

# **DELTA** *CORP LIMITED*



GAMING



HOSPITALITY



REAL ESTATE

Investor Presentation

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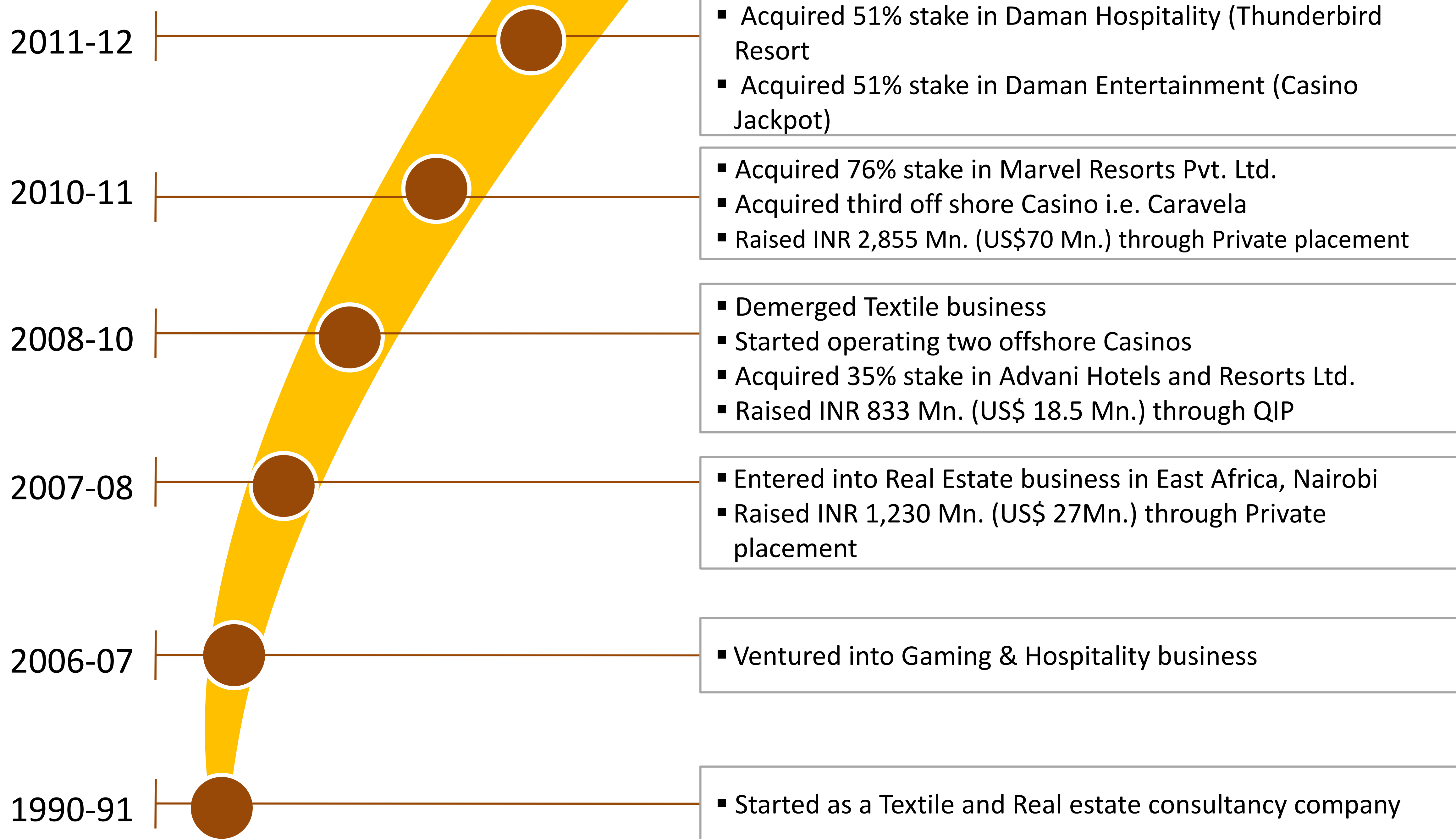
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- 1** | Company Snapshot
- 2** | Industry Overview
- 3** | Business Analysis
- 4** | Financial Performance
- 5** | Annexure

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# Company Snapshot

# Corporate History



- ❑ Delta Corp Limited (Delta Corp) is primarily engaged in two main lines of business
  - ❑ Gaming and Hospitality
  - ❑ Real Estate in East Africa, Nairobi
- ❑ **Advantage** of being an early entrant in both the businesses
- ❑ **Listed on the National Stock Exchange and Bombay Stock Exchange** with a market capitalisation of over US\$400 Mn.
- ❑ **Largest gaming company** in India (offering 725 gaming positions) and the only listed company in this space
- ❑ **Strong foundation** of a visionary Promoter supported by a competent management team
- ❑ **Equity investment** from reputed private equity and institutional investors including ICICI Ventures and RARE Enterprises.

# Unique Business Model

## Gaming & Entertainment

- Three live offshore casinos in Goa
- One onshore (land based) casino in Daman
- In principle, license to setup an additional casino in Daman

## Hospitality

- 35% stake in Advani Hotels & Resorts (India) Ltd
- Acquired a 51% stake in Daman Hospitality (Thunderbird Resort)
- Acquired a 76% stake in Marvel Resorts Pvt. Ltd.
- All suite flotel “Floating hotel” to cater to our high rolling guests

## Real Estate

- East Africa : JV with Reliance Industries Limited

# Delta's Strength

1

India's largest Gaming company

2

State of the art gaming facilities and infrastructure

3

Robust financial track record

4

Strong Balance Sheet

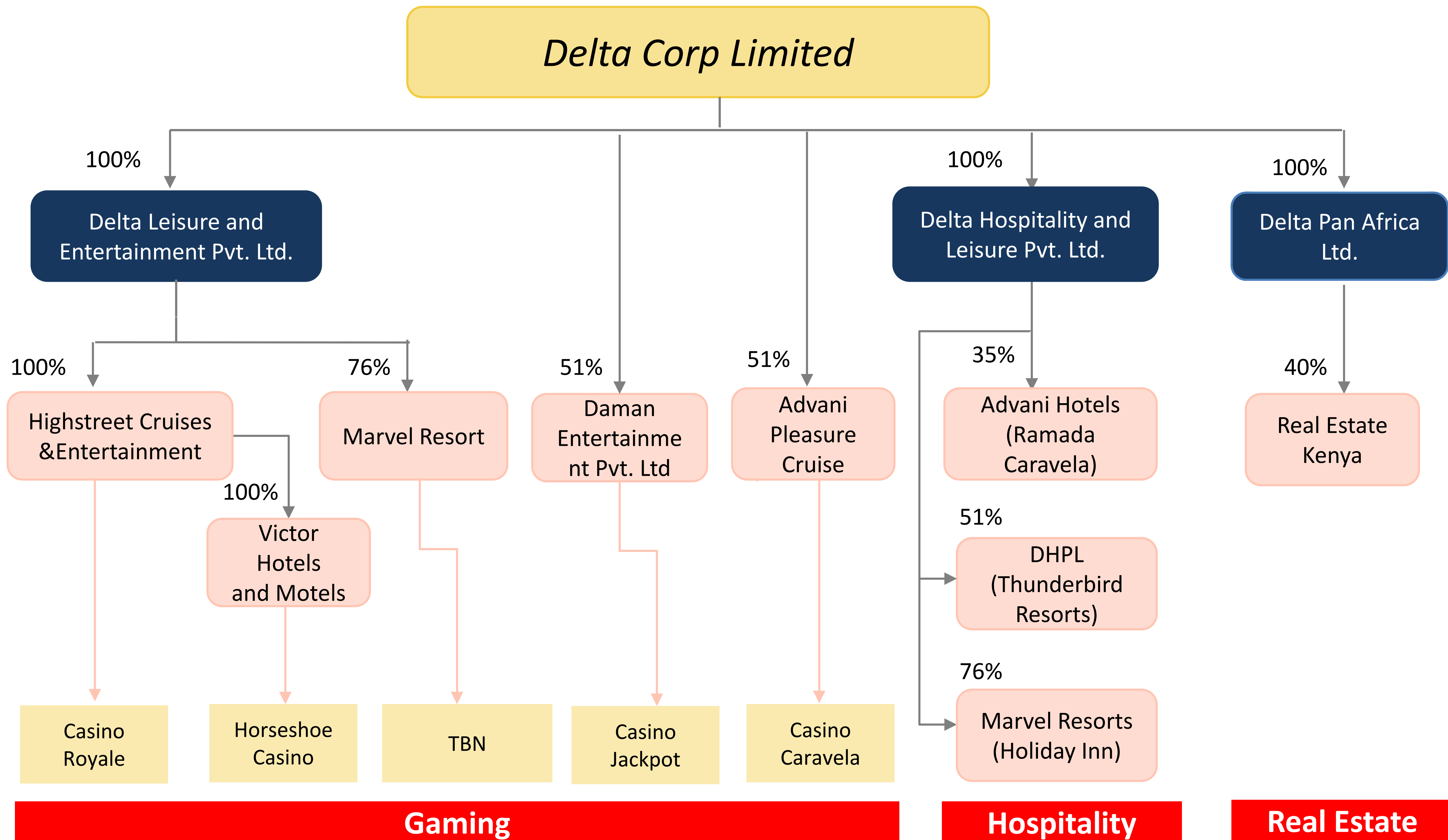
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Well funded – Enabling Delta to capitalize on new opportunities

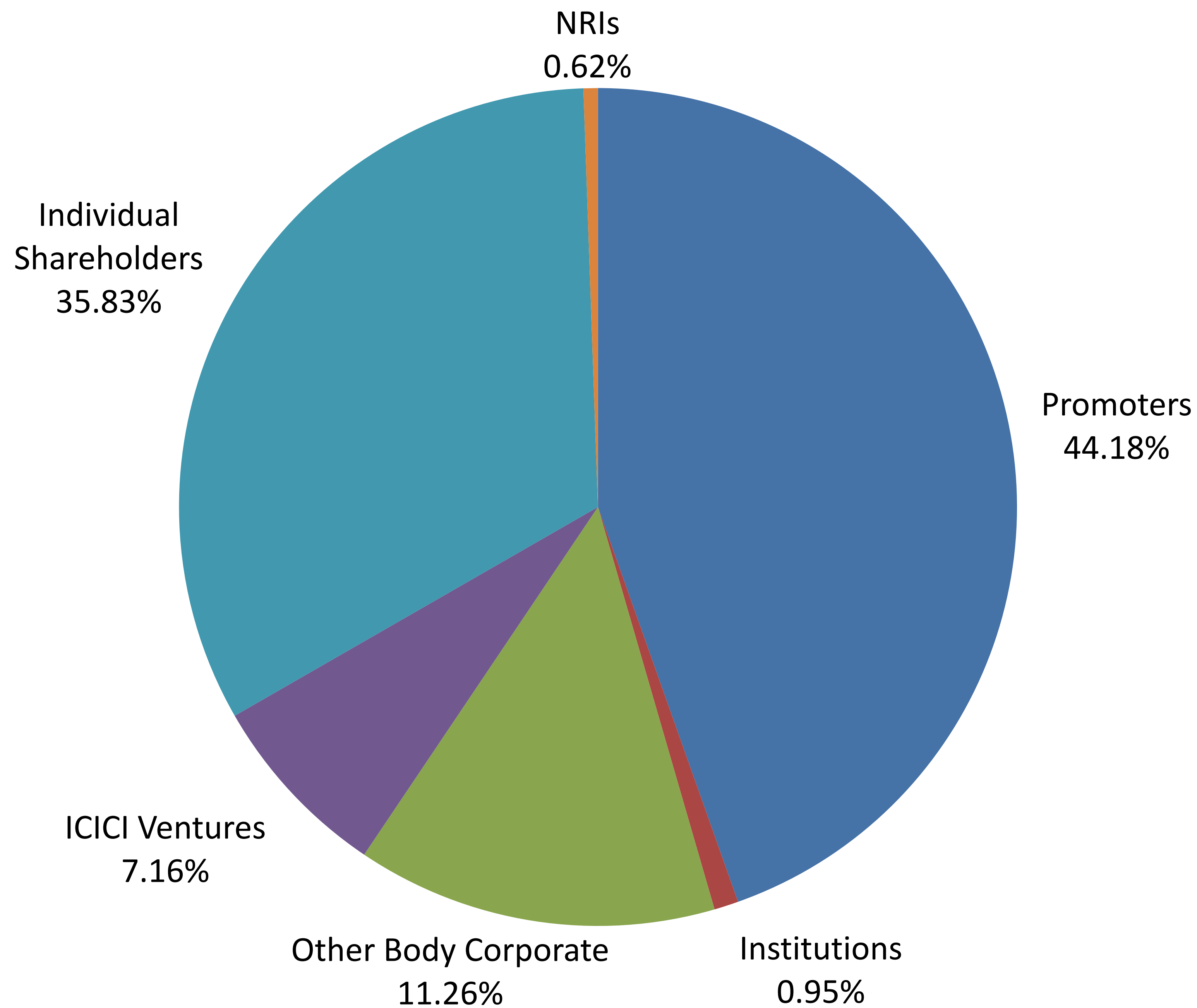
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Backed by visionary promoters and focused management team

# Corporate Structure



# Shareholding



As on 31<sup>st</sup> Mar 2011

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## Industry Overview

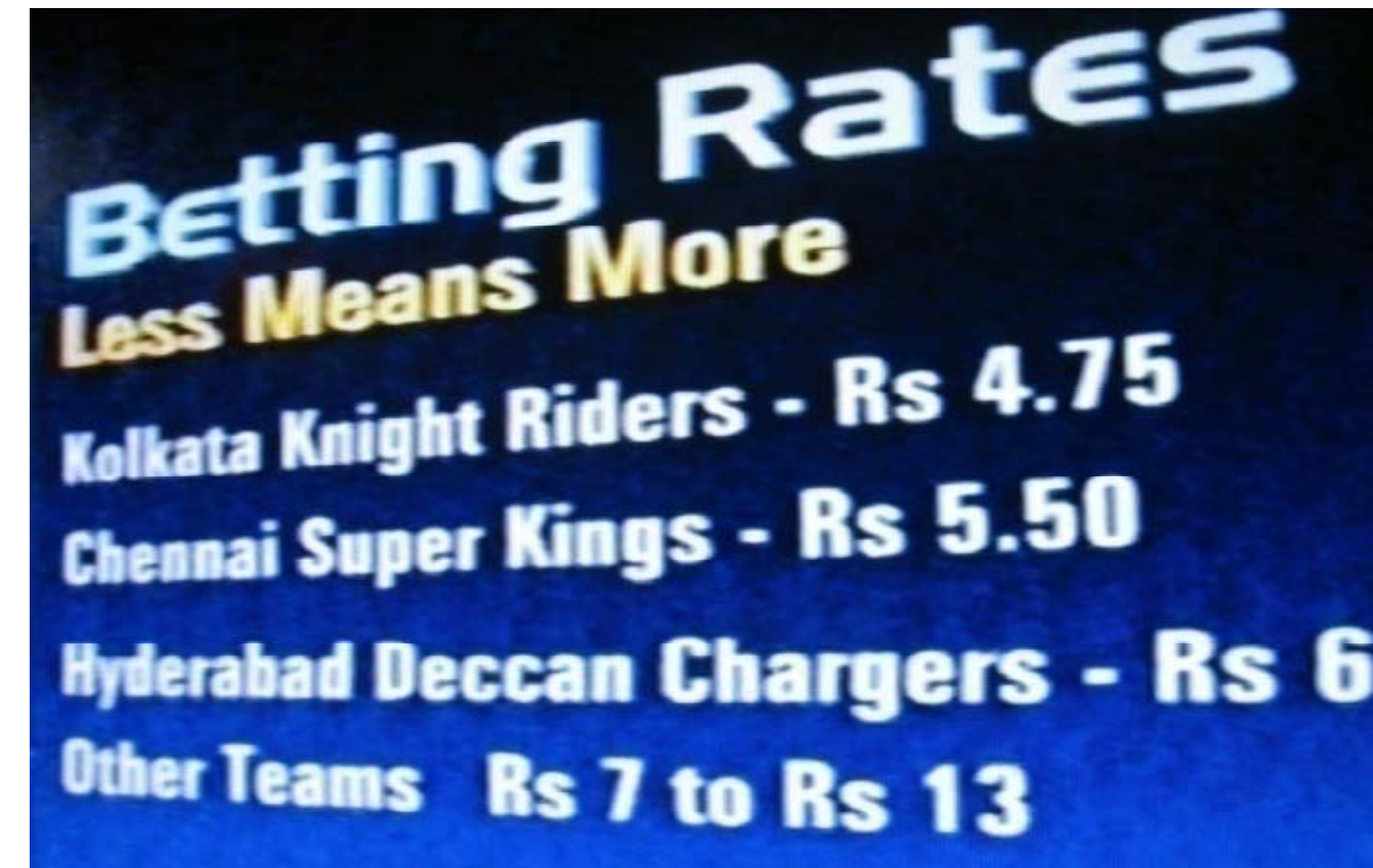
# Gaming in India

## Lottery tickets – for the ‘masses’



Industry  
valued at  
**\$12.5bn**

## Cricket betting – in Indian blood !



**\$1.5bn**  
wagered in  
one World  
Cup match

## Horse Racing – for the ‘upper crust’



Annual  
turnover  
**>\$250m**

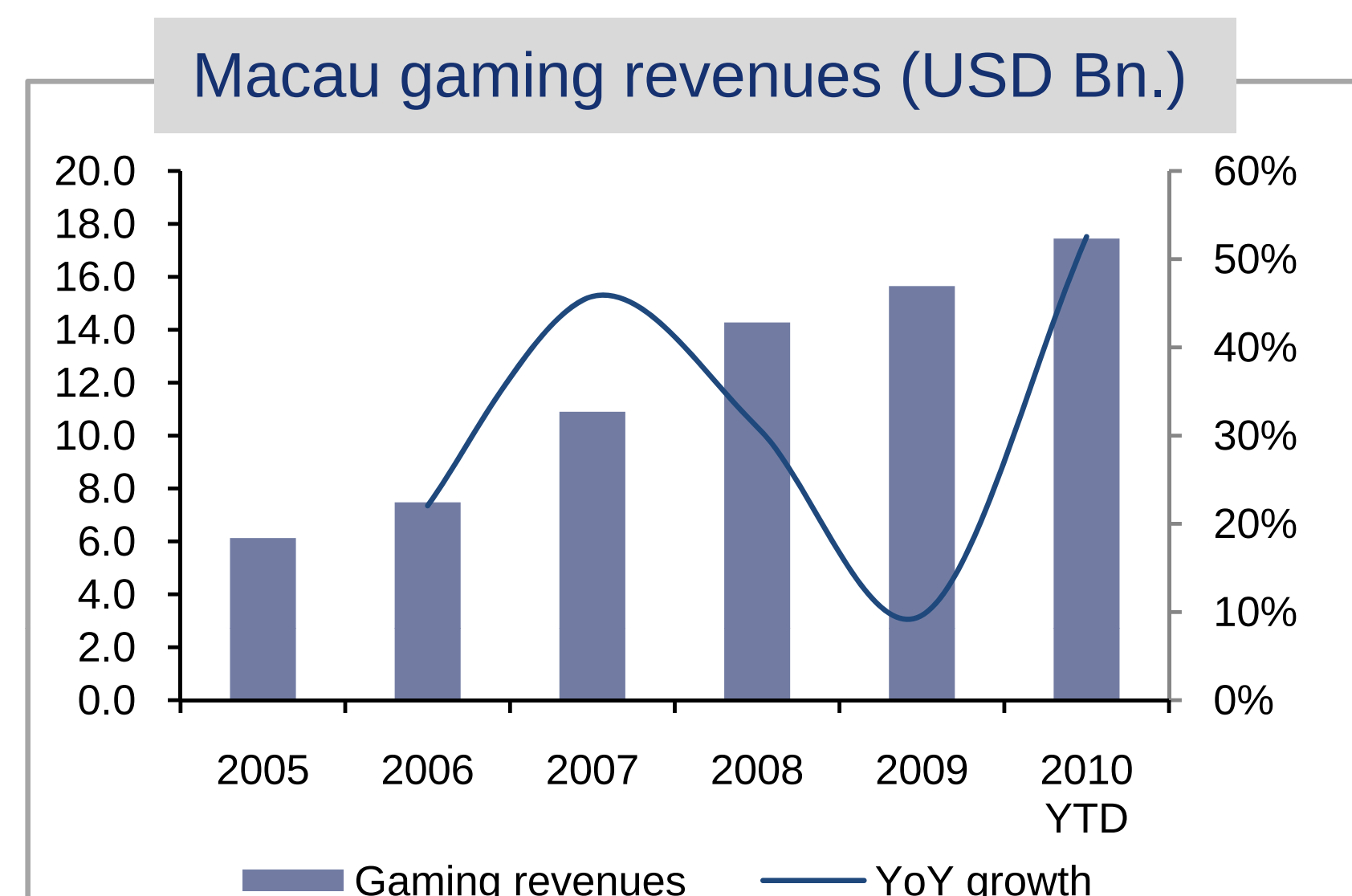
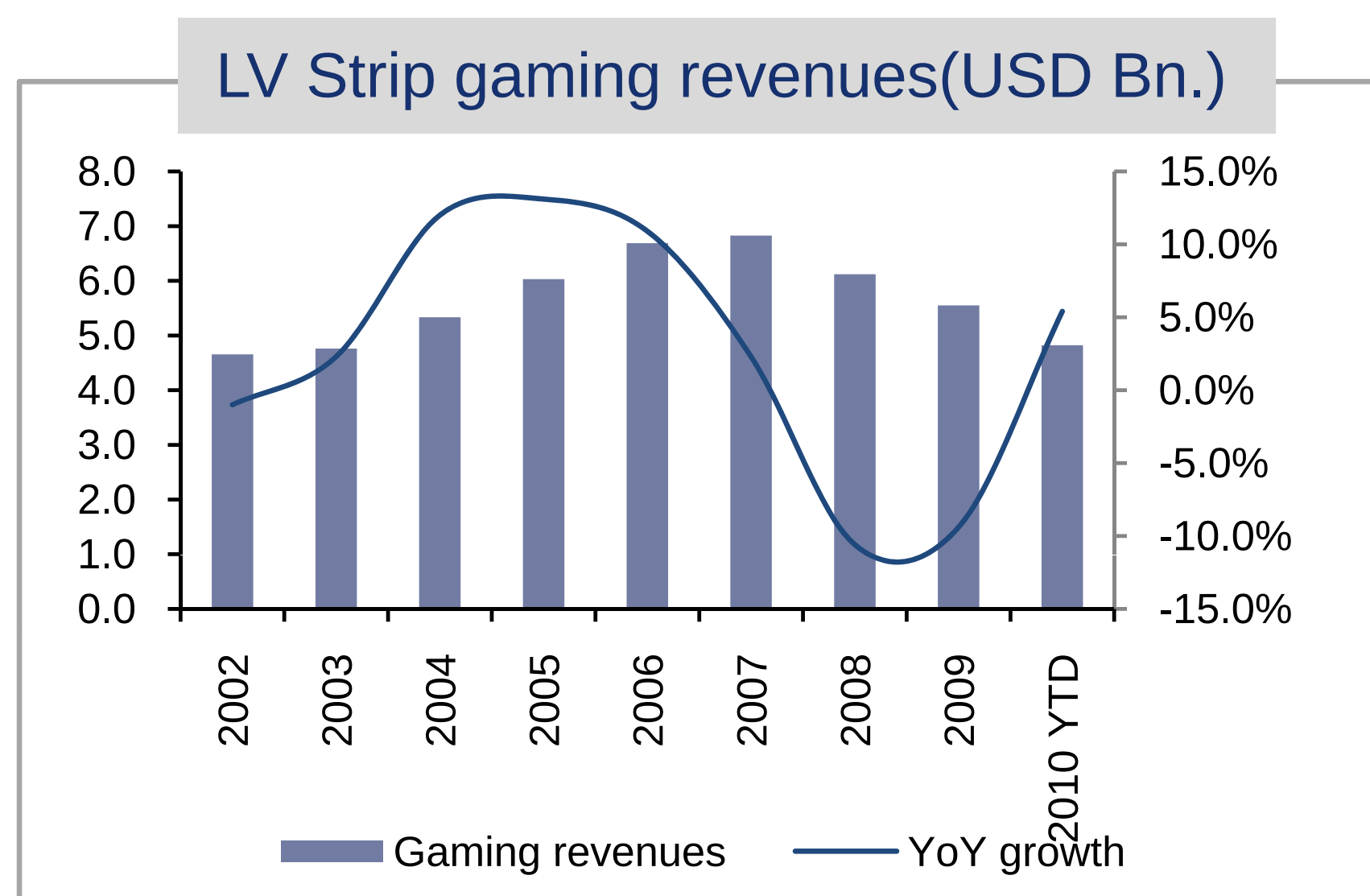
## BUT.. A Casino ?



Annual  
turnover  
**<\$50m**

# Robust Gaming Growth

- ❑ Delta Corp is the leading Indian gaming operator looking to tap the enormous potential of the Indian market
- ❑ Indians already have a high inclination towards gambling
- ❑ Rising income levels and favorable demographics
  - India has a very young population with a median age of just 25 years
  - The younger Indian population has more exposure to casino gaming through online gaming sites as well as social networking sites
- ❑ Macau and Singapore testaments to the Asian tendency towards gambling



# Goa – The beach capital of India

- ❑ Goa is famous for its beaches and its coastline stretches across 131km<sup>1</sup> of land
- ❑ Goa attracts two million tourists in a year
- ❑ The annual expenditure made by tourists in Goa has been estimated at INR 15.81 Bn.
- ❑ Goa tourism generates
  - 13.7 % of the state's net domestic product
  - 7% of employment
  - 7% of state tax revenues
- ❑ Goa is fast evolving as India's Gaming Capital
  - 6 Offshore Casinos and 12 Land based Casinos

1 [http://www.goa-tourism.com/abt\\_goa.asp?id=3](http://www.goa-tourism.com/abt_goa.asp?id=3)

\* Various publications

# Opportunities in Gaming

1

Sri Lanka – Potential to add tremendous value

2

FIPB approval in APCCPL

3

New Horseshoe boat – a potential game changer

4

Competitive advantage - Three off shore casinos

5

First mover advantage

## 3 Business Analysis

Gaming & Entertainment

Hospitality

Real Estate

# Footprint (Gaming & Hospitality)



| Casino           | Year<br>Opened/Acquired | Location | Gaming<br>Positions | Status                      |
|------------------|-------------------------|----------|---------------------|-----------------------------|
| Horseshoe Casino | 2011                    | Goa      | 1500                | To commence in Jan 2012     |
| Casino Jackpot   | 2011                    | Daman    | 1000                | To commence in Oct 2011     |
| Casino Caravela  | 2010                    | Goa      | 190                 | Operational                 |
| Casino Royale    | 2008                    | Goa      | 480                 | Operational                 |
| Kings Casino     | 2008                    | Goa      | -                   | To be replaced by Horseshoe |

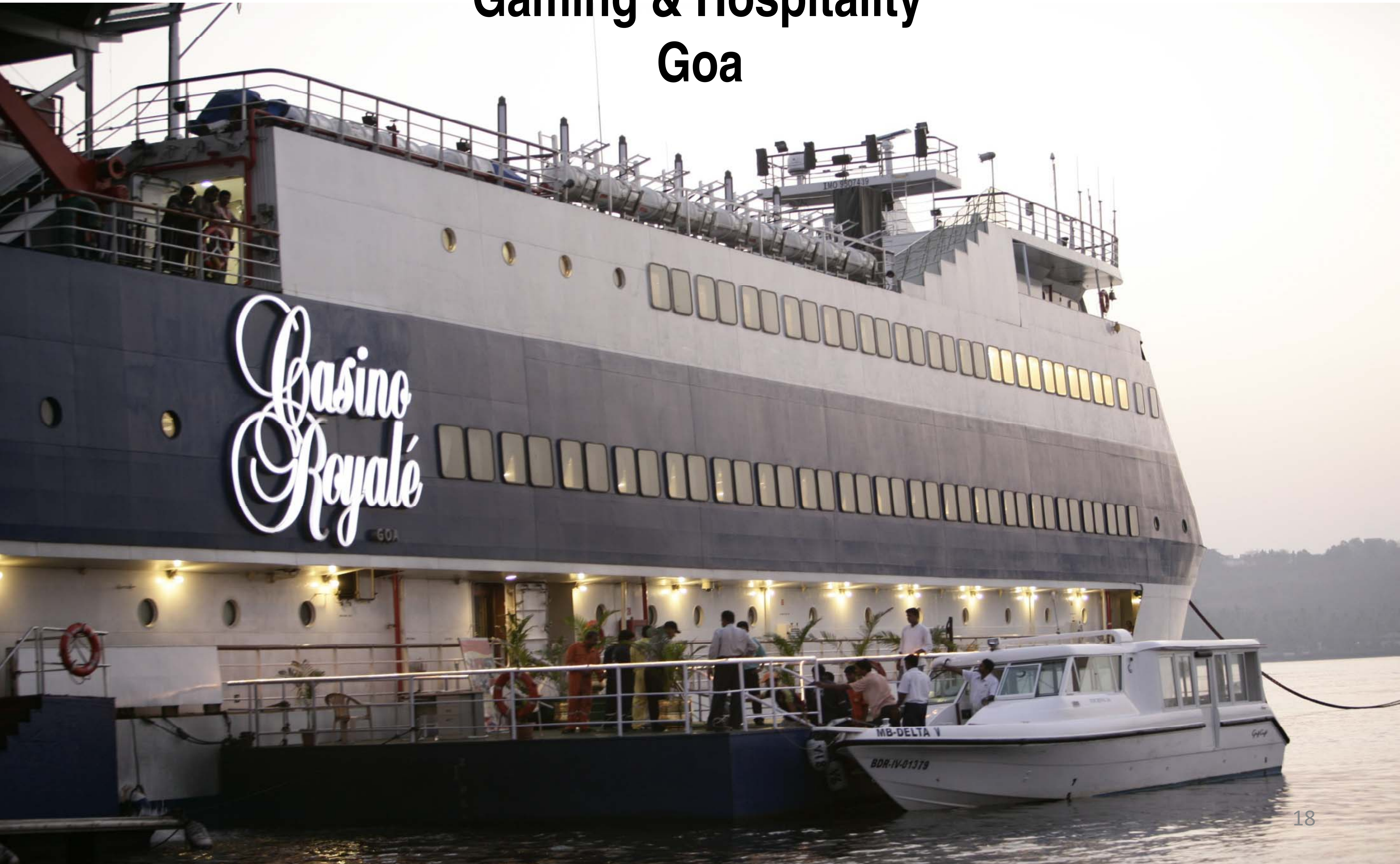
| Hotel               | Year<br>Opened/Acquired | Location | Rooms | Status                    |
|---------------------|-------------------------|----------|-------|---------------------------|
| Thunderbird Resorts | 2011                    | Daman    | 179   | To commence in Oct 2011   |
| Marvel Resorts*     | 2011                    | Goa      | 300   | To commence in early 2014 |
| Ramada Caravela**   | 2008                    | Goa      | 202   | Operational               |
| Dolphin Floatel     | 2008                    | Goa      | 16    | To commence in Oct 2011   |

Note: \* Expected to have 20,000 square feet of gaming space with 50 tables and 30 slots

\*\* Delta holds 35% stake



## Gaming & Hospitality Goa



- Goa and Sikkim are the only two Indian states which have issued live gaming casino licenses. Goa issued 6\* licenses in 2008, of which 3 are owned by Delta. A list of licenses issued in Goa are as follows:

| Name of Casino        | Owner                                                                                                  | Operational |
|-----------------------|--------------------------------------------------------------------------------------------------------|-------------|
| Casino Royale         | Highstreet Cruises & Entertainment (100% Subsidiary of DCL)                                            | Yes         |
| Kings Casino**        | Victor Hotels and Motels (100% Subsidiary of DCL)                                                      | No          |
| Caravela (Casino Goa) | Advani Pleasure Cruises Company Pvt. Ltd. (51% Subsidiary of DCL)                                      | Yes         |
| Pride of Goa          | Goa Coastal Resorts owned by Khetarpal                                                                 | Yes         |
| Boa Sorte             | Salgaonkar Group – business family based in Goa, owners of the Marriott Hotel, Goa                     | Yes         |
| Casino Rio            | MDLR Group – has diversified interests in real estate, hospitality & resorts, restaurants and airlines | No          |

**No new licenses are expected to be issued in Goa**

• One license was issued prior to 2008 (Casino Goa) and 5 were issued in 2008

\*\* to be replaced by Horseshoe

# Casino Royale



**Casino Royale**



**Gaming Deck**



**Live Entertainment**

- ❑ India's largest live offshore gaming casino with 4 operational decks, covering an area of 31,900 sq ft
- ❑ Offering 480 live gaming positions, live kitchen of 6,000 sq. ft. and other entertainment areas like amphitheater with live music
- ❑ Other facilities include a crèche, a helipad and 3 suites usually occupied by high rollers and their families
- ❑ It also offers separate VVIP and VIP gaming rooms for high rollers
- ❑ Within two years of operations, Casino Royale has witnessed over 250,000 visitations

# Kings Casino



**Horseshoe**



**Gaming Deck**

- ☐ Horseshoe our new boat will be home to the erstwhile Kings Casino
- ☐ Horseshoe is expected to have 1,500 gaming positions with 155 tables and 250 slot machines
- ☐ Positioned to attract higher visitation
- ☐ Horseshoe purchased from Harrah's (Caesar's Corporations) Gaming for an all in cost of INR 600 Mn.
- ☐ Horseshoe is expected to commence operations at the start of Jan 2012 in order to coincide with Goa's peak season and reap maximum benefits



**Caravela**



**Gaming Deck**

- ❑ Delta Corp owns 51% in Advani Pleasure Cruise Company Pvt. Ltd. (APCCPL) which in turn owns the Caravela casino; India's first offshore live gaming casino
- ❑ APCCPL is currently the only gaming entity in India which has FIPB approval
- ❑ Caravela offers 190 gaming positions with 20 live gaming tables and 10 slots machines

# Hotel Operations in Goa



**Ramada Caravela Beach Resort**

- ❑ Delta holds a 35% stake in Advani Hotels & Resorts
- ❑ 5-star deluxe luxury beach resort
  - 202 operational rooms
  - 2,000 square feet of gaming space
- ❑ FSI available of approximately 60,000 square feet
- ❑ Dining amenities and other facilities



**Marvel Resorts**

- ❑ 300 room luxury hotel
- ❑ Integrated resort hotel with gaming and entertainment facilities
- ❑ 20,000 square feet of gaming space
- ❑ Multi cuisine restaurant and high end Spa
- ❑ Expected to commence operations from **Jan 2014**



**Dolphin Floatel**

- ❑ Goa's first Floating hotel
- ❑ 16 all-suite rooms
- ❑ Will be most the most luxurious accommodation for our high rolling guests
- ❑ Expected to commence operations from **Oct 2011**



# Gaming & Hospitality Daman



# Thunderbird Resorts



Room Rendering



Casino Rendering

- ❑ Largest integrated resort convention complex in Daman (spread over 10 acres) and in India
- ❑ 179 five star plus category hotel rooms
- ❑ 60,000 square feet of gaming space
- ❑ 29,000 sq ft of indoor event and meeting area and 70,000 sq ft of outdoor pools and events area
- ❑ Three bars and four restaurants
- ❑ High-end end shopping facility, spread over large area



## Real Estate in Kenya, Nairobi



## Kenya

- ❑ With a GDP of \$39 Bn (nom), Kenya is the 5th largest African economy
- ❑ Kenya's current population is approximately 40 Mn., growing at 2.6% per year
- ❑ Expanding middle-class population of 2 Mn., creating a strong demand for goods and services
- ❑ 90% of Adults in Kenya are literate and speak the English language
- ❑ A stable democratic republic with a history of progressive policies

## Nairobi

- ❑ Nairobi is the political and financial capital of Kenya
- ❑ With a population of 3 Mn., Nairobi is the most populous city in East Africa
- ❑ Busiest airport in East Africa serving 5 Mn passengers per year

- ❑ Delta Corp entered into a 40:60 JV with a wholly-owned subsidiary of Reliance Industries Limited to develop real estate in East Africa
- ❑ The JV has already invested INR 2 Bn and has acquired 9 plots of land in prime locations of Nairobi
  - Approximately 2Mn. Sq. ft. is to be developed for commercial and residential purposes
  - Currently, four live projects are under various stages of development
- ❑ Delta Corp has recently consummated the sale of its development namely, Delta Centre to World Bank for an amount of approximately KES 1.98Bn (US\$ 22.8 Mn).
- ❑ Delta Corp has successfully developed and leased one project to the Kenyan Ministry of Justice & Constitutional Affairs
- ❑ Delta Corp aims to continuously expand its respectiveland bank in East Africa for future developments

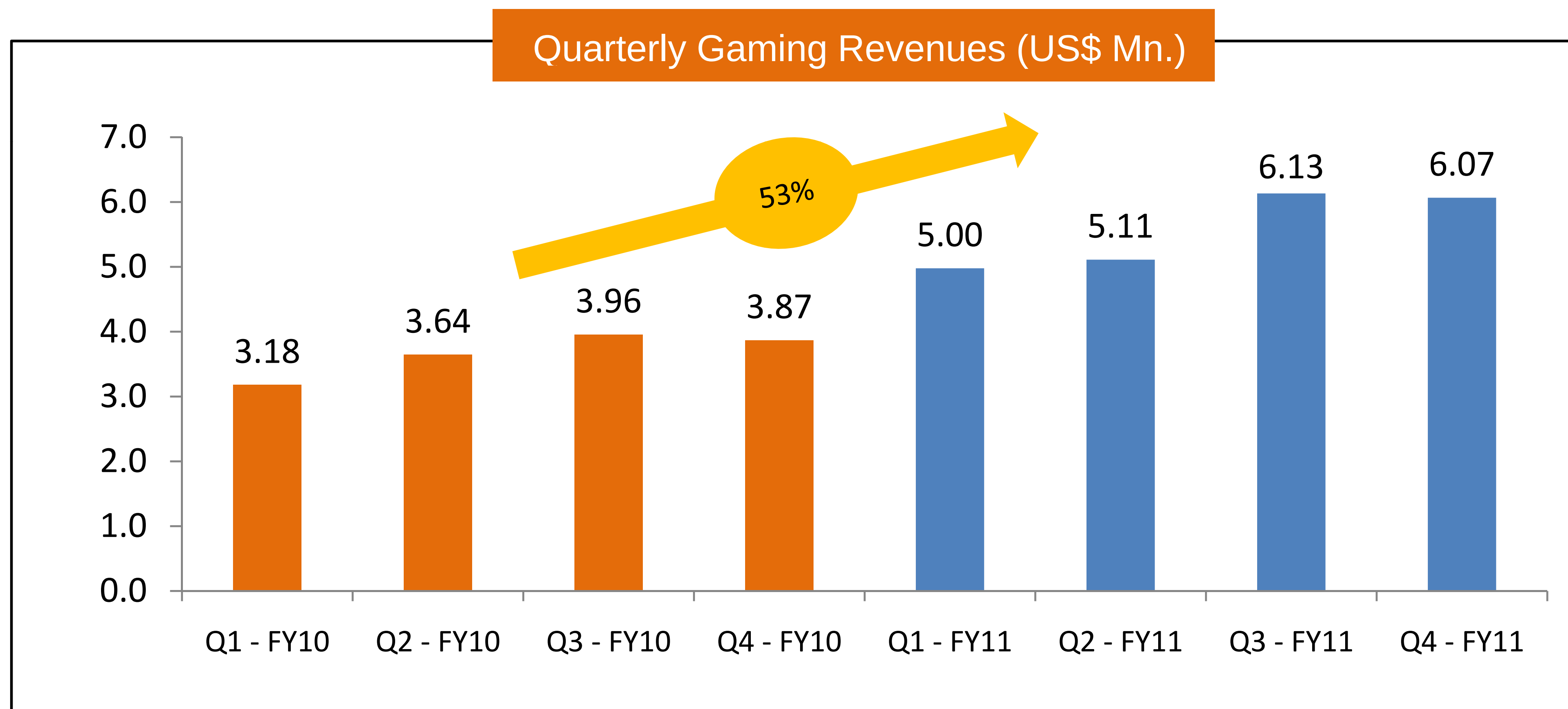
# Projects in Nairobi

| Project                            | Delta Corner                                                                       | Delta Center                                                                        | Delta River Side                                                                     | Delta Plains                                                                         |
|------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Artistic Impression /Actual Photos |  |  |  |  |
| Location                           | Westlands                                                                          | Upper Hill                                                                          | Westlands                                                                            | Athi River                                                                           |
| Project plan                       | Commercial                                                                         | Commercial                                                                          | Commercial                                                                           | Residential                                                                          |
| Land area                          | 2.2 acres                                                                          | 0.89 acres                                                                          | 1.2 acres                                                                            | 10 acres                                                                             |
| FSI                                | 2.4                                                                                | 3.76                                                                                | 1.14                                                                                 | -                                                                                    |

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## Financial Performance

# Strong Financial Performance



| Particulars (US\$ Mn.) | Gaming and Hospitality |           | Consolidated |
|------------------------|------------------------|-----------|--------------|
|                        | 31-Mar-10              | 31-Mar-11 | 31-Mar-11    |
| Total Income           | 14.60                  | 22.53     | 85.03        |
| Operating Expenditure  | 12.12                  | 16.22     | 42.48        |
| EBDITA                 | 2.49                   | 6.31      | 42.55        |
| % EBDITA               | 17%                    | 28%       | 50%          |

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## Annexure

# Management Team

## Jaydev Mody

*Chairman*

Delta Corp Ltd.

- Jaydev has over 25 years of experience in the field of real estate development and textiles
- He has been responsible for developing several residential complexes, office complexes and retail destinations in and around Mumbai including 'Crossroads' – Mumbai's first large format retail mall equipped with international standards

## Ashish Kapadia

*Managing Director*

Delta Corp Ltd.

- Ashish is an entrepreneur and has successfully established and managed several businesses. He holds over 15 years of work experience
- He has experience in various industries including paints, textiles, polyester, financial services and aviation

## Nileesh A. Shah

*Executive Vice-Chairman*

Delta Corp East Africa

- Nileesh has over 30 years of experience in conducting various successful businesses in East Africa
- He has experience in various industries including business supplies in emergency aid equipment to NGOs operating out of East Africa and also engaged in the business of import & distribution of fertilizers

# Management Team



## **Narinder Punj**

*Managing Director*  
Highstreet Cruises  
& Entertainment

- Narinder has over 30 of experience in hospitality, entertainment and gaming
- Narinder's previous employment includes hotels, land based and cruise based casinos namely Hotel Holiday Inn - Juhu, Hotel Al Mansour Melai - Baghdad, Royal Caribbean Cruise Lines, Royal Viking Lines, Norwegian Cruise Lines, Casino Poland, Casino Goa and Casino Bucharest
- Narinder has completed his bachelor in Commerce degree from St. Xavier's College, Kolkata

## **Hardik Dhebar**

*Group CFO*  
Delta Corp Ltd.

- Hardik has over 14 years of experience in finance, treasury operations and also has exposure in M&A and financial restructuring
- Hardik's previous employment includes large listed companies like the Piramal group of companies i.e. Nicholas Piramal Limited, Morarjee Textiles Limited and Peninsula Land Limited

## **Anil Malani**

*President of Operations*  
Highstreet Cruises &  
Entertainment

- Anil has over 25 years of experience various in businesses namely hospitality, entertainment, IT, electronics and office automation
- Anil's previous employment includes Esquire Group of Companies, Aims Int'l Ltd and Amazon Food & Beverages (P) Ltd (Garcia's Famous Pizza)
- Prior to joining Delta Corp Anil was with Clover Solar Pvt. Ltd.

# Thank you

