.91
Proposed Dividend on Equity Shares	417.90	301.06
Provision for Dividend Tax	85.68	67.80
Provision for Taxation(Net of advance tax of Rs. 493.43 Lac, Previous Year Rs. 38.51 Lacs)	149.03	71.09
Provision for Employee Benefits	10.86	3.25
	761.38	541.11
<b>TOTAL</b>	<b>3,145.71</b>	<b>3,025.10</b>
<b>SCHEDULE NO. 11</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
Preliminary Expenses	-	14.33
(To the extent not written off)		
<b>TOTAL</b>	<b>-</b>	<b>14.33</b>

# SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010



(Rupees in Lacs)		
Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>SCHEDULE NO. 12</b>		
<b>SALES / OPERATING INCOME</b>		
Revenue Sharing & Consultancy Income	2,401.12	751.70
Other Operational Income	550.90	1,002.80
Lease Rentals	2,457.82	2,518.95
<b>TOTAL</b>	<b>5,409.84</b>	<b>4,273.45</b>
<b>SCHEDULE NO. 13</b>		
<b>OTHER INCOME</b>		
Dividend Income from		
- Trade Investment	0.43	0.38
- Non-Trade Investment	47.62	103.26
Profit on Sale of Assets	1.88	5.78
<b>TOTAL</b>	<b>49.92</b>	<b>109.42</b>



# SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>SCHEDULE NO. 14</b>		
<b>STAFF COSTS</b>		
Salaries and Incentives	183.26	90.12
Contribution to Provident & Other Funds	8.33	7.26
Gratuity Fund Contributions	3.21	1.05
Staff Welfare Expenses	2.72	2.46
<b>TOTAL</b>	<b>197.52</b>	<b>100.89</b>
<b>SCHEDULE NO. 15</b>		
<b>ADMINISTRATION AND OTHER EXPENSES</b>		
Advertisement Expenses	76.30	13.38
Auditor's Remuneration	11.91	6.93
Aviation Expenses	-	18.82
Conveyance	4.56	1.87
Director Sitting Fees	4.03	2.43
Donations	1.20	49.00
Electricity Charges	19.25	17.78
Insurance	4.42	5.20
Legal & Professional Fees	148.65	109.68
Loss on Sale of Long Term & Short Term Investments	178.89	183.40
Miscellaneous & General Expenses	12.16	40.99
Postage & Telephone	29.63	29.06
Preliminary Expenses Written off	17.84	2.14
Printing And Stationery	13.69	12.34
Property Tax	55.08	33.75
Rates & Taxes	1.38	6.64
Repairs & Maintenance for Building	82.85	73.49
Repairs & Maintenance for Others	13.51	3.42
Sales Promotion Expenses	114.03	36.44
Travelling Expenses	46.69	23.44
Vehicle Expenses	6.11	9.84
<b>TOTAL</b>	<b>842.17</b>	<b>680.05</b>



(Rupees in Lacs)		
Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>SCHEDULE NO. 16</b>		
<b>FINANCE CHARGES</b>		
Interest on Secured Loan from a Bank	3.00	-
Interest on Term Loan from a Financial Institution	2,045.11	1,633.61
Interest on Unsecured Loan from a Bank	329.44	743.74
Interest on Unsecured Loan from Others	371.72	665.40
Other Financial Charges	157.87	228.75
	<u>2,907.13</u>	<u>3,271.50</u>
<b>Less : Interest Received</b>		
On Inter Corporate Deposits	503.76	773.58
(TDS Rs. 43.51 Lacs, Previous Year Rs. 63.86 Lacs)		
Other Interest (TDS - NIL, Previous Year Rs. 1.38 Lacs)	-	6.09
	<u>503.76</u>	<u>779.67</u>
<b>TOTAL</b>	<u>2,403.37</u>	<u>2,491.83</u>



# SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

## SCHEDULE NO. 17

### I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention, on accrual basis and in accordance with the generally accepted accounting principles in India ("GAAP"), and comply with the accounting standards specified in the Companies (accounting Standards) Rules 2006, issued by the Central Government, in consultation with National Advisory Committee on Accounting Standards ('NACAS') 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. Interest income is generally recognized on a time proportion method.
- iii. Dividend income is recognized when the right to receive dividend is established.
- iv. Claims for price variation/exchange rate variation in case of contracts are accounted for on acceptance.
- v. 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

Expenses incurred for acquisition of Capital assets along with advances towards the acquisition of fixed assets outstanding at each balance sheet date are disclosed under Capital Work-in-Progress.

#### d) Depreciation

Depreciation is provided on Written Down Value (WDV) method as prescribed in Schedule XIV of the Companies Act, 1956. Depreciation is provided from the date of acquisition till the date of sale of assets.

#### e) Investments

Investments that are readily realizable and intended to be held but not more than a year are classified as current investments. All other investments are classified as long term investment. Carrying amount of the individual investment is determined on the basis of the average carrying amount of the total holding of the 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. Current investments are carried at lower of cost and fair value.

#### f) 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.

**g) Foreign Currency Transactions**

- a) Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the profit and loss account.
- b) Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the profit and loss account.
- c) Exchange rate differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the company's financial statements until the disposal of the net investment.
- d) Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

**h) Borrowing Costs**

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

**(j) Taxation**

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

a) Current Tax

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

b) Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

**(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.



# SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

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.

## **(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 of lease term.

## **(o) Preliminary Expenditure**

Preliminary expenditures are fully charged off in the year in which it has incurred.

## **II. NOTES TO ACCOUNTS**

**a)** In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate.

## **b) Contingent Liabilities**

Claims against the Company not acknowledged as debts:

- Property tax for immovable property at Mumbai Rs. NIL (Previous year Rs.80 Lacs).
- Income Tax Liabilities for Ass. Year 2007-08: Rs. 146.22 Lacs (Previous year Nil).
- Income Tax Liabilities for Ass. Year 2004-05: Nil (Previous year Rs. 6.06 Lacs).
- Corporate Guarantee given: Rs.1,000 Lacs (Previous year Rs.500 Lacs).

**c)** During the year the Company has changed its accounting policy for preliminary expenditure to be in line with Accounting Standard 26 issued by Institute of Chartered Accountants of India, due to which balance in miscellaneous expenditure is fully charged to profit and loss account. Had this change not taken place the profit would have been higher by Rs. 15.23 Lacs.

**d)** During the year the Company has changed its accounting policy for Foreign currency transactions related Fixed Assets to be in line with Accounting standard 11 (Revised) issued by Institute of Chartered Accountants of India. However, there is no impact of the same in profit and loss account.

## **e) Segment Disclosures**

As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided under notes to Consolidated Financial Statements.

## **f) Acquisitions / Disinvestments**

### **• Acquisitions:**

During the year, the Company has formed following subsidiaries:

Delta Adventure and Entertainment Pvt. Ltd having paid up share capital of Rs. 1 Lac comprising of 10,000 Shares of Rs. 10 each.

Delta Cruises and Entertainment Pvt. Ltd having paid up share capital of Rs. 1 Lac comprising of 10,000 Shares of Rs. 10 each.



Delta Lifestyle and Entertainment Pvt. Ltd having paid up share capital of Rs. 1 Lac comprising of 10,000 Shares of Rs. 10 each.

- **Disinvestments:**

The Company disinvested 5,001 equity shares of Rs. 10/- each amounting to Rs. 0.50 Lacs of its Subsidiary Company namely Jayem Realty Solutions Private Limited, thereby the said Company ceased to remain subsidiary of the Company.

The Company disinvested 25,001 equity shares of Rs. 10/- each amounting to Rs. 21.50 Lacs of its Subsidiary Company namely JM Real Estate Private Limited, thereby the said Company ceased to remain subsidiary of the Company.

The Company disinvested 21,000 equity shares of Rs. 10/- each amounting to Rs. 2.10 Lacs of its Associate Company namely Pavurotti Finance and Investment Private Limited, thereby the said Company ceased to remain associate of the Company.

- g) The Board of Directors and Investment Committee of the Company has at their meeting held on 19th January, 2010, approved the purchase of 50.99% Equity Shares (22,18,400 Equity Shares of Rs. 10/- each) of Advani Pleasure Cruise Company Private Limited (APCCPL) upon terms and conditions agreed in the Share Purchase Agreement (SPA) between the Company and Advani Hotels and Resorts (India) Limited (AHRIL). However, APCCPL is not considered subsidiary of the Company as till date shares are not transferred in favor of company.

**h) 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)
- AAA Aviation Private Limited (AAPL)
- Jayem Realty Solutions Private Limited (JRSL) (till 30.06.2009)
- J M Real Estate Private Limited (JREPL)(till 30.06.2009)
- Richtime Realty Private Limited (RRPL)
- Delta Pan Africa Limited (DPAL)
- Delta Hospitality and Entertainment Private Limited (Formerly Know as Mundus Hospitality Private Limited) (DHEPL)
- Delta Holding USA Inc. (DHUSA)
- Delta Cruises and Entertainment Private Limited(DCEPL) (From 18.01.2010)
- Delta Lifestyle and Entertainment Private limited (DLEPL) (From 25.02.2010)
- Delta Adventures and Entertainment Private Limited(DAEPL) (From 10.03.2010)

*Step down Subsidiaries / LLPS:*

- Highstreet Riviera Entertainment Private Limited (HREPL)(From 29.12.2009 to 30.03.2010)



## SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

- Victor Hotels and Motels Limited (VHML)
- Coastal Sports and Ventures Private Limited (CSVPL)
- Delta Corp East Africa Limited (DCEAL)
- Delta Square Limited (DSL)
- AAA Township Private Limited (AAATPL) (From 10.08.2009)
- Kaizan LLP(KLLP) ( From 10.08.2009)

### *Associates:*

- Pavurotti Finance & Consultancy Private Ltd. (PFCPL)(Till 30.06.2009)

### *Joint Venture:*

- Highstreet Riviera Leisure (Goa) Private Ltd (HRLGPL)( From 18.12.2009) (through its Subsidiary Company DHEPL)

### **(ii) Individuals owning directly an Interest in the voting power that gives them significant influence:**

- Mr. Jaydev Mody (JM) – Chairman
- Mrs. Zia Mody (ZM)

### **(iii) Key Management Personnels:**

- Mr. Ashish Kapadia (AK) – Managing Director
- 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 (DML)
- Aditi Management Consultancy Private Limited (ADMPL)
- Anjoss Trading Private Limited(ATPL)
- AZB & Partners (AZB)
- Freedom Registry Limited (FRPL)
- Dacapo Brokerage India Private Limited (DBIPL)
- Arrow Textiles Limited (ATL)
- Peninsula Land Ltd (PLL)
- Peninsula Facility Management Services Limited (PFMS)
- Freedom Aviation Private Limited (FAPL)
- J M Realty Management Private Limited (JMRMPL)
- J M Township Real Estate Private Limited (JMTPL)



# Details of Transactions carried out with related parties in ordinary courses of business

(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	
		09-10	08-09	09-10	08-09	09-10	08-09	09-10	08-09
1	Sale of Fixed Assets								
	VHML	-	400.00	-	-	-	-	-	400.00
	HCEPL	5.66	-	-	-	-	-	5.66	-
	AAPL	2.96	610.00	-	-	-	-	2.96	610.00
		8.62	1,010.00	-	-	-	-	8.62	1,010.00
2	Consultancy Income								
	PLL	-	-	-	-	408.43	-	408.43	-
		-	-	-	-	408.43	-	408.43	-
3	Revenue Sharing Income								
	PLL	-	-	-	-	1,992.69	751.69	1,992.69	751.69
		-	-	-	-	1,992.69	751.69	1,992.69	751.69
4	Interest Paid								
	DML	-	-	-	-	13.73	20.54	13.73	20.54
	DBIPL	-	-	-	-	0.52	5.36	0.52	5.36
	PLL	-	-	-	-	241.71	-	241.71	-
		-	-	-	-	255.96	25.90	255.96	25.90
5	Travelling Expenses								
	AAPL	1.43	-	-	-	-	-	1.43	-
		1.43	-	-	-	-	-	1.43	-
6	Maintenance Charges and Other Reimburse Expenses								
	PFMS	-	-	-	-	61.52	64.39	61.52	64.39
		-	-	-	-	61.52	64.39	61.52	64.39
7	Directors Sitting Fess								
	AK	-	-	0.18	0.28	-	-	0.18	0.28
	JM	-	-	0.50	0.20	-	-	0.50	0.20
		-	-	0.68	0.48	-	-	0.68	0.48
8	Professional Fees Paid								
	FRPL	-	-	-	-	1.25	1.25	1.25	1.25
	AZB	-	-	-	-	110.28	5.25	110.28	5.25
		-	-	-	-	111.53	6.50	111.53	6.50
9	Remuneration Paid								
	AK	-	-	72.37	-	-	-	72.37	-
		-	-	72.37	-	-	-	72.37	-



# SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

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	
		09-10	08-09	09-10	08-09	09-10	08-09	09-10	08-09
10	Other Expenses Paid								
	DBIPL	-	-	-	-	0.33	3.60	0.33	3.60
		-	-	-	-	0.33	3.60	0.33	3.60
11	Lease Rent Received								
	VHML	-	30.00	-	-	-	-	-	30.00
		-	30.00	-	-	-	-	-	30.00
12	Interest Received								
	HCEPL	442.84	463.63	-	-	-	-	442.84	463.63
	AAPL	21.20	15.84	-	-	-	-	21.20	15.84
	ATL	-	-	-	-	22.35	31.89	22.35	31.89
		464.04	479.47	-	-	22.35	31.89	486.39	511.36
13	Loans Taken								
	AMCLP	-	-	-	-	591.83	1,933.64	591.83	1,933.64
	ADMPL	-	-	-	-	122.83	1,305.90	122.83	1,305.90
	ATPL	-	-	-	-	129.83	1,186.04	129.83	1,186.04
	DBIPL	-	-	-	-	-	100.00	-	100.00
	JM	-	-	225.00	1,905.90	-	-	225.00	1,905.90
	PLL	-	-	-	-	-	349.00	-	349.00
		-	-	225.00	1,905.90	844.49	4,874.58	1,069.49	6,780.48
14	Loans Repayment (Including Interest)								
	AMCLP	-	-	-	-	591.83	1,933.64	591.83	1,933.64
	ADMPL	-	-	-	-	122.83	1,305.90	122.83	1,305.90
	ATPL	-	-	-	-	129.83	1,186.04	129.83	1,186.04
	DBIPL	-	-	-	-	101.51	-	101.51	-
	DML	-	-	-	-	147.18	104.81	147.18	104.81
	PLL	-	-	-	-	4,251.64	-	4,251.64	-
	JM	-	-	225.00	2,535.50	-	-	225.00	2,535.50
		-	-	225.00	2,535.50	5,344.82	4,530.39	5,569.82	7,065.89
15	Loans Given							-	
	AAPL	568.83	557.67	-	-	-	-	568.83	557.67
	DHEPL	4,436.80	-	-	-	-	-	4,436.80	-
	HCEPL	2,313.45	6,063.97	-	-	-	-	2,313.45	6,063.97
	ATL	-	-	-	-	20.00	30.00	20.00	30.00
		7,319.08	6,621.64	-	-	20.00	30.00	7,339.08	6,651.64



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	
		09-10	08-09	09-10	08-09	09-10	08-09	09-10	08-09
16	Loans Received Back (Including Interest)								
	AAPL	67.30	768.67	-	-	-	-	67.30	768.67
	HCEPL	2,299.99	3,521.99	-	-	-	-	2,299.99	3,521.99
	ATL	-	-	-	-	220.35	157.75	220.35	157.75
		2,367.28	4,290.66	-	-	220.35	157.75	2,587.64	4,448.41
17	Corporate Guarantee given								
	HCEPL	1,000.00	500.00					1,000.00	500.00
		1,000.00	500.00	-	-	-	-	1,000.00	500.00
17a	Hypothecation of Fixed Assets of Subsidiary Company								
	HCEPL (fair value)	4,100.00	5,000.00	-	-	-	-	4,100.00	5,000.00
		4,100.00	5,000.00	-	-	-	-	4,100.00	5,000.00
18	Dividend On Equity Shares Paid								
	JM	-	-	39.21	28.10	-	-	39.21	28.10
	ZM	-	-	120.63	241.25	-	-	120.63	241.25
		-	-	159.84	269.35	-	-	159.84	269.35
19	Dividend On Preference Shares Paid								
	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
20	Deposit Given back								
	PLL	-	-	-	-	150.00	-	150.00	-
		-	-	-	-	150.00	-	150.00	-
21	Balance Payment recived for Equity Shares Warrants								
	JM	-	-	2,602.22	-	-	-	2,602.22	-
		-	-	2,602.22	-	-	-	2,602.22	-
22	Advance for Properties								
	RRPL								
	Advance given	268.50	250.00	-	-	-	-	268.50	250.00
	Advance taken back	-	300.00	-	-	-	-	-	300.00
		268.50	(50.00)	-	-	-	-	268.50	(50.00)



# SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

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	
		09-10	08-09	09-10	08-09	09-10	08-09	09-10	08-09
23	Investments in Shares / Debenture								
	DCEPL	1.00	-	-	-	-	-	1.00	-
	DLEPL	1.00	-	-	-	-	-	1.00	-
	DAEPL	1.00	-	-	-	-	-	1.00	-
	DHEPL	-	77.65	-	-	-	-	-	77.65
	DHUSA	-	428.20	-	-	-	-	-	428.20
		3.00	505.85	-	-	-	-	3.00	505.85
24	Acquisition of Fixed Assets								
	PLL	-	-	-	-	-	235.96	-	235.96
		-	-	-	-	-	235.96	-	235.96
25	Deposit Received back JM	-	-	150.00	-	-	-	150.00	-
		-	-	150.00	-	-	-	150.00	-
26	Purchase of Shares								
	PLL	-	-	-	-	26.00	-	26.00	-
		-	-	-	-	26.00	-	26.00	-
27	Sharing of Resources with*								
	HCEPL	-	-	-	-	-	-	-	-
	AAPL	-	-	-	-	-	-	-	-
	JRSL	-	-	-	-	-	-	-	-
	JREPL	-	-	-	-	-	-	-	-
	RRPL	-	-	-	-	-	-	-	-
	DHEPL	-	-	-	-	-	-	-	-
	DCEPL	-	-	-	-	-	-	-	-
	DLEPL	-	-	-	-	-	-	-	-
	DAEPL	-	-	-	-	-	-	-	-
	HREPL	-	-	-	-	-	-	-	-
	VHML	-	-	-	-	-	-	-	-
	CSVPL	-	-	-	-	-	-	-	-
	AAATPL	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
28	Sharing of Resources of Others*								
	ZM	-	-	-	-	-	-	-	-
	ATPL	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-

\* Transactions are of non monetary consideration.



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	
		09-10	08-09	09-10	08-09	09-10	08-09	09-10	08-09
29	Reimbursement of Expenses								
	AAPL	7.64	38.63	-	-	-	-	7.64	38.63
	AMCLP	-	-	-	-	9.19	0.65	9.19	0.65
	ATL	-	-	-	-	0.04	0.61	0.04	0.61
	DBIPL	-	-	-	-	0.52	0.44	0.52	0.44
	DAEPL	0.08	-	-	-	-	-	0.08	-
	DCEPL	0.00	-	-	-	-	-	0.00	-
	DHEPL	0.76	-	-	-	-	-	0.76	-
	DLEPL	0.01	-	-	-	-	-	0.01	-
	DML	-	-	-	-	0.12	0.61	0.12	0.61
	FAPL	-	-	-	-	1.79	2.89	1.79	2.89
	FRPL	-	-	-	-	0.07	0.42	0.07	0.42
	HCEPL	125.17	118.98	-	-	-	-	125.17	118.98
	HREPL	0.01	-	-	-	-	-	0.01	-
	HRLGPL	0.01	-	-	-	-	-	0.01	-
	JM	-	-	3.99	45.25	-	-	3.99	45.25
	JMRMPL	-	-	-	-	0.00	0.76	0.00	0.76
	JMTPL	-	-	-	-	0.78	3.48	0.78	3.48
	RRPL	0.33	1.34	-	-	-	-	0.33	1.34
	VHML	0.01	2.57	-	-	-	-	0.01	2.57
		134.02	161.52	3.99	45.25	12.51	9.86	150.52	216.63
	Outstanding balance as on 31st March								
30	Unsecured Loans taken								
	DBIPL	-	-	-	-	-	116.18	-	116.18
	PLL	-	-	-	-	-	349.00	-	349.00
	DML	-	-	-	-	-	118.26	-	118.26
		-	-	-	-	-	583.44	-	583.44
31	Professional Fees Payable								
	AZB	-	-	-	-	9.98	17.33	9.98	17.33
	FRPL	-	-	-	-	-	0.34	-	0.34
		-	-	-	-	9.98	17.67	9.98	17.67
32	Other Receivable								
	VHML	400.00	420.41	-	-	-	-	400.00	420.41
	JM	-	-	-	150.00	-	-	-	150.00
	AAPL	610.00	610.00	-	-	-	-	610.00	610.00
		1,010.00	1,030.41	-	150.00	-	-	1,010.00	1,180.41



# SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

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	
		09-10	08-09	09-10	08-09	09-10	08-09	09-10	08-09
33	Loans Given (Including Interest)								
	AAPL	520.93	19.70	-	-	-	-	520.93	19.70
	DHEPL	4,436.80	-	-	-	-	-	4,436.80	-
	HCEPL	6,834.23	6,691.08	-	-	-	-	6,834.23	6,691.08
	ATL	-	-	-	-	-	178.00	-	178.00
		11,791.96	6,710.78	-	-	-	178.00	1,791.96	6,888.78
34	Deposit Received								
	PLL	-	-	-	-	-	150.00	-	150.00
		-	-	-	-	-	150.00	-	150.00
35	Sundry Creditor								
	PLL	-	-	-	-	100.83	204.36	100.83	204.36
	PFMS	-	-	-	-	9.21	33.98	9.21	33.98
		-	-	-	-	110.04	238.34	110.04	238.34
36	Reimbursement of Expenses								
	AAPL	1.86	2.62	-	-	-	-	1.86	2.62
	AMCLP	-	-	-	-	-	2.71	-	2.71
	ATL	-	-	-	-	-	0.60	-	0.60
	DBIPL	-	-	-	-	0.22	0.44	0.22	0.44
	DHEPL	0.52	-	-	-	-	-	0.52	-
	DML	-	-	-	-	-	0.53	-	0.53
	FRPL	-	-	-	-	-	0.40	-	0.40
	HCEPL	43.45	75.27	-	-	-	-	43.45	75.27
	HREPL	0.01	-	-	-	-	-	0.01	-
	HRLGPL	0.01	-	-	-	-	-	0.01	-
	JMTPL	-	-	-	-	0.21	-	0.21	-
	RRPL	0.09	-	-	-	-	-	0.09	-
	VHML	0.01	3.23	-	-	-	-	0.01	3.23
		45.95	81.12	-	-	0.43	4.68	46.38	85.80

## i) Employee Benefits

Disclosure required under Accounting Standard – 15 (revised 2005) for “employee benefits” are as under:

- The Company has recognized the expected liability arising out of the compensated absence and gratuity as at 31st March, 2010 based on actuarial valuation carried out using the Project Credit Method.
- 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)

Sr. No.	Particulars	Gratuity		Leave Encashment	
		Unfunded	Funded	Unfunded	
		2010	2009	2010	2009
<b>1</b>	<b>Assumptions</b>				
	Discount Rate – Current	8.25%	8.00%	8.25%	8.00%
	Salary Escalation – Current	5.00%	5.00%	5.00%	5.00%
<b>2</b>	<b>Changes in present value of obligations</b>				
	Present value of obligations as at beginning of year	4.59	47.47	2.74	14.13
	Interest cost C	0.48	0.35	0.21	0.28
	Current service cost C	1.45	1.47	0.46	0.92
	Liability Transfer out	-	(44.25)	-	(11.37)
	Benefit Paid	-	(0.55)	(1.18)	(0.24)
	Actuarial (Gain) / Loss on obligations	1.28	0.10	0.83	(0.98)
	Present value of obligations as at end of year	7.80	4.59	3.06	2.74
<b>3</b>	<b>Changes in the fair value of plan assets</b>				
	Fair value of plan assets at beginning of year	4.08	2.81	-	-
	Expected return on plan assets	0.33	0.28	-	-
	Contributions	-	1.01	-	-
	Transfer to Other Company	(4.08)	-	-	-
	Benefits paid	-	(0.55)	-	-
	Actuarial Gain / (Loss) on Plan assets	(0.33)	0.53	-	-
	Fair value of plan assets at the end of year	-	4.08	-	-
<b>4</b>	<b>Actuarial Gain/Loss recognized</b>				
	Actuarial (gain)/Loss for the year –Obligation	1.28	0.10	0.83	(0.98)
	Actuarial (gain)/Loss for the year - plan assets	0.33	(0.53)	-	-
	Total (gain)/Loss for the year	1.60	(0.43)	0.83	(0.98)
	Actuarial (gain)/Loss recognized in the year	1.60	(0.43)	0.83	(0.98)
<b>5</b>	<b>Amount recognized in the Balance Sheet</b>				
	Liability at the end of the year	7.80	4.59	3.06	2.74
	Fair value of Plan Assets at the end of the year	-	4.08	-	-
	Difference	7.80	0.51	3.06	2.74
	Amount recognized in the Balance Sheet	7.80	0.51	3.06	2.74
<b>6</b>	<b>Expenses recognized in the Profit and Loss Account</b>				
	Current service cost C	1.45	1.47	0.46	0.92
	Interest cost C	0.48	0.35	0.21	0.28
	Expected return on Plan assets	(0.33)	(0.28)	-	-
	Actuarial Gain or (Loss)	1.60	(0.43)	0.83	(0.98)
	Expenses recognized in the Profit and Loss Account	3.21	1.11	1.50	0.22
<b>7</b>	<b>Balance Sheet Reconciliation</b>				
	Opening Liability	0.51	(14.19)	2.74	14.13
	Transferred due to De-merger	-	14.60	-	11.37
	Funded Assets Taken by Other Company	4.08	-	-	-
	Expenses as above	3.21	1.11	1.50	0.22
	Employer's Contribution	-	1.01	1.18	0.24
	Closing Liability	7.80	0.51	3.06	2.74



# SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

## iii) Under Defined Contribution Plan

(Rupees in Lacs)

Particulars	2009-10	2008-09
Contribution to Provident Fund	6.58	7.26
Contribution to ESIC	* 0.03	0.05

\*The Company has approached to the ESIC Department for registration, pending their approval for registration; the amount of Rs. 0.03 Lacs for current year has not been deposited with relevant authority. The same will be deposited once the Company receives the approval from the relevant authority.

## j) Disclosure required by clause 32 of the Listing Agreement and as per Section 370 (1B) of Companies Act, 1956

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

### a) Loans and Advances in the Nature of Loans

(Rupees in Lacs)

Name of the Subsidiaries	Closing Balance		Maximum Balance outstanding during the year	
	2009-10	2008-09	2009-10	2008-09
Highstreet Cruises & Entertainment Private Limited	6,834.23	6,691.08	7,330.61	7,396.25
AAA Aviation Private Limited	520.93	19.70	522.53	371.58
Delta Hospitality & Entertainment Private Limited	4,436.80	Nil	4,436.80	Nil
Aarti Management Consultancy Private Limited	-	2.71	10.31	2.71
Arrow Textiles Limited	-	178.60	197.99	178.60

Notes:

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

### b) Investment by the loanee in the share of the Company

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

## k) Consultancy Income includes income generated on a revenue sharing and consultancy basis from Real Estate Transactions of Rs 2,401.12 Lacs (Previous Year: Rs. 752.00 Lacs). Profit on Sale of Shares of Rs.550.90 Lacs (Previous year 1,002.00 Lacs) 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 are real estate properties.



## I) Disclosure of Operating Lease Income

The Company has non cancelable operating income on leasing of Delta Plaza.:

(Rupees in Lacs)

Particulars	2009-10	2008-09
Lease rental recognized during the year	2,457.82	2,518.95
<b>TOTAL</b>	<b>2,457.82</b>	<b>2,518.95</b>

The future minimum lease income is as under:

(Rupees in Lacs)

Particulars	2009-10	2008-09
Upto 1 Year	2,176.26	2,684.85
1 Year to 5 Year	967.05	3,143.31
above 5 Year	-	-
<b>TOTAL</b>	<b>3,143.31</b>	<b>5,828.16</b>

\*Other Terms

- i) The Operating lease arrangements extend for a maximum of 5 years from their respective dates of inception and relate to rented premises.
  - ii) Additional amount of Service Tax will be paid on these rentals as per the applicable rates existing at the time of receipts.
  - iii) After the completion of 36 month from their respective dates of inception, lease rent will get escalated as per the agreement.
- m) 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, 2010 are as follows:

(Rupees in Lacs)

Particulars	2009-10	2008-09
Deferred Tax Liability		
Difference between Book and Tax Depreciation	-	13.70
<b>TOTAL</b>	<b>-</b>	<b>13.70</b>
Deferred Tax Asset		
Difference between Book WDV and WDV as per Income Tax Act, 1961	9.40	-
Expenses Disallowed as per section 43B of Income Tax Act, 1961	16.50	0.17
<b>TOTAL</b>	<b>25.90</b>	<b>0.17</b>
<b>Net Deferred Tax Liability / (Assets)</b>	<b>(25.90)</b>	<b>13.53</b>



# SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

## n) The Micro, Small and Medium Enterprises Development Act, 2006

Company has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 as well as they have file required memorandum with the prescribed authorities. Out of the letters sent to the parties, some confirmations have been received till the date of finalization of Balance Sheet. Based on the confirmation received the detail of outstanding are as under:

(Rupees in Lacs)

Particulars	2009-10	2008-09
The principal amount remaining unpaid at the end of the year	Nil	Nil
The interest amount remaining unpaid at the end of the year	0.08	Nil
The balance of MSMED parties	0.08	Nil

## o) Details of Managerial Remuneration:

(Rupees in Lacs)

Particulars	2009-10	2008-09
Salaries	72.37	NIL
Contribution to Provident and Superannuation Fund	NIL	NIL
Commission to Managing Director	NIL	NIL
<b>TOTAL</b>	<b>72.37</b>	<b>NIL</b>

\* Excluding Contribution to Gratuity Fund and provision for Leave Encashment, as separate figures cannot be quantified.

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

(Rupees in Lacs)

Particulars	2009-10	2008-09
Profit for the year Before Tax	1,865.71	-
Add :		
Managerial Remuneration	72.37	-
Loss on sale of Share	178.89	251.26
	2,116.97	-
Less :		
Profit on sale of Investment and Fixed Assets	1.87	-
Net Profit for Section 198 of the Companies Act, 1956	2,115.10	-
5% of Net Profit as computed above	105.76	-
Commission to Non-Whole-time Directors' @ 1%	-	-
Total Managerial Remuneration (including Commission and provision for Retirement Pension benefits)	72.37	-

**p) Auditors Remuneration**

(Rupees in Lacs)

Particulars	2009-10	2008-09
Audit Fees (including Limited Review and Consolidation fees)	8.45	5.00
In Other Capacities :		
- Tax Audit	0.50	0.45
- Taxation Matters	1.00	0.40
- Certification and Other Services	0.75	0.25
- Out of Pocket Expenses	0.11	0.07
- Service Tax on Professional Fees and Reimbursement of Expenses	1.10	0.76
<b>TOTAL</b>	<b>11.91</b>	<b>6.93</b>

**q) Earnings per Share**

(Rupees in Lacs) (Unless Specified)

Particulars	2009-10	2008-09
Net Profit after Tax	1,356.96	831.37
Less:		
Preference Dividend and Dividend Distribution Tax thereon	114.17	114.55
Numerator used for calculating basic earnings per share	1,242.79	716.82
Weighted average number of equity shares used as denominator for calculating basic earnings per share	1,546.86	1,355.28
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	1,546.86	1,505.28
Basic Earnings Per Share (Rs.)	0.80	0.53
Diluted Earnings Per Share (Rs.)	0.80	0.48
Face value per equity share (Re.)	1	1

**r) Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956****Expenditure in Foreign Currency**

(Rupees in Lacs)

Particulars	2009-10	2008-09
Travelling Expenses	24.89	15.32
Investment in Foreign Subsidiary	-	428.20
Sales Promotion Expenses	12.56	-
<b>TOTAL</b>	<b>37.45</b>	<b>443.52</b>



# SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

- s) During the year the scheme of Arrangement and Amalgamation (“the Scheme”) of Delta Corp Limited (DCL) and Delta Hospitality Pvt. Ltd. (DHPL) was duly approved by the Board of the Company at its meeting held on 28.10.2010 and subsequently approved by the Hon’ble High Court of Mumbai vide order dated 26.02.2010. Delta Hospitality Private Limited (amalgamating company) engaged in the real estate trading business. Pursuant to the above Scheme the entire business and all assets and liabilities of DHPL were transferred and vested in the Company effective from April 01, 2009.

The amalgamation qualify to be accounted for under “Purchase Method” as per Accounting Standard (AS-14) -“Accounting for Amalgamations” issued by the Institute of Chartered Accountant of India. Accounting treatment as per the scheme approved by the Hon’ble High Court has been given effect in the above financial statements and is as under:

- All the assets and liabilities of DHPL as at April 01, 2009 were incorporated in the financials of the Company at their fair value.
- The Investment in the Equity Share Capital of the DHPL of Rs. 100 Lacs appearing in the books of accounts of the Company stands cancelled.
- Inter- Company balance stand to be cancelled.
- Goodwill arising under the above scheme of amalgamation of Rs. 4547.74 Lacs is adjusted against Security Premium Account. Detail of the fair value is as determined by the management. Working of Goodwill is as under:

Particulars	(Rs. In Lacs)
Fixed Assets	6.90
Investment in Share	8,879.76
Current Assets	552.63
Miscellaneous Expenses	3.52
<b>Total Assets</b> (A)	<b>9,442.81</b>
Loan Liabilities	13,565.03
Current Liabilities	325.52
<b>Total Liabilities</b> (B)	<b>13,890.55</b>
<b>Net assets</b> C = (A-B)	<b>(4,447.74)</b>
Less: Investment in Share Capital by the Company	100.00
(Goodwill) / Capital Reserve	(4,547.74)

- t) The company has an investment of Rs. 77.65 Lacs in equity shares of Delta Hospitality and entertainment Private Limited, a wholly owned subsidiary. The accumulated losses as on 31st March 2010 have substantially exceeded the net worth of the Company due to operational losses. Various initiatives taken by Subsidiary Company to improve the performance. The Subsidiary Company has entered into conducting agreement with Contractor. Under the Circumstances and based upon estimates of future profitability, no provisions is considered necessary by the management.
- u) The company has an investment of Rs. 180 Lacs in equity shares of AAA Aviation Private Limited, a subsidiary Company. As on 31st March, 2010, net worth of said subsidiary Company is fully eroded. But, based upon future revenue and profitability estimates of said subsidiary, no provision is considered necessary by the management.



- v) During the year Company has raised Rs.8,326.90 Lacs through allotment of 1,66,33,000 Equity Shares of Re. 1 each at a price of Rs.50.0625 per equity share to selected Qualified Institutional Buyers pursuant to the Guidelines for Qualified Institutional Placements (QIP) under Chapter XIII-A of the SEBI (DIP) Guidelines, 2000. The details of utilisation of QIP proceeds are under:

Particulars	Rs. In Lacs
Repayments of Loan Liability	4,854.32
Loan given to Subsidiary Company	1,573.25
Advance for Property	543.47
Share Issue Expenses	509.44
General Corporate Purpose	796.41
Security Deposit Given	50.00
<b>TOTAL</b>	<b>8,326.90</b>

- w) During the year Company has received Rs.5,467.50 Lacs towards balance payment of Rs. 36.45 per warrant for 1,50,00,000 warrant (face value of Rs.40.50). Accordingly, the above 1,50,00,000 warrant was converted into Equity Share of Re. 1. The details of utilization of proceeds are as under:

Particulars	Rs. In Lacs
Repayment of Unsecured Loans	1,308.18
Advance given for Advertisement Agreement	1,800.00
Loan given to Subsidiary Companies	777.51
Advance given for Properties	1,556.75
General Corporate Purpose	25.06
<b>TOTAL</b>	<b>5,467.50</b>

- x) During the year, the Company has taken term loan from Saraswat Bank against security of various Shops/Galas of the Company at Bayside Mall, Mumbai and against ship of Subsidiary Company Highstreet Cruises & Entertainment Private Limited. Charge has been created on the immoveable property of the Company but charge for ship of subsidiary company is yet to be created and it is still in process.

y) 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 does not include the figures of merged undertaking (refer note 's' above).

For and on behalf of Board of Directors

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

Place : Mumbai  
Date : 30th April, 2010



# 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.: 58817 State Code: 11  
Balance Sheet Date: 31 03 2010  
Date Month Year

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

Public Issue: NIL Right Issue: NIL  
Bonus Issue: NIL Private Placement: 1379440

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

Total Liabilities: 4430459 Total Assets : 4430459

#### SOURCE OF FUNDS:

Paid -Up Capital: 289546  
Reserves & Surplus: 2391507  
Secured Loans: 1749406  
Unsecured Loans: NIL

#### APPLICATION OF FUNDS:

Net Fixed Assets: 137840  
Investments: 2447476  
Deferred Tax Asset: 2590  
Net Current Assets: 1842552  
Miscellaneous Expenditure: NIL

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

Turnover: 545976 Total Expenditure: 348516  
Profit before Tax: 197460 Profit after Tax: 146585  
Earnings per share (Rs.): 0.80 Dividend Rate (%): 25

### V. GENERIC NAME OF THE THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY: (As per Monetary Terms)

Item Code No. NA

Product Description

REAL ESTATE CONSULTANCY AND DEVELOPMENT

As per our report of even date

For Haribhakti & Co.  
Chartered Accountants

Chetan Desai  
Partner

Place : Mumbai  
Date : 30th April, 2010

For Amit Desai & Co  
Chartered Accountants

Amit Desai  
Proprietor

For and on behalf of Board of Directors

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



## FINANCIAL INFORMATION OF SUBSIDIARIES

(Rupees in Lacs)

Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Liabilities	Total Assets	Investment	Turnover	Profit before Tax	Provision for Taxation	Profit after Tax	Proposed Dividend	Country of Company
1	Highstreet Cruises & Entertainment Pvt. Ltd.	INR	1,500.00	4,467.82	8,631.88	12,198.45	2,401.25	5,530.97	242.21	(129.05)	113.16	-	India
2	Victor Hotels and Motels Ltd.	INR	150.00	(215.93)	1,657.46	1,591.53	-	1,049.24	3.93	(2.91)	1.02	-	India
3	Coastal Sports Ventures Pvt. Ltd.	INR	1.00	(18.33)	209.03	191.70	-	2.17	(11.39)	3.68	(7.71)	-	India
4	AAA Township Pvt. Ltd.	INR	1.00	(0.89)	37.08	37.19	-	-	(0.54)	0.00	(0.54)	-	India
5	Delta Adventures & Entertainment Pvt. Ltd.	INR	1.00	(0.28)	0.28	1.00	-	-	(0.28)	0.00	(0.28)	-	India
6	Delta Hospitality and Entertainment Pvt. Ltd.	INR	51.91	(140.69)	4,449.12	1,059.85	3,300.50	19.63	(97.57)	26.92	(70.65)	-	India
7	AAA Aviation Pvt. Ltd.	INR	200.00	(304.41)	1,189.31	1,084.91	-	187.03	(205.52)	64.84	(140.68)	-	India
8	Richtime Realty Pvt. Ltd.	INR	1.00	1,064.69	2,492.30	3,557.98	-	-	(27.54)	11.28	(16.25)	-	India
9	Delta Holdings (USA) Inc. **	INR	468.94	(46.83)	-	422.11	-	-	(21.91)	-	(21.91)	-	USA
		USD	10.00	(1.00)	-	9.00	-	-	(0.45)	-	(0.45)	-	
10	Delta PAN Africa Ltd.*	INR	5,230.25	(59.43)	0.99	16.22	5,155.59	0.44	(2.53)	(0.15)	(2.68)	-	Kenya
		KSHS	8,891.43	(101.03)	1.68	27.58	8,764.50	0.71	(4.04)	(0.24)	(4.28)	-	
11	Delta Corp East Africa Ltd.*	INR	9,609.65	2,782.24	8,269.28	19,553.83	1,107.34	1,020.63	109.53	(36.07)	73.46	-	Kenya
		KSHS	16,336.40	4,635.50	14,057.78	33,147.20	1,882.48	1,735.07	91.90	(61.31)	30.58	-	
12	Delta Square Ltd.*	INR	0.59	(31.50)	406.72	375.81	-	-	235.87	(267.17)	(31.30)	-	Kenya
		KSHS	1.00	(53.54)	691.42	638.88	-	-	376.42	(426.38)	(49.96)	-	
13	Delta Cruises & Entertainment Pvt. Ltd.	INR	1.00	(0.28)	0.27	1.00	-	-	(0.28)	-	(0.28)	-	India
14	Delta Lifestyle & Entertainment Pvt. Ltd.	INR	1.00	(0.27)	0.27	1.00	-	-	(0.27)	-	(0.27)	-	India

\*Exchange rate as on 31.03.2010      1 KES = Closing Rate Rs. 0.5882      Average Rate Rs. 0.6266

\*\*Exchange rate as on 31.12.2009      1 USD = Closing Rate Rs. 46.893      Average Rate Rs. 48.303



# AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF DELTA CORP LIMITED

To The Board of Directors of Delta Corp Ltd on the Consolidated Financial Statements

1. We have audited the attached Consolidated Balance Sheet of Delta Corp Ltd ("the Company") and its Subsidiaries (collectively referred to as "the group") as at 31st March, 2010 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We (jointly) did not audit the financial statements of the following subsidiaries whose financial statement reflect total assets of Rs. 46841.30 lacs as at 31st March, 2010, total revenues of Rs. 7879.00 lacs and cash outflows of Rs. 2754.28 lacs for the year then ended.
  - a) The financial statements of seven of the subsidiaries, three fellow subsidiaries and one joint venture, which reflect total assets of Rs. 24564.30 lacs as at 31st March, 2010, total revenues of Rs. 6805.29 lacs and cash outflows of Rs. 890.14 lacs for the year then ended were reviewed by one of the joint auditors M/s Amit Desai & Co who has furnished their report to other joint auditor. The other joint auditors have not reviewed the financial statements of these subsidiaries/joint venture and their opinion is based solely on the report of the first joint auditor.
  - b) The financial statements of one of the foreign subsidiary, three fellow subsidiaries which reflect total assets of Rs. 21854.89 lacs as at 31st March, 2010, total revenues of Rs. 1073.71 lacs and cash outflows of Rs. 1854.16 lacs for the year then ended were reviewed by other auditors who have furnished their report to us. We have not reviewed the financial statements of these subsidiaries and our opinion is based solely on the report of the auditors.
  - c) The financial statements of one of the foreign subsidiary which reflect total assets of Rs. 422.11 lacs as at 31st December, 2009, total revenues of Rs. Nil lacs and cash outflows of Rs. 9.98 lacs for the year then ended were approved by the management of the subsidiary, which have been furnished to us. We have not reviewed the financial statements of the subsidiary and have relied on such approved unaudited Financial Statements.
4. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards (AS) 21, "Consolidated Financial Statements", Accounting Standards (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting standard (AS) 27, "Financial Reporting of Interests in Joint Ventures" as notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate financial statements of Delta Corp Ltd and its subsidiaries.



5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, 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:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2010;
- (b) in the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

**For Haribhakti & Co.**  
Chartered Accountants  
Firm's Registration No.103523W

**Chetan Desai**  
Partner  
Membership No. 017000

Place: Mumbai  
Date: 30th April, 2010

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

**Amit Desai**  
Proprietor  
Membership No. 032926



# CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

	Schedule	As at March 31, 2010	As at March 31, 2009
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	2,895.46	2,579.13
Equity Share Warrants		-	607.50
Reserves & Surplus	2	26,564.02	29,459.48
			18,058.72
			21,245.35
<b>Loan Funds</b>			
Secured Loans	3	20,053.90	11,010.24
Unsecured Loans	4	6,987.79	27,041.69
			21,460.41
			32,470.65
<b>Deferred Tax Liability</b>		593.66	275.36
<b>Minority Interest</b>		7,079.93	8,374.60
<b>TOTAL</b>		<b>64,174.76</b>	<b>62,365.97</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
	5		
Gross Block		10,790.62	9,515.43
Less: Depreciation		(1,026.06)	(490.05)
Net Block		9,764.57	9,025.38
Add: Capital Work In Progress		3,005.39	12,769.95
			2,661.21
			11,686.59
<b>Goodwill</b>		3,699.64	741.13
<b>Investments</b>	6	17,187.81	22,424.95
<b>Deferred Tax Assets</b>		857.88	409.55
<b>Current Assets, Loans and Advances</b>			
Inventories	7	18,807.65	23,447.05
Sundry Debtors	8	525.80	1,168.86
Cash & Bank Balances	9	4,598.24	1,546.33
Loans & Advances	10	12,609.38	6,628.89
		36,541.07	32,791.13
<b>Less: Current Liabilities And Provisions</b>	11		
Current Liabilities		5,923.82	5,134.28
Provisions		957.77	576.97
		6,881.60	5,711.26
Net Current Assets		29,659.47	27,079.87
<b>Miscellaneous Expenditure</b>	12	-	23.87
(To The Extent Not W/off or Adjusted)			
<b>TOTAL</b>		<b>64,174.76</b>	<b>62,365.97</b>
Significant Accounting Policies	20		
Notes to the Financial Statements	20		

As per our report of even date

For Haribhakti & Co.  
Chartered Accountants

For Amit Desai & Co  
Chartered Accountants

Chetan Desai  
Partner

Amit Desai  
Proprietor

Place : Mumbai  
Date : 30th April, 2010

For and on behalf of Board of Directors

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

# CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010



(Rupees in Lacs)			
	Schedule	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>Income</b>			
Sales / Operating Income	13	13,245.82	10,106.10
Other Income	14	82.59	756.66
		<u>13,328.42</u>	<u>10,862.76</u>
<b>Expenditure</b>			
Raw Materials Consumed	15	1,547.82	2,680.11
Operational Expenses	16	2,958.42	1,415.71
Staff Costs	17	1,977.35	764.87
Administrative & Other Expenses	18	2,170.85	1,148.68
		<u>8,654.44</u>	<u>6,009.36</u>
<b>Profit Before Finance Charges, Depreciation &amp; Tax</b>		<u>4,673.97</u>	<u>4,853.40</u>
Finance Charges (Net)	19	1,868.47	3,061.16
Depreciation	5	561.27	331.09
<b>Profit Before Tax</b>		<u>2,244.23</u>	<u>1,461.14</u>
Provision for Taxation			
- Current Year - Income Tax (including FBT)		963.07	606.99
- Earlier Year - Income Tax (including FBT)		(2.20)	56.79
- Wealth Tax		0.80	1.44
- Deferred Tax		(141.24)	(104.21)
<b>Profit After Tax</b>		<u>1,423.80</u>	<u>900.13</u>
Less: Prior Period Items		157.16	(68.29)
Less: Profit from Associates Companies		-	0.45
Less: Minority Interest etc.		56.13	308.37
<b>Profit After Tax and Prior Period Expenses</b>		<u>1,210.50</u>	<u>659.60</u>
Balance Brought Forward		116.75	173.91
Amount Available For Appropriation		<u>1,327.25</u>	<u>833.51</u>
Transferred To General Reserves		300.00	250.00
Less: Due to Merger Effect		223.54	-
Proposed Dividends On Preference Shares		97.91	97.91
Proposed Dividends On Equity Shares		417.90	301.06
Dividends On Equity Shares		33.27	-
Dividends Distribution Tax		91.33	67.80
<b>Balance Carried To Balance Sheet</b>		<u>163.30</u>	<u>116.75</u>
Basic Earning Per Share		0.71	0.40
Diluted Earning Per Share (Face Value of Re. 1/- Each)		0.71	0.36
Significant Accounting Policies	20		
Notes to the Financial Statements	20		

As per our report of even date

For Haribhakti & Co.  
Chartered Accountants

Chetan Desai  
Partner

Place : Mumbai  
Date : 30th April, 2010

For Amit Desai & Co  
Chartered Accountants

Amit Desai  
Proprietor

For and on behalf of Board of Directors

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



# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	2,087.06	1,529.43
Adjustments for :		
Depreciation	561.28	331.09
Profit on Sale of Fixed Assets	(1.36)	(428.30)
Provision for Employee Benefits	28.61	18.96
Amortisation of Expenses	23.87	3.66
Interest Paid	3,079.37	3,473.71
Interest Income	(1,210.89)	(412.54)
Dividend Income	(48.06)	(157.93)
Profit on Sales of Investment	178.89	183.40
Sundry Balance W/off.	4.52	0.24
Loss on Associate	-	(0.45)
Exchange rate difference	(839.68)	1,014.07
<b>Operating Profit before Working Capital Changes</b>	<b>3,863.60</b>	<b>5,555.34</b>
Adjustments For :		
Trade and Other Receivables	638.54	153.10
Inventories	4,639.40	(15,203.71)
Loans & Advances	(4,566.93)	9,209.64
Trade Payables	(291.88)	(2,133.49)
Other Liabilities	1,079.93	(2.48)
Miscellaneous Expenditure	-	(1.54)
<b>Cash Generated from Operation</b>	<b>5,362.67</b>	<b>(2,423.14)</b>
Taxes Paid	(751.64)	(1,203.80)
<b>Net Cash Generated From Operating Activities (A)</b>	<b>4,611.02</b>	<b>(3,626.94)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,344.49)	(5,911.48)
Purchase of Fixed Assets (Capital Work in Progress)	(344.18)	(1,388.01)
Purchase of Intangible Assets	(2,882.61)	(60.21)
Sales of Fixed Assets	14.72	2,934.00
Dividend Income	48.06	157.93
Interest Income	1,210.89	412.54
Sale of Investment	17,744.91	22,307.29
Inter Corporate Deposit	(1,404.63)	(185.33)
Exchange difference arising on Consolidation	30.66	163.36
Purchase of Investment	(17,533.84)	(18,356.68)
<b>Net Cash Generated from Investing Activities (B)</b>	<b>(4,460.50)</b>	<b>73.42</b>



(Rupees in Lacs)		
Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Issuance of Share Capital	13,794.40	-
Share Issue Expenses	(528.18)	-
Interest Paid	(3,079.37)	(3,473.71)
Dividend Paid (including Dividend Distribution Tax)	(505.69)	(748.79)
Proceeds from Minority Interest Share	(1,350.81)	-
Proceeds From Long Term Borrowing	12,939.83	-
Repayment of Long Term Borrowing	(3,896.17)	(297.51)
Proceeds From Short Term Borrowing	2,274.52	20,209.34
Repayment of Short Term Borrowing	(16,747.14)	(19,209.70)
<b>Net Cash Generated From Financing Activities (C)</b>	<b>2,901.39</b>	<b>(3,520.36)</b>
Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	3,051.91	(7,073.88)
Cash Reduced on Demerger	-	(32.58)
Cash & Cash Equivalents as at Beginning of Year	1,546.33	8,652.80
Cash & Cash Equivalents as at End of the Year	4,598.24	1,546.33
Cash and Cash Equivalent includes		
Cash and Cheques in Hand	982.44	602.39
Balance with Scheduled Banks		
In Current Accounts	1,151.09	360.35
In Unclaimed Dividend Account	39.58	33.45
In Call Deposit	200.37	168.57
Balance with Non - Scheduled Banks	2,224.76	381.57

**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 The Institute of Chartered Accountants of India.
- 2) Figures in bracket indicate cash outflow.
- 3) Cash and Cash Equivalents includes Rs.181.09 Lacs pledged to various authorities which are not available for use by the Company.

As per our report of even date

For Haribhakti & Co.  
Chartered Accountants

Chetan Desai  
Partner

Place : Mumbai  
Date : 30th April, 2010

For Amit Desai & Co  
Chartered Accountants

Amit Desai  
Proprietor

For and on behalf of Board of Directors

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



# SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
3,50,000,000 (1,80,00,000) Equity Shares of Re.1/- Each	3,500.00	1,800.00
10,00,000 (10,00,000) 10% Non Cumulative Redeemable Preference Shares of Rs. 10/- Each	100.00	100.00
1,30,00,000 (1,30,00,000) 8% Non Cumulative Redeemable Preference Shares of Rs.10/- Each	1,300.00	1,300.00
<b>TOTAL</b>	<b>4,900.00</b>	<b>3,200.00</b>
<b>Issued, Subscribed And Paid-Up</b>		
16,71,61,130 (13,55,28,130) Equity Shares of Re. 1/- Fully Paid Up	1,671.61	1,355.28
1,22,38,535 (1,22,38,535) 8 % Non Cumulative Redeemable Preference Shares of Rs. 10/- Each Fully Paid Up	1,223.85	1,223.85
<b>TOTAL</b>	<b>2,895.46</b>	<b>2,579.13</b>
1) In terms of approval by the Shareholders of the Company and as per the applicable statutory provisions, in the F.Y. 2007-08 of the Company had issued and allotted 150,00,000 warrants to promoter entitling warrant holders to acquire equivalent numbers of fully paid up equity shares of Re 1/- each of the Company at price of Rs. 40.50 per Equity Share. As per the entitlement, the warrant holders applied for and are allotted 150,00,000 Equity Shares of the Company during the Financial Year 2009-2010		
2) During the F.Y. 2009-10, the Company issued and allotted 1,66,33,000 Equity Shares of Re. 1/- each issued at price of Rs. 50.0625 per share to Qualified Institutional Buyers.		
3) 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.		
4) During the F.Y. 07-08, Equity Shares of Rs.10/- each was sub divided into Equity Shares of Re. 1/- each.		



(Rupees in Lacs)		
Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Security Premium Account</b>		
As per last Balance Sheet	15,017.86	15,017.86
Addition from QIP Issue Rs. 8,160.57 Lacs and Rs. 5,925.00 Lacs from Warrants conversion	14,085.57	-
Share Issue And Other Expenses	(528.18)	-
Adjustment pursuant of Scheme of Arrangement & Amalgamation	(4,547.74)	-
	<u>24,027.51</u>	<u>15,017.86</u>
<b>General Reserves</b>		
As per last Balance Sheet	2,113.93	2,228.56
Reduction In General Reserve on Account of Demerger	-	(364.63)
Transfer From Profit & Loss Account	300.00	250.00
	<u>2,413.93</u>	<u>2,113.93</u>
<b>Capital Redemption Reserves</b>	181.03	181.03
<b>Foreign Currency Translation Reserves</b>	(221.75)	629.15
<b>Profit And Loss Account</b>	163.30	116.75
	<u>26,564.02</u>	<u>18,058.72</u>



# SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 3</b>		
<b>SECURED LOANS</b>		
From Bank (Cash Credit Facility)	676.85	-
(Secured against the first charge on ships and all moveable assets on the ships at Goa)		
From Banks (Term Loan)		
Secured by First legal charge on the property LR 209/11399 at Nairobi, Kenya	984.12	-
Fixed and Floating charge over the development of Land at Crouch End, at UK	898.87	-
Secured against mortgage of Immovable Property at Bayside Mall, Mumbai and Ship at Goa	6,153.92	-
Interest Accured and Due	3.00	-
<i>From a Financial Institution</i>		
Secured by way of first mortgage of a Immovable Property at Prabhadevi, Mumbai and its future Lease Rental Income	11,319.46	11,010.24
From a Company (Vehicle Loan)	17.68	-
(Secured by way of hypothecation of a Motor Vehicle)		
<b>TOTAL</b>	<b>20,053.90</b>	<b>11,010.24</b>
<b>SCHEDULE NO. 4</b>		
<b>UNSECURED LOANS: (SHORT TERM)</b>		
From Bank	-	4,557.33
Inter Corporate	6,600.54	15,281.73
Others	381.85	1,621.35
Interest Accured and Due	5.40	-
(Amount Repayable Within One Year Rs. 740.28 Lacs, Previous Year Rs.13,906.86 Lacs)		
<b>TOTAL</b>	<b>6,987.79</b>	<b>21,460.41</b>



## SCHEDULE NO. 5

### FIXED ASSETS

(Rupees in Lacs)

Particulars	Gross Block					Depreciation					Net Block		
	As on	Acqui- sition	Additions	Deduc- tions	Translation Exchange Difference	As on	As on	Acquisi- tion	Additions	Deduc- tions	Translation Exchange Difference	As on	As on
	01.04.09	09-10	09-10	09-10	09-10	31.03.10	01.04.09	09-10	09-10	09-10	09-10	31.03.10	31.03.10
Building	426.61	-	1,029.32	-	(23.32)	1,432.62	12.28	-	30.28	-	(1.05)	41.51	1,391.11
Plant & Machinery And Office Equipment	1,263.04	-	78.74	-	(0.17)	1,341.61	47.83	-	68.02	-	(0.11)	115.74	1,225.87
Computers & Accessories	67.94	-	8.99	-	(0.74)	76.19	21.22	-	16.00	-	(0.33)	36.89	39.30
Furniture & Fixtures	1,727.90	-	75.86	0.67	(4.16)	1,798.93	112.79	-	124.93	0.16	(1.23)	236.34	1,562.59
Gaming Equipments	570.38	-	23.30	-	-	593.69	16.41	-	36.93	-	-	53.34	540.35
Vehicles	363.65	-	42.71	20.35	(6.52)	379.49	125.15	-	60.69	10.78	(1.63)	173.43	206.06
Ships	3,669.53	-	83.59	-	-	3,753.13	102.61	-	136.00	-	-	238.62	3,514.51
Feeder/Speed Boat	515.98	-	0.29	13.18	-	503.09	26.11	-	36.62	9.90	-	52.83	450.26
Aircrafts	907.25	-	-	-	-	907.25	25.00	-	50.81	-	-	75.81	831.44
Intangible Assets	3.14	-	1.68	-	(0.20)	4.63	0.65	-	1.00	-	(0.10)	1.55	3.08
TOTAL	9,515.43	-	1,344.49	34.21	(35.09)	10,790.62	490.05	-	561.28	20.84	(4.43)	1,026.06	9,764.57
Previous Year	4,936.26	209.41	9,183.58	4,817.89	4.08	9,515.43	1,400.69	22.38	350.84	1,284.81	0.97	490.05	9,025.38
													3,535.57



# SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	Current Year Nos .	Previous Year Nos .	Face Value Rs.	As at 31st March, 2010	As at 31st March, 2009
<b>SCHEDULE NO. 6</b>					
<b>INVESTMENTS</b>					
<b>I) Trade Investments (at cost)</b>					
Fully Paid Equity Shares					
<i>Quoted</i>					
Peninsula Land Limited	48,000	48,000	2	2.64	2.64
(Aggregate Market Value Rs. 35.26 Lacs- L.Y.Rs. 10.44 Lacs)					
<i>Unquoted</i>					
Aero Port & Infrastructure Project Private Limited	43,750	43,750	10	4.38	4.38
Delta Realities Private Limited	-	1	10	-	0.00
J M Township and Real Estate Private Limited	175,000	175,000	10	17.50	17.50
Peninsula Mega Prperties Private Limited	2,600	2,600	10	0.26	0.26
<b>II) Investment in Associates Company</b>					
Fully Paid Equity Shares					
<i>Unquoted</i>					
Pavurotti Finance & Investment Private Limited	-	21,000	10	-	1.50
<b>III) Other Investments (at cost)</b>					
Fully Paid Equity Shares					
<i>Quoted</i>					
Piramal Healthcare Limited	423	423	2	0.10	0.10
Victoria Mills Limited	40	40	100	0.02	0.02
UTV Software & Communication Limited	-	95,561	10	-	372.71
Piramal Glass Limited *	19	19	10	-	-
Piramal Life Science Limited *	42	42	10	-	-
Arrow Textiles Limited	1	1	10	0.00	0.00
Advani Hotels & Resorts Limited	16,127,706	16,145,022	2	8,869.82	13,726.99
(Aggregate Market Value Rs. 6,470.41 Lacs L.Y.Rs. 5,209.01 Lacs)					
* Issued free against holding of shares of Piramal Healthcare Ltd.					



(Rupees in Lacs)

Particulars	Current Year Nos .	Previous Year Nos .	Face Value Rs.	As at 31st March, 2010	As at 31st March, 2009
<i>Unquoted</i>					
Elixir Infotech Private Limited	-	60,000	10	-	6.00
Freedom Aviation Private Limited	120	120	10	0.01	0.01
The Saraswat Co.op. Bank Limited	2,500	-	10	0.25	-
The Shamrao Vithal Co.Op. Bank Limited	2,100	2,100	25	0.53	0.53
Fully Paid Debenture (Unquoted)					
<i>Other Companies</i>					
0% Advent Invt. & Finance Co. Private Limited	330,000	330,000	100	33.00	33.00
<b>IV) Investment in Immovable Property</b>					
Property at Mumbai				8,259.31	8,259.31
<b>TOTAL</b>				<u>17,187.81</u>	<u>22,424.95</u>

Particulars	As at 31st March, 2010		As at 31st March, 2009	
	Book Value	Market Value	Book Value	Market Value
Aggregate Value of Quoted Investment	8,872.58	6,505.67	14,135.47	5,219.45
Aggregate Value of Unquoted Investment	55.92	-	30.17	-
Investment in Immovable Property	8,259.31	-	8,259.31	-
<b>TOTAL</b>	<u>17,187.81</u>	<u>6,505.67</u>	<u>22,424.95</u>	<u>5,219.45</u>



# SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

## Details of Investment made in Mutual Fund For the Year Ended 31st March, 2010

Name of Mutual Fund	Balance As at 01.04.2008 No. of Unit Rs. In Lacs	Balance As at 01.04.2009 No. of Unit Rs. In Lacs	Purchase during F.Y. 08-09 No. of Unit Rs. In Lacs	Purchase during F.Y. 09-10 No. of Unit Rs. In Lacs	Sold during F.Y. 08-09 No. of Unit Rs. In Lacs	Sold during F.Y. 09-10 No. of Unit Rs. In Lacs	Balance As at 31.03.2009 No. of Unit Rs. In Lacs	Balance As at 31.03.2010 No. of Unit Rs. In Lacs
<b>Reliance Fixed Horizon Fund - VI</b>	8,000,000 800.00	-	-	-	-	-	-	-
Series II - Institutional Dividend Plan								
<b>Reliance Quarterly Interval Fund</b>	15,064,419 1,506.52	-	246,112 24.44	-	15,310,531 1,530.96	-	-	-
Series III - Institutional Dividend Plan								
<b>Reliance Monthly Interval Fund</b>	14,992,354 1,500.00	-	13,082,231 1,313.13	-	28,074,585 2,813.13	-	-	-
Series III - Institutional Dividend Plan								
<b>Reliance Medium Term Fund</b>	-	-	1,180,016 201.73	-	1,180,016 201.73	-	-	-
Daily Dividend Plan								
<b>Reliance Monthly Interval Fund</b>	20,140,179 2,016.03	-	212,576 21.28	-	20,352,756 2,037.31	-	-	-
Series I - Institutional Dividend Plan								
<b>Reliance Liquid Fund</b>	-	-	1,963,101 300.10	50,086,982 7,678.43	1,963,101 300.00	50,096,982 7,678.43	-	-
Treasury Plan- Institutional Option-Daily Dividend								
<b>Reliance Liquidity Fund</b>	-	-	2,002,712 200.33	-	2,002,712 200.33	-	-	-
Daily Dividend								
Reinvestment Option								
<b>Reliance Money Manager Fund</b>	175,021 1,752.20	-	734,885 7,357.20	891,807 8,928.20	909,906 9,109.40	891,807 8,928.20	-	-
Institutional Option, Daily Dividend Plan								
<b>JP Morgan India Liquid Fund</b>	-	-	-	4,497,475 450.10	-	4,497,475 450.10	-	-
Super Inst. Daily Dividend Plan - Reinvest								
<b>JP Morgan India Treasury Fund</b>	-	-	-	4,485,980 452.59	-	4,485,980 452.59	-	-
Super Inst. Daily Dividend Plan - Reinvest								
<b>Reliance Liquidity Fund</b>	-	-	-	131,253 20.01	-	131,253 20.01	-	-
Retail Option, Treasury Plan								
<b>Total</b>	58,371,973 7,575.00	-	19,421,633 9,418.22	60,103,498 17,529.33	77,793,607 16,992.96	60,103,498 17,529.33	-	-



(Rupees in Lacs)

Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 7</b>		
<b>INVENTORIES</b>		
(At Cost/Net Realisable Value whichever is Lower as Certified by the Management)		
Realty Work-In-Process	18,537.99	23,138.58
Stores and Operating Supplies	247.91	273.80
Food and Beverages	21.75	34.67
<b>TOTAL</b>	<b>18,807.65</b>	<b>23,447.05</b>
<b>SCHEDULE NO. 8</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured and Considered Good)		
Over Six Months	315.57	333.10
Others	210.23	835.76
<b>TOTAL</b>	<b>525.80</b>	<b>1,168.86</b>
<b>SCHEDULE NO. 9</b>		
<b>CASH AND BANK BALANCES</b>		
Cash and Cheques on Hand	982.44	602.39
Balances With Scheduled Banks		
In Current Accounts	1,151.09	360.35
In Unclaimed Dividend Accounts	39.58	33.45
In Fixed Deposit Accounts	200.37	168.57
Balance in Foreign Banks (Non Scheduled)		
In Current Accounts	147.11	84.57
In Fixed Deposit Accounts	2,077.65	297.00
<b>TOTAL</b>	<b>4,598.24</b>	<b>1,546.33</b>



# SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE NO. 10</b>		
<b>LOANS &amp; ADVANCES</b>		
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
Loans and Advances to Others	4,386.42	1,490.64
Deposits	206.24	469.26
Advance Tax (net of tax provision of Rs. 1,465.19 Lacs, L.Y Rs.1,450.20 Lacs)	1,068.82	1,059.89
Others	6,947.90	2,133.00
<b>TOTAL</b>	<b>12,609.38</b>	<b>6,628.89</b>
<b>SCHEDULE NO. 11</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
Current Liabilities		
Sundry Creditors		
- Micro Small and Medium Enterprise	0.08	-
- Others	2,320.95	2,612.91
Interest Accrued but not due	4.31	-
Deposits	1,899.99	2,049.99
Unclaimed Dividends *	39.58	33.45
Other Liabilities	1,658.91	437.93
	5,923.82	5,134.28
*(Amount due and outstanding to be credited to Investor Education Protection Fund - Current Year : NIL, Previous Year : NIL)		
Provisions		
Provision for Taxation(Net of Advance Tax of Rs. 992.19 Lacs, L.Y Rs. 291.13 Lacs)	300.36	81.41
Proposed Dividend on Preference Shares	97.91	97.91
Proposed Dividend on Equity Shares	417.90	301.06
Provision for Dividend Distribution Tax	85.68	67.80
Provision for Employee Benefits	55.92	28.80
	957.77	576.97
<b>TOTAL</b>	<b>6,881.60</b>	<b>5,711.26</b>
<b>SCHEDULE NO. 12</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
Preliminary Expenses (To the extent not written off)	-	23.87
<b>TOTAL</b>	<b>-</b>	<b>23.87</b>

# SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010



(Rupees in Lacs)

Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>SCHEDULE NO. 13</b>		
<b>SALES / OPERATING INCOME</b>		
<b>Real Estate Division</b>		
Consultancy and Revenue Sharing Income	2,405.06	751.70
Sale of Property & Compensation Income	897.83	3,480.01
Profit on Sale of Shares	552.90	1,182.02
	<u>3,855.79</u>	<u>5,413.73</u>
<b>Hospitality Division</b>		
Income From Casino	6,213.21	1,944.73
Sale (Foods & Beverages)	338.84	174.33
Income from Cruising & Advertisement	18.41	13.96
	<u>6,570.46</u>	<u>2,133.02</u>
Income from Chartering	185.24	70.40
Lease Rentals	2,634.33	2,488.95
<b>TOTAL</b>	<u>13,245.82</u>	<u>10,106.10</u>
<b>SCHEDULE NO. 14</b>		
<b>OTHER INCOME</b>		
Dividend Income		
- Trade	0.69	54.29
- Non Trade	47.36	103.64
Profit On Sale of Assets	1.36	428.30
Foreign Exchange Gain	8.15	157.16
Other Income	25.03	13.28
<b>TOTAL</b>	<u>82.59</u>	<u>756.66</u>
<b>SCHEDULE NO. 15</b>		
<b>RAW MATERIALS/OTHERS CONSUMED</b>		
Opening Stocks	22,339.11	7,305.80
Purchases	(2,231.54)	17,938.67
	<u>20,107.57</u>	<u>25,244.47</u>
Transferred under Demerger Scheme	-	(225.25)
Closing Stocks	(18,559.74)	(22,339.11)
<b>TOTAL</b>	<u>1,547.82</u>	<u>2,680.11</u>



# SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(Rupees in Lacs)

Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>SCHEDULE NO. 16</b>		
<b>OPERATING EXPENSES</b>		
Casino Operating Expenses	78.19	87.35
Gaming and Entertainment Tax	604.15	193.44
Insurance	35.22	17.23
Landing, Naviation and Other Airport Charges	8.00	18.82
License Fees and Registration Charges	1,060.14	541.30
Other Operating expenses	143.69	115.32
Power & Fuel	362.77	177.92
Professional and Management Fees	369.65	158.31
Rates & Taxes	24.84	-
Rent	10.92	17.30
Repair & Maintenance - Plant & Machinery	236.73	73.50
Water Charges	24.09	15.22
<b>TOTAL</b>	<b>2,958.42</b>	<b>1,415.71</b>
<b>SCHEDULE NO. 17</b>		
<b>STAFF COSTS</b>		
Salaries and Incentives	1,682.51	658.36
Contribution to Provident & Other Funds	59.01	23.69
Employee Benefits	28.61	15.19
Staff Welfare Expenses	207.22	67.63
<b>TOTAL</b>	<b>1,977.35</b>	<b>764.87</b>



(Rupees in Lacs)

Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
<b>SCHEDULE NO. 18</b>		
<b>ADMINISTRATION AND OTHER EXPENSES</b>		
Advertisement Expenses	230.23	85.58
Auditor's Remuneration	27.63	17.94
Conveyance	5.89	2.35
Director Sitting Fees	4.03	2.43
Donations	11.91	64.36
Electricity Charges	29.81	19.70
Exchange Fluctuations Loss	-	14.20
Insurance	17.37	13.13
Legal & Professional Fees	610.14	231.90
Licence Fees & Registration Charges	0.69	-
Loss on Sale of Long Term & Short Term Investments	178.89	183.33
Miscellaneous & General Expenses	96.06	113.74
Postage & Telephone	60.79	40.39
Preliminary Expenses Written off	21.54	3.66
Printing And Stationery	47.91	28.01
Property Tax	52.33	36.88
Rates & Taxes	4.32	8.31
Rent	49.10	24.30
Repairs & Maintenance - Building	124.15	77.90
Repairs & Maintenance - Others	30.80	21.04
Sales Promotion Expenses	289.69	52.84
Travelling Expenses	195.88	71.92
Vehicle Expenses	81.68	34.79
<b>TOTAL</b>	<b>2,170.85</b>	<b>1,148.68</b>
<b>SCHEDULE NO. 19</b>		
<b>FINANCE CHARGES</b>		
Interest on Term Loan from Financial Institution	2,427.80	1,633.61
Interest on Unsecured Loan from a Bank	380.18	743.74
Interest on Loan from Others	197.46	847.23
Other Financial Charges	73.93	249.12
	<b>3,079.37</b>	<b>3,473.71</b>
<b>Less : Interest Received</b>		
On Inter Corporate Deposits	57.66	31.66
[TDS Rs.5.46 Lacs, Previous Year Rs.5.27 Lacs]		
Other Interest [TDS Rs.1.28 Lacs, Previous Year Rs. 2.41 Lacs ]	1,153.23	380.88
	<b>1,210.89</b>	<b>412.54</b>
<b>TOTAL</b>	<b>1,868.47</b>	<b>3,061.16</b>



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

## SCHEDULE NO. 20

### I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Basis of Accounting

The consolidated financial statements have been prepared and presented on the accrual basis of accounting principles in India ("GAAP") and comply with accounting standards prescribed in Companies (Accounting Standards) Rules, 2006 to the extent applicable.

#### b) 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) Interest in Joint Venture have been accounted by using the proportionate consolidation method as per Accounting Standard (AS)- 27 – " Financial Reporting of Interest in Joint Venture" issued by the companies (Accounting Standard) Rule, 2006.
- viii) 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 Associate's in Consolidated Financial Statements".
- ix) 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 except for depreciation as mentioned in point 20 (I)(e).



### **c) 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. Interest income is generally recognized on a time proportion method.
- iii. Dividend income is recognized when the right to receive dividend is established.
- iv. Claims for price variation/exchange rate variation in case of contracts are accounted for on acceptance.
- v. Rent income is accounted on accrual basis.
- vi. 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.
- vii. Sale comprise sale of food and beverages, allied services relating to entertainment and hospitality operations.

### **d) 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**

Expenses incurred for acquisition of Capital Assets along with advances towards the acquisition of fixed assets outstanding at each balance sheet date are disclosed under Capital Work-in-Progress.

### **e) 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.

### **f) Investments**

Investments that are readily realizable and intended to be held but not more than a year are classified as current investments. All other investments are classified as long term investment. Carrying amount of the individual investment is determined on the basis of the average carrying amount of the total holding of the 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. Current investments are carried at lower of cost and fair value.



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

## **g) Inventories**

- a. Inventories are valued at lower of cost or net realizable value on FIFO basis.
- b. Inventories comprises of Raw Material, Stores, Spares and Consumables, Finished Goods and Realty Work in Progress.
- c. Cost of inventories comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.
- d. Realty Work in Progress represents expenditure incurred on projects undertaken for development and construction. Projects under development are stated at Cost. It includes costs of incomplete properties; the costs incurred before the work has progressed; also include initial project costs that relate directly to a project; other expenditures as identified by the management incurred for the purpose of securing and executing the project.

## **h) 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.

## **i) Foreign Currency Transactions**

- a) Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the profit and loss account.
- b) Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the profit and loss account.
- c) Exchange rate differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the company's financial statements until the disposal of the net investment.
- d) Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

## **j) 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.

## **k) Accounting for Taxes on Income**

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

### **a) Current Tax**

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



**b) Deferred Tax**

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

**l) 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".

**m) 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.

**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) Preliminary Expenditure**

Preliminary expenditures are fully charged off in the year in which it has incurred.

**II. NOTES TO ACCOUNTS**

- a)** In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate.
- b)** During the year company has changed its accounting policy for Preliminary Expenditure to be in line with Accounting Standard 26 issued by Institute of Chartered Accountants of India due to which balance in preliminary expenditure is fully charged to profit and loss account. Had this change not taken place the Profit would have been higher by Rs 17.93 Lacs.
- c)** During the year the Company has changed its accounting policy for Foreign currency transactions related Fixed Assets to be in line with Accounting Standard 11 (Revised) issued by Institute of Chartered Accountants of India. However, there is no impact of the same in profit and loss account.



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

## d. Contingent Liabilities

Claims against the Company not acknowledged as debts:

- Property tax for immovable property at Mumbai Rs. Nil (Previous year Rs.80 Lacs).
- Income Tax Liabilities for Ass. Year 2007-08: Rs. 146.22 Lacs (Previous year Nil)
- Income Tax Liabilities for Ass. Year 2004-05: Nil (Previous year Rs. 6.06 Lacs)
- Corporate Guarantee given: Rs.1,000 Lacs (Previous year Rs.500 Lacs).
- Liability on account of matter pending in FDA license - Not Determinable.
- Outstanding Letters of Credit with Kenya Commercial Bank Limited for Rs. 303.44 Lacs (Previous Year : Nil)

## 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 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 manufacturer's 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. 2,246.88 Lacs (P.Y Rs. 2,246.88 Lacs).

## e) 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,	
		2010	2009
Subsidiaries (held directly)			
Highstreet Cruises & Entertainment Private Limited (10% held through DHEPL)	India	90.00	80.00
AAA Aviation Private Limited	India	90.00	90.00
Jayem Realty Solutions Private Limited ( 50.01 % till 30.06.2009)	India	NA	50.01
J M Real Estate Private Limited ( 50.01% till 30.06.2009)	India	NA	50.01
Richtime Realty Private Limited	India	50.01	50.01
Delta Pan Africa Limited	Kenya	100.00	100.00
Delta Hospitality and Entertainment Private Limited (DHEPL) (Formerly known as Mundus Hospitality Private Limited)	India	100.00	100.00
Delta Holding (USA) Inc.	USA	100.00	100.00



Name of the Company	Country of Incorporation	Percentage of Voting Right as on 31st March,	
		2010	2009
Delta Cruises and Entertainment Private Limited (From 18.01.2010)	India	100.00	NA
Delta Lifestyle and Entertainment private limited (From 25.02.2010)	India	100.00	NA
Delta Adventures and Entertainment Private Limited (From 10.03.2010)	India	100.00	NA
<b>Step-down Subsidiaries</b>			
Victor Hotels and Motels Limited	India	90.00	80.00
Coastal Sports Ventures Private Limited	India	90.00	80.00
Delta Corp East Africa Limited	Kenya	53.65	53.65
Delta Square Limited	Kenya	53.65	53.65
AAA Township Private Limited	India	90.00	80.00
Highstreet Riviera Entertainment Private Limited (90% From 29.12.2009 to 30.03.2010)	India	NA	NA
Kaizan LLP ( From 10.08.2009)	United Kingdom	45.60	NA
<b>Joint Venture</b>			
Highstreet Riviera Leisure (Goa) Private Ltd ( From 18.12.2009) (through its Subsidiary Company DHEPL)	India	50.00	NA

**f) 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,	
		2010	2009
Pavurotti Finance and Investments Private Ltd. (21% up to Till 30.06.2009)	India	Nil	21.00

Company holds more than 20% of the voting power in a company namely Advani Hotels and Resorts (India) Limited (AHRL) and Peninsula Mega Properties Private Limited (PMPL). However, since the significant influence for control (as per Accounting Standard – 23 issued by Institute of Chartered Accountant of India) is not exercised by the company on AHRL and PMPL thus these companies are not considered as an associates of the company.

**g) In case of the Delta Holding (USA) Inc. unaudited financial statements as on 31st December, 2009 as certified by the management, have been considered in the consolidated financial statements.**



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

## h) Segments Disclosures:

Primary Segment Information:

Rupees in Lacs)

Sr No.	Particulars	Real Estate	Lease Rent	Gaming & Hospitality	Others	Total
I	Segment Revenue					
	Gross Turnover	4,026.36 (5,413.73)	2,457.82 (2,518.95)	6,584.93 (2,182.17)	269.65 (846.47)	13,338.76 (10,961.32)
	Inter Segment Turnover	- -	- (30.00)	8.53 -	1.30 (68.56)	9.83 (98.57)
	Net Turnover	4,026.36 (5,413.73)	2,457.82 (2,488.95)	6,576.40 (2,182.17)	268.35 (777.91)	13,328.93 (10,862.75)
II	Segment Results (Profit before Interest and Tax)	1,740.02 (2,329.33)	2,163.64 (2,286.57)	528.07 (-292.31)	(476.20) (266.93)	3,955.53 (4,590.52)
	Less- Finance Charges					
	Interest Expenses					3079.37 (3,473.71)
	Interest Income					1,210.89 (412.54)
	Net Interest Expense					1,868.47 (3,061.09)
	Profit Before Tax (After Prior Period Items)					2,087.06 (1,529.43)
	Less : Taxes					820.43 (561.01)
	Profit After tax & Prior Period Item					1,266.63 (968.42)
	Less : Capital Profit/ Minority Interest					(56.13) (308.81)
	Profit After Tax (After Adjusting Capital Profit and Minority Interest)					1,210.50 (659.61)
III	Segment Assets	29,619.06 (27,661.50)	9,159.05 (10,080.66)	27,032.79 (26,643.02)	3,255.33 (1,843.51)	69,067.26 (66,228.69)
IV	Segment Liabilities	11,736.50 (16,655.42)	6,402.76 (7,911.31)	10,545.79 (10,546.34)	4,937.32 (3,606.14)	33,622.92 (38,070.25)
V	Capital Expenditure	1,106.00 (1,447.94)	- -	219.00 (4,853.47)	20.00 (279.01)	1,344.00 (6,580.42)
VI	Depreciation	109.00 (112.19)	- -	401.00 (194.07)	52.00 (24.82)	561.00 (331.08)

**Secondary Segment Information:**

(Rupees in Lacs)

Particulars	Year Ended 31st March	
	2010	2009
Segment Revenue		
- Within India	12,255.22	10,710.84
- Outside India	1,073.71	151.92
<b>TOTAL</b>	<b>13,328.93</b>	<b>10862.76</b>
Segment Assets		
- Within India	48,430.77	44,786.50
- Outside India	20,635.76	21,442.19
<b>TOTAL</b>	<b>69,066.72</b>	<b>66,228.69</b>
Segment Liabilities		
- Within India	24,439.70	29,689.95
- Outside India	9,183.22	8,380.29
<b>TOTAL</b>	<b>33,622.92</b>	<b>38,070.24</b>
Capital Expenditure		
- Within India	278.00	6,539.97
- Outside India	1,065.68	40.45
<b>TOTAL</b>	<b>1,343.68</b>	<b>6,580.42</b>

**Disclosures:***Primary Segment***I. Business Segment**

Segment identified by the company comprises are Real Estate, Lease Rental, Gaming & Hospitality and Others.

**II. Segment Revenue and Expenses**

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "Unallocable".

**III. Segment Assets and Liabilities**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

## IV. Inter Segment Transfers

Segment revenue, segment expenses and segment results include transfer between businesses segments, such transfers are eliminated in consolidation.

## V. Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments.

### *Secondary Segment- Geographical Segment*

Out of the total segment assets and segment liabilities, more than 10% of total segment assets and segments liabilities are outside India. Hence, based on segment assets and liabilities related to different geography, secondary segment is reported as in India and outside India under geographical segment is considered as secondary segment.

- i) Disclosure required by clause 32 of the Listing Agreement and as per Section 370 (1B) of Companies Act, 1956

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

Loans and Advances in the nature of Loans

(Rupees in Lacs)

Name of the Subsidiaries	Closing Balance		Maximum Balance outstanding during the year	
	2009-10	2008-09	2009-10	2008-09
Aarti Management Consultancy Pvt Ltd.	-	2.71	10.31	2.71
Arrow Textiles Limited	-	178.60	197.99	178.60

Notes:

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

## j) Employee Benefits

Disclosure required as per AS – 15 are as under:

- The Company has recognized the expected liability arising out of the compensated absence and gratuity as at 31st March, 2010 based on actuarial valuation carried out using the Project Credit Method.
- 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)

Sr Particulars	Gratuity			Leave Encashment	
	Un-Funded	Funded	Un-Funded	Un-Funded	
	2010	2009		2010	2009
<b>1 Assumptions</b>					
Discount Rate – Current	8.25%	8.00%	8.00%	8.25%	8.00%
Salary Escalation – Current	5.00%	5.00%	5.00%	5.00%	5.00%
<b>2 Change in Benefit Obligation</b>					
Liability at the beginning of the year	13.60	47.47	-	18.98	14.13
Interest Cost	2.10	0.35	-	2.70	0.28
Current Service Cost	12.91	1.47	9.01	17.10	17.16
Liability Transfer out	-	(44.25)	-	-	(11.37)
Benefit Paid	-	(0.55)	-	(4.66)	(1.42)
Actuarial (Gain) / Loss on obligations	6.29	0.10	-	(13.09)	0.20
Liability at the end of the year	34.90	4.59	9.01	21.02	18.98
<b>3 Changes in the fair value of plan assets</b>					
Fair value of plan assets at beginning of year	4.08	2.81	-	-	-
Expected return on plan assets	0.33	0.28	-	-	-
Contributions	-	1.01	-	-	-
Transfer to Other Company	(4.08)	-	-	-	-
Benefits paid	-	(0.55)	-	-	-
Actuarial Gain / (Loss) on Plan assets	(0.33)	0.53	-	-	-
Fair value of plan assets at the end of year	-	4.08	-	-	-
<b>4 Actuarial Gain/Loss recognized</b>					
Actuarial (Gain) / Loss for the year- Obligation	6.29	0.10	-	(13.09)	0.20
Actuarial (Gain)/Loss for the year - plan assets	0.33	(0.53)	-	-	-
Total (Gain)/Loss for the year	6.61	(0.43)	-	(13.09)	0.20
Actuarial (Gain)/Loss recognized in the year	6.61	(0.43)	-	(13.09)	0.20
<b>5 Amount recognized in the Balance Sheet</b>					
Liability at the end of the year	34.90	4.59	9.01	21.02	18.98
Fair value of Plant Assets at the end of the year	-	4.08	-	-	-
Difference	(34.90)	(0.51)	(9.01)	(21.02)	(18.98)
Amount recognized in the Balance Sheet	(34.90)	(0.51)	(9.01)	(21.02)	(18.98)
<b>6 Expenses recognized in the Profit and Loss Account</b>					
Current Service Cost	12.91	1.47	9.01	17.10	17.16
Interest Cost	2.10	0.35	-	2.70	0.28
Expected return on Plant assets	(0.33)	(0.28)	-	-	-
Actuarial (Gain) or Loss	6.62	(0.43)	-	(13.09)	0.20
Expenses recognized in the Profit and Loss Account	21.30	1.11	9.01	6.70	17.64
<b>7 Balance Sheet Reconciliation</b>					
Opening Net Liability	9.52	(14.19)	-	18.98	14.13
Transferred due to De-merger	-	14.60	-	1.50	(11.37)
Funded Assets Taken by Other Company	4.08	-	-	-	-
Expenses as above	21.30	1.11	9.01	5.21	17.64
Employer's Contribution	-	(1.01)	-	(4.66)	(1.42)
Closing Net Liability	34.90	0.51	9.01	21.02	18.98



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

## iii) Under Defined contribution plan:

Particulars	2009-10	2008-09
Contribution to Provident Fund	47.15	18.82
Contribution to ESIC	* 0.03	0.05

\* The Company has approached to the ESIC Department for registration, pending their approval for registration; the amount of Rs. 0.03 Lacs for current year has not been deposited with relevant authority. The same will be deposited once the Company receives the approval from the relevant authority.

## k) Related Party Disclosures

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

#### (i) Individuals owning directly or indirectly an Interest in the voting power that gives her significant influence:

- Mr. Jaydev Mody (JM)– Chairman
- Mrs. Zia Mody (ZM)

#### (ii) Key Management Personnels:

- Mr. Ashish Kapadia (AK) – Managing Director
- Mr. Hardik Dhebar (HD) – Group C.F.O.

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

- Aarti Management Consultancy Private Limited (AMCLP)
- Delta Magnets Limited (DML)
- Aditi Management Consultancy Private Limited (ADMPL)
- Anjoss Trading Private Limited(ATPL)
- AZB & Partners (AZB)
- Freedom Registry Limited (FRPL)
- Dacapo Brokerage India Private Limited (DBIPL)
- Arrow Textiles Limited (ATL)
- Peninsula Land Ltd (PLL)
- Peninsula Facility Management Services Limited (PFMS)
- Bayside Realty Private Limited (BRPL)
- Bayside Property Private Limited (BPPL)
- Blackpool Realty Pvt. Ltd. (BREPL)
- Freedom Aviation Private Limited (FAPL)
- J M Realty Management Private Limited (JMRMPL)
- J M Township Real Estate Private Limited (JMTPL)
- AAA Holding Trust (AAAHT)
- Lakeview Mercantile Company Pvt. Ltd. (LMCPL)



# Details of transactions carried out with related parties in ordinary course of business

(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	
		09-10	08-09	09-10	08-09	09-10	08-09
1	Consultancy Income						
	PLL	-	-	408.43	-	408.43	-
		-	-	408.43	-	408.43	-
2	Aviation Income						
	BRPL	-	-	-	5.38	-	5.38
	BPPL	-	-	-	7.21	-	7.21
		-	-	-	12.59	-	12.59
3	Revenue Sharing Income						
	PLL	-	-	1,992.69	751.69	1,992.69	751.69
		-	-	1,992.69	751.69	1,992.69	751.69
4	Rent and Other Charges for Office Building						
	PLL	-	-	14.13	21.58	14.13	21.58
		-	-	14.13	21.58	14.13	21.58
5	Interest Paid						
	DML	-	-	13.73	20.54	13.73	20.54
	DBIPL	-	-	0.52	5.36	0.52	5.36
	PLL	-	-	241.71	-	241.71	-
		-	-	255.96	25.90	255.96	25.90
6	Maintenance Charges and Other reimburse Expenses						
	PFMS	-	-	95.55	95.79	95.55	95.79
		-	-	95.55	95.79	95.55	95.79
7	Directors Sitting Fess						
	AK	0.18	0.28	-	-	0.18	0.28
	JM	0.50	0.20	-	-	0.50	0.20
		0.68	0.48	-	-	0.68	0.48
8	Professional Fees Paid						
	FRPL	-	-	1.25	1.25	1.25	1.25
	AZB	-	-	163.67	26.02	163.67	26.02
		-	-	164.93	27.27	164.93	27.27
9	Sale of Food and Beverages						
	AZB	-	-	7.20	-	7.20	-
				7.20	-	7.20	-
10	Sale of Land and Equipment						
	AAAHT	-	-	-	1,450.00	-	1,450.00
		-	-	-	1,450.00	-	1,450.00



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(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	
		09-10	08-09	09-10	08-09	09-10	08-09
11	Remuneration Paid						
	AK	72.37	-	-	-	72.37	-
	HD	30.30	26.87			30.30	26.87
		102.67	26.87	-	-	102.67	26.87
12	Other Expenses Paid						
	DBIPL		-	0.33	3.60	0.33	3.60
		-	-	0.33	3.60	0.33	3.60
13	Interest Received						
	ATL	-	-	22.35	31.89	22.35	31.89
		-	-	22.35	31.89	22.35	31.89
14	Loans Taken						
	AMCLP	-	-	890.50	2,102.26	890.50	2,102.26
	ADMPL	-	-	421.50	1,436.13	421.50	1,436.13
	ATPL	-	-	428.50	1,333.61	428.50	1,333.61
	DBIPL	-	-	-	100.00	-	100.00
	JM	225.00	2,092.00	-	-	225.00	2,092.00
	PLL	-	-	-	349.00	-	349.00
		225.00	2,092.00	1,740.50	5,321.00	1,965.50	7,413.00
15	Loans Repayment (Including Interest)						
	AMCLP	-	-	971.79	2,227.64	971.79	2,227.64
	ADMPL	-	-	467.40	1,352.90	467.40	1,352.90
	ATPL	-	-	491.73	1,238.04	491.73	1,238.04
	DBIPL	-	-	101.51	-	101.51	-
	DML	-	-	147.18	104.81	147.18	104.81
	PLL	-	-	4,251.64	-	4,251.64	-
	JM	474.50	2,963.75	-	-	474.50	2,963.75
		474.50	2,963.75	6,431.25	4,923.39	6,905.75	7,887.14
16	Loans Given						
	ATL	-	-	20.00	30.00	20.00	30.00
		-	-	20.00	30.00	20.00	30.00
17	Loans Received Back (Including Interest)						
	ATL		-	220.35	157.75	220.35	157.75
		-	-	220.35	157.75	220.35	157.75
18	Advance Received for Property						
	AMCLP			115.00	-	115.00	-
	BREPL	-	-	983.50	80.00	983.50	80.00
		-	-	1,098.50	80.00	1,098.50	80.00



(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	
		09-10	08-09	09-10	08-09	09-10	08-09
19	Advance for Property (Repaid)						
	AMCLP			63.25	-	63.25	-
	BREPL	-	-	50.00	80.00	50.00	80.00
		-	-	113.25	80.00	113.25	80.00
20	Sale of Share						
	AAAHT	-	-	0.50	-	0.50	-
		-	-	0.50	-	0.50	-
21	Dividend On Equity Shares Paid						
	JM	39.21	28.10	-	-	39.21	28.10
	ZM	120.63	241.25	-	-	120.63	241.25
		159.84	269.35	-	-	159.84	269.35
22	Dividend On Preference Shares Paid						
	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
23	Deposit Given back						
	PLL	-	-	150.00	-	150.00	-
		-	-	150.00		150.00	-
24	Acquisition of Fixed Assets						
	PLL	-	-	-	235.96	-	235.96
		-	-	-	235.96	-	235.96
25	Deposit Received back						
	JM	150.00	-			150.00	-
		150.00				150.00	-
26	Purchase of Shares						
	PLL	-	-	26.00	-	26.00	-
				26.00	-	26.00	-
27	Issue of Shares (Incl Share Premium)						
	JM	2,602.22	-			2,602.22	-
		2,602.22				2,602.22	-
28	Sharing of Resources of Others*						
	ZM	-	-	-	-	-	-
	ATPL	-	-	-	-	-	-
		-	-	-	-	-	-

\* Transactions are of non monetary consideration.



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(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	
		09-10	08-09	09-10	08-09	09-10	08-09
29	Reimbursement of Expenses						
	AMCLP	-	-	9.19	0.65	9.19	0.65
	ATL	-	-	0.04	0.61	0.04	0.61
	DBIPL	-	-	0.52	0.44	0.52	0.44
	DML	-	-	0.12	0.61	0.12	0.61
	FAPL	-	-	1.79	2.89	1.79	2.89
	FRPL	-	-	0.07	0.42	0.07	0.42
	JM	3.99	45.25	-	-	3.99	45.25
	JMRMPL	-	-	0.00	0.76	0.00	0.76
	JMTPL	-	-	0.78	3.48	0.78	3.48
		3.99	45.25	12.51	9.86	16.50	55.11
	Outstanding Balances as on 31st March						
30	Unsecured Loans						
	DBIPL	-	-	-	116.18	-	116.18
	AMCLP			84.34	276.98	84.34	276.98
	ADMPL			84.34	241.59	84.34	241.59
	ATPL			84.34	258.93	84.34	258.93
	DML	-	-	-	118.26	-	118.26
	JM	-	249.50	-	-	-	249.50
	PLL			-	349.00	-	349.00
		-	249.50	253.02	1,360.94	253.02	1,610.44
31	Professional Fees Payable						
	AZB	-	-	14.97	17.33	14.97	17.33
	FRPL	-	-	-	0.34	-	0.34
		-	-	14.97	17.67	14.97	17.67
32	Loans Given (Incl Interest)						
	ATL			-	178.00	-	178.00
		-	-	-	178.00	-	178.00
33	Deposit Payable						
	PLL	-	-	-	150.00	-	150.00
		-	-	-	150.00	-	150.00



(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	
		09-10	08-09	09-10	08-09	09-10	08-09
34	Other Receivable						
	LMCPL	-	-	21.00	21.00	21.00	21.00
	AAAHT	-	-	-	25.09	-	25.09
	AZB	-	-	0.12	-	0.12	-
		-	-	21.12	46.09	21.12	46.09
35	Advance Received for Property						
	AMCLP	-	-	51.75	-	51.75	-
	BREPL	-	-	933.50	-	933.50	-
		-	-	985.25	-	985.25	-
36	Sundry Creditors						
	PFMS	-	-	10.03	45.05	10.03	45.05
	PLL	-	-	100.83	225.44	100.83	225.44
		-	-	110.86	270.49	110.86	270.49
37	Reimbursement of Expenses						
	AMCLP	-	-	-	2.71	-	2.71
	ATL	-	-	-	0.60	-	0.60
	DBIPL	-	-	0.22	0.44	0.22	0.44
	DML	-	-	-	0.53	-	0.53
	FRPL	-	-	-	0.40	-	0.40
	JMTPL	-	-	0.21	-	0.21	-
		-	-	0.43	4.68	0.43	4.68

#### 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.

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. Future sales trend for first one months of FY 10-11 also revealed that Company is likely to generate sizable amount of profit in future years.



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

The components of Deferred Tax Assets to the extent recognized and Deferred Tax Liabilities as on March 31, 2010 are as follows:

(Rupees in Lacs)

Particulars	31st March,	
	2009-10	2008-09
Deferred Tax Liability:		
Difference between Book and Tax Depreciation	593.66	275.36
<b>TOTAL</b>	<b>593.66</b>	<b>275.36</b>
Deferred Tax Asset:		
Carry Forward Loss	774.88	403.27
Unrealized Gain Difference	24.18	-
Difference between Book and Tax Depreciation	40.19	6.28
Expenses Disallowed	18.63	-
	<b>857.88</b>	<b>409.55</b>
<b>Net Deferred Tax Liability</b>	<b>(264.22)</b>	<b>(134.19)</b>

## m) Earnings Per Share

(Rupees in Lacs) (Unless Specified)

Particulars	2009-10	2008-09
Net Profit after Tax	1,210.50	659.60
Less:		
Preference Dividend and Dividend Distribution Tax thereon	114.17	114.55
Numerator used for calculating basic earnings per share	1,096.33	545.05
Weighted average number of equity shares used as denominator for calculating basic earnings per share	1,546.86	1,355.28
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	1,546.86	(*)1,505.28
Basic Earnings Per Share (Rs.)	0.71	0.40
Diluted Earnings Per Share (Rs.)	0.71	0.36
Face 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.



n) Particulars in regard to bank balances with non-scheduled banks:

(Rupees in Lacs)

Particulars	Maximum Balances at any time during the year		Balances as on	
	2009-10	2008-09	31.03.10	31.03.09
<b>In Current Accounts</b>				
I & M Bank Limited- Kshs A/c	17.51	-	3.24	-
I & M Bank Limited- US\$ A/c	1.12	-	1.12	-
I & M Bank Limited- Kshs A/c	12.38	-	11.76	-
CFC Stanbic Limited- Kshs A/c	17.54	151.02		20.12
CFC Stanbic Limited- US\$ A/c	1.13	1.09		1.36
Kenya Commercial Bank Limited- Kshs A/c	1,246.14	-	70.60	-
Guardian bank Limited- Kshs A/c	619.20	-	0.00	-
Kenya Commercial Bank Limited- US\$ A/c	0.23	-	0.20	-
I & M Bank Limited- Kshs a/c	469.26	-	40.99	-
I & M Bank Limited- US\$ A/c	0.23	-	0.22	-
Fina Bank Limited- Kshs A/c	933.76	-	1.76	-
Guardian bank Limited- Kshs A/c	637.39	22.18	8.47	2.12
CFC Stanbic Limited- Kshs A/c	8,092.58	4,356.19	1.55	15.97
CFC Stanbic Limited- US\$ A/c	19.77	3,480.96	0.23	24.63
I & M Bank Limited- Kshs a/c	0.30	-	0.27	-
I & M Bank Limited- US\$ A/c	0.46	-	0.44	-
CFC Stanbic Limited - Kshs A/c	0.33	0.41	0.00	0.36
CFC Stanbic Limited - US\$ A/c	0.46	0.43	0.00	0.55
HSBC, USA	14.04	459.79	8.66	19.45
<b>In Deposit Accounts</b>				
I&M Bank Limited- Call Deposit	1,547.99	-	1,477.65	-
Kenya Commercial Bank Limited-Kshs A/c-Call Deposit	3,715.17	-	588.24	-
CFC Stanbic Limited-Kshs A/c-Call Deposit	297.00	-	0.00	297.00



# SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

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

- Operating Lease Income Disclosure

The Company has non cancelable operating income on leasing of properties

(Rupees in Lacs)

Particulars	2009-10	2008-09
Lease rental recognized during the year	2,454.82	2,518.95
<b>TOTAL</b>	<b>2,454.82</b>	<b>2,518.95</b>

(Rupees in Lacs)

Particulars	2009-10	2008-09
Upto 1 Year	2,323.60	2,684.84
1 Year to 5 Year	1,274.03	3,143.31
above 5 Year	-	-
<b>TOTAL</b>	<b>3,597.63</b>	<b>5,828.15</b>

- Operating Lease Expenses Disclosure:

The Company has non cancelable operating expenses.

(Rupees in Lacs)

Particulars	2009-10	2008-09
Lease Rental paid during the year	23.77	6.63
<b>TOTAL</b>	<b>23.77</b>	<b>6.63</b>

(Rupees in Lacs)

Particulars	2009-10	2008-09
Upto 1 Year	57.42	53.99
1 Year to 5 Year	170.88	124.21
Above 5 Year	732.71	5.09
<b>TOTAL</b>	<b>961.01</b>	<b>183.29</b>

- p) The following amounts are included in the Financial Statements in respect of the jointly Controlled Entities based on the proportionate consolidation method prescribed in the Accounting Standard relating to 'Financial Reporting of Interest in Joint Ventures' (AS 27).



(Rupees in Lacs)

Particulars	2009-10	2008-09
<b>Assets</b>		
Fixed Assets (Net Block)	3.71	-
Deferred Tax Assets	15.73	-
Current Assets, Loans and Advances	374.26	-
Less: Current Liabilities & Provisions	32.07	-
Net Current Assets	342.19	-
Profit & Loss Account	31.49	-
<b>Liabilities</b>		
Unsecured Loans	392.56	-
Deferred Tax Liability	0.06	-
Contingent Liabilities	-	-
Capital Commitments	-	-
<b>Income</b>		
Operating Income	26.98	-
<b>Expenses</b>		
F&B Consumed	4.09	-
Operating & Administrative Expenses	60.79	-
Depreciation	0.09	-
Finance Charges	9.16	-

**q) 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 de-merged undertaking.

As per our report of even date

For and on behalf of Board of Directors

Place : Mumbai  
Date : 30th April, 2010

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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