

**Independent Auditor's Certificate on non-applicability of paragraph A(10)(b) of Part I of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 (the 'SEBI Circular') issued by the Securities and Exchange Board of India ('SEBI')**

To  
The Board of Directors  
**Delta Corp Limited**  
Delta House, Hornby Vellard Estate,  
Dr Annie Besant Road,  
Next to Copper Chimney,  
Worli,  
**Mumbai – 400 018.**

1. This certificate is issued in accordance with the terms of our engagement letter dated 02 December 2024 with **Delta Corp Limited** (the 'Company' or 'DCL').
2. The Management of the Company has prepared the accompanying undertaking approved by the Board of Directors of the Company at its meeting held on 06 December 2024 (the 'Undertaking') pursuant to SEBI Circular stating the reasons for non-applicability of requirements prescribed under paragraph A(10)(c) of Part I of the SEBI Circular in connection with the Composite Scheme of Arrangement amongst the Company and Deltin Hotel & Resorts Private Limited ('DHRPL') and Delta Penland Private Limited ('DPPL') and Deltin Cruises And Entertainment Private Limited ('DCEPL') and their respective shareholders and creditors (the 'Draft Scheme') in terms of the provisions of Sections 230 to 232 read with section 66 of the Companies Act, 2013 (the 'Act') and other relevant provisions and rules made thereunder. We have initialled the Undertaking for identification purposes only.

### **Management's Responsibility for the Undertaking**

3. The preparation of the Undertaking is the responsibility of the management of the Company including preparation and maintenance of all accounting and other relevant supporting records and documents in relation to the Draft Scheme. This responsibility includes design, implementation, and maintenance of internal controls relevant to the preparation and presentation of the Undertaking and applying appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The management of the Company is also responsible for ensuring that the Company complies with all the requirements of SEBI Circular and the Act in relation to the Draft Scheme and for providing all relevant information to the SEBI, the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE') (collectively, the 'stock exchanges').

### **Auditor's Responsibilities**

5. Pursuant to the requirements of the SEBI Circular, it is our responsibility to express a reasonable assurance, in the form of an opinion, based on our examination of the Draft Scheme as to whether the requirements of paragraph (A)(10)(b) of Part I of the SEBI Circular, as set out in the accompanying Undertaking, are applicable to the Draft Scheme.



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6. We conducted our examination of the Undertaking in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by ICAI.

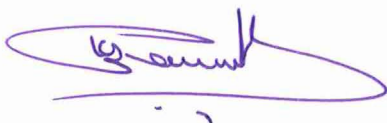
**Opinion**

8. Based on our examination of the Draft Scheme and according to the information and explanations provided to us, along with the representations provided to us by the management of the Company, in our opinion, the requirements of paragraph A(10)(b) of Part I of the SEBI Circular are not applicable to the Draft Scheme for the reasons stated in the accompanying Undertaking.

**Restriction on distribution or use**

9. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of the SEBI Circular. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liabilities are in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling them to comply with the requirements of the SEBI Circular which require them to submit the certificate by the statutory auditors along with the accompanying Undertaking, duly approved by the Board of Directors of the Company, for onward submission to the SEBI, and the stock exchanges and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013



**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

**UDIN: 24042423BKCMXW9064**

**Place:** Mumbai  
**Date:** 06 December 2024

**UNDERTAKING IN RELATION TO NON-APPLICABILITY OF PARAGRAPH (A)10(B) OF PART I OF SEBI MASTER CIRCULAR NO. SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023 ("SEBI MASTER CIRCULAR")**

**1. Background**

- 1.1. This is with reference to the proposed revised draft Composite Scheme of Arrangement amongst Delta Corp Limited ("**Company**" or "**DCL**") and Deltin Hotel & Resorts Private Limited ("**DHRPL**") and Delta Penland Private Limited ("**DPPL**") and Deltin Cruises and Entertainment Private Limited ("**DCEPL**") and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("**Act**") ("**Revised Scheme**").
- 1.2. The Revised Scheme provides for the following:
- (a) demerger, transfer and vesting of the Demerged Undertaking 1 (*as defined in the Revised Scheme*) from the Company into DHRPL on a going concern basis in accordance with the provisions of Section 2(19AA) of the Income Tax Act (*as defined in the Revised Scheme*);
  - (b) demerger, transfer and vesting of the Demerged Undertaking 2 (*as defined in the Revised Scheme*) from the Company into DPPL on a going concern basis in accordance with the provisions of Section 2(19AA) of the Income Tax Act;
  - (c) reduction and cancellation of the entire pre-scheme share capital of the DPPL; and
  - (d) amalgamation of DCEPL with the Company in accordance with the provisions of Section 2(1B) of the Income Tax Act.

**2. Consideration under the Revised Scheme**

- 2.1. For demerger of the Demerged Undertaking 1 and Demerged Undertaking 2 from the Company into the DHRPL and DPPL, respectively:

In consideration for the transfer and vesting of the Demerged Undertaking 1 and Demerged Undertaking 2 of the Company to DHRPL and DPPL, respectively, and subject to the provisions of the Revised Scheme, DPPL shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to the shareholders of the Company whose name is recorded in the register of members and records of the depository as members of the Company as on the Record Date (*as defined in the Revised Scheme*), as under:

- 1 (One) fully paid up equity share of DPPL having face value of INR 1 (Rupee One) each for every 1 (One) fully paid up equity share of INR 1 (Rupee One) each of the Company.

After the effectiveness of the Revised Scheme and subject to receipt of regulatory approvals, the equity shares of DPPL issued as consideration to the shareholders of the Company in terms of the Revised Scheme, will be listed on the BSE Limited and National Stock Exchange of India Limited.



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CIN : L65493PN1990PLC058817



2.2. For amalgamation of the Transferor Company with the Company:

DCEPL is an indirect wholly owned subsidiary of the Company and therefore there shall be no issue of shares as consideration, including to nominee shareholders, for the amalgamation of DCEPL with the Company.

**3. Requirement of SEBI Master Circular**

- 3.1. The SEBI Master Circular mandates all the listed companies to ensure that the scheme submitted with the jurisdictional National Company Law Tribunal for sanction, shall be acted upon in certain cases as mentioned in Paragraph 10 (b) of Part I of the SEBI Master Circular, if the votes cast by public shareholders in favour of the Revised Scheme are more than the votes cast by the public shareholders against the Revised Scheme.
- 3.2. The SEBI Master Circular further provides that in cases where the Revised Scheme does not fall within the cases mentioned in Paragraph 10(b) of Part I of the SEBI Master Circular, the listed entity shall furnish an undertaking certified by the auditor and duly approved by the Board of the company, clearly stating the reasons for non-applicability of the aforesaid requirement.
- 3.3. As per the Revised Scheme, and as mentioned in Paragraph 2 above, save and except as provided in the Revised Scheme, all the shareholders of the Company shall be allotted shares in DPPL in proportion of their shareholding in the Company on demerger of Demerged Undertaking 1 and Demerged Undertaking 2, respectively.
- 3.4. In terms of the Revised Scheme and Paragraph 10 (b) read with Paragraph 10(a) of Part I of the SEBI Master Circular, the Company hereby undertakes that the requirements under the SEBI Master Circular pertaining to obtaining approval of the majority of public shareholders of the Company to the Scheme is not applicable to the Company.

**4. Reasons for non-applicability**

The detailed reasons for non-applicability of obtaining approval of the majority of public shareholders to the Revised Scheme are as follows:

4.1. Paragraph (A)10 (b)(i) of Part I

*"Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed entity,"*

Reason for non – applicability

In terms of the Revised Scheme, all the shareholders of the Company shall be allotted equity shares of DPPL in proportion of their shareholding in the Company.

Thus, this clause of the SEBI Master Circular is not applicable as the Revised Scheme does not contemplate issue and allotment of any additional shares to the Promoters/Promoter Group, Related Parties of the Promoter/Promoter Group, Associates of Promoters/Promoter Group, and Subsidiary of the Promoter or Promoter Group of the Company.



*Amir*

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#### 4.2. Paragraph (A)10 (b)(ii) of Part I

*"Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group."*

##### Reasons for non-applicability

This clause of the SEBI Master Circular is not applicable as the Revised Scheme involves (i) demergers where shares of DPPL (to be listed on stock exchanges) will be issued and allotted to equity shareholders of the Company in same proportion of their holding. Subsequent to the issuance of shares pursuant to the Revised Scheme, the ratio of the shareholding of the public shareholders of the Company to the shareholding of the Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the Company in the DPPL, will be identical to that of the Company (i.e. mirror shareholding); and (ii) amalgamation of indirect wholly owned subsidiary, i.e., DCEPL with the Company, for which no consideration will be issued. Accordingly, this Clause of the SEBI Master Circular is not applicable in this case.

#### 4.3. Paragraph (A)10 (b)(iii) of Part I

*Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme.*

##### Reasons for non-applicability

The Revised Scheme contemplates merger of a step down / wholly owned subsidiary i.e., DCEPL with the Company. However, this Clause of the SEBI Master Circular is not applicable to the Revised Scheme as DCEPL was not acquired by paying consideration in cash or in kind in the past from any of the shareholders of DCEPL who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the Company.

#### 4.4. Paragraph (A)10 (b)(iv) of Part I

*"Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity;"*

##### Reasons for non-applicability

The proposed Revised Scheme does not result in reduction in the voting share of pre-scheme public shareholders of the Company by more than 5% of the total capital of the merged entity and accordingly, this clause of the SEBI Master Circular is not applicable in this case.



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4.5. Paragraph (A)10 (b)(v) of Part I

*"Where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares"*

Reasons for non-applicability

As mentioned in Paragraph 2 above, the proposed Revised Scheme contemplates demerger of the Demerged Undertaking 1 and Demerged Undertaking 2 of the Company into DHRPL and DPPL, respectively, and consequent issue of equity shares by DPPL to shareholders of the Company, in same proportion of their holding in the Company (mirror shareholding).

Further, in terms of the Revised Scheme the equity shares issued as consideration by DPPL pursuant to the Revised Scheme will be listed on BSE Limited and National Stock Exchange of India Limited, hence, this clause of the SEBI Master Circular is not applicable in this case.

In view of the aforesaid, the requirement of obtaining consent of majority of public shareholders voting, as stated at Paragraph (A)10 (b) of Part I of the SEBI Master Circular is not applicable to the proposed Revised Scheme and the undertaking in relation to the above issued by Dilip Vaidya dated 06 December 2024 is hereby approved.

For **Delta Corp Limited**

A handwritten signature in blue ink, appearing to read "Dilip Vaidya".

**Dilip Vaidya**  
**Company Secretary & Vice President Secretarial**



Place: Mumbai  
Date: 06 December 2024



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