

**GALAXY ENTERTAINMENT CORPORATION LIMITED**

CIN: L51900MH1981PLC024988

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**Statement of Unaudited Financial Results for the Quarter ended June 30, 2016**

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter Ended	
		30-Jun-2016	30-Jun-2015
		(Unaudited)	(Unaudited)
1	Income from operations		
	(a) Net sales/Income from operations	857.62	1,544.41
	(b) Other operating income	0.55	10.15
	<b>Total Income from operations</b>	<b>858.17</b>	<b>1,554.56</b>
2	<b>Expenses</b>		
	(a) Cost of materials consumed	5.94	85.44
	(b) Purchase of stock-in-trade	798.89	1,248.13
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-
	(d) Employee benefits expense	17.64	69.05
	(e) Depreciation and amortisation expense	25.19	74.57
	(f) Impairment of Fixed Assets	652.05	-
	(g) Provision for Contingency	653.36	-
	(h) Net (Gain) / Loss on foreign currency transactions and translation	45.21	(0.95)
	(i) Other expenses	39.19	141.82
	<b>Total expenses</b>	<b>2,237.47</b>	<b>1,618.06</b>
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	(1,379.30)	(63.50)
4	Other Income	45.68	95.83
5	Profit / (Loss) before finance costs and exceptional items (3 + 4)	(1,333.62)	32.33
6	Finance costs	46.12	43.64
7	Profit / (Loss) before exceptional items (5 - 6)	(1,379.74)	(11.31)
8	Exceptional Items	-	-
9	Profit / (Loss) before tax (7 + 8)	(1,379.74)	(11.31)
10	Tax expense	-	-
11	Net Profit / (Loss) for the period (9 + 10)	(1,379.74)	(11.31)
12	Other comprehensive income, net of income tax		
	A. Items that will not be reclassified to profit or loss	-	-
	B. Items that will be reclassified to profit or loss	-	2.72
	Total other comprehensive income, net of income tax	(1,379.74)	(8.59)
13	Total comprehensive income for the period (11 + 12)	(1,379.74)	(8.59)
14	Earnings per share (of Rs 10/- each) (not annualised):		
	Basic and Diluted	(8.82)	(0.05)
	See accompanying note to the financial results		

**Notes to the financial results:**

1 The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors of the Company at its meeting held on September 12, 2016.

Based on SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016, the Company has opted to present IND AS compliant comparatives for quarter ending on June 30, 2015, without subjecting to Limited Review / Audit. However, the management has exercised necessary due diligence to ensure that these provide a true and fair view of its affairs.

2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015.

The format for un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.



### 3 Standalone Segment Reporting

Sr. No.	Particulars	Quarter Ended	
		30-Jun-16	30-Jun-15
		(Unaudited)	(Unaudited)
1	Segment Revenue		
a)	Leisure and Entertainment Services	59.05	301.16
b)	Trading Merchandise	799.12	1,253.40
	Total	858.17	1,554.55
	Less: Inter Segment Revenue	-	-
	Net sales/income from Operations	858.17	1,554.55
2	Segment Result		
a)	Leisure and Entertainment Services	(1,426.08)	(57.50)
b)	Trading Merchandise	0.23	5.27
	Total	(1,425.85)	(52.23)
	Less: Other un-allocable expenditure net off un-allocable income	(46.12)	(43.64)
	Total Profit Before Tax	(1,379.74)	(8.60)
3	Segment Assets		
a)	Leisure and Entertainment Services	94.74	69.04
b)	Trading Merchandise	824.20	1,278.48
	Total Segment Assets	918.94	1,347.51
4	Segment Liabilities		
a)	Leisure and Entertainment Services	1,054.81	1,363.65
b)	Trading Merchandise	881.01	1,275.74
	Total Segment Liabilities	1,935.83	2,639.38

4 "The statement does not include Ind AS compliant results for the preceding quarter and previous year ended March 31, 2016 as the same is not mandatory as per SEBI's circular dated July 5, 2016".

5 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Sr. No	Nature of Adjustment	As on 30.06.2015
	Net Profit & Loss as per Previous GAAP	(10.13)
i	Add : Deferment of revenue	2.19
ii	Less : Measurement of Financial Liabilities at amortised cost	(0.65)
iii	Less : Actuarial gain / (loss) on employee defined benefit funds recognised in other Comprehensive Income	(2.72)
	Net Profit & Loss before OCI as per Ind AS	(11.31)
iv	Add : Actuarial gain / (loss) on employee defined benefit funds recognised in other Comprehensive Income	2.72
	<b>Net Profit &amp; Loss after OCI as per Ind AS</b>	<b>(8.59)</b>

6 The Company had imported Capital Goods under the Export Promotion Capital Goods Scheme of the Government of India, at concessional rates of duty, on an undertaking to fulfill export obligation. The company has sought a further extension to fulfill export obligation, however the company has not received any communication for further extension from the office of the DGFT hence the provision for the customs duty liability excluding interest has been made during the period.

7 A winding up petition filed by Manjiro Works, Japan against the company under Section 433 (e) / 434 of the Companies Act, 1956 before the Hon'ble High Court of Bombay has been dismissed on 20th July 2016.

8 Impairment of Fixed Assets to the extent of Rs. 6.52 crores was made in terms of IND AS.

9 To improve operational efficiency, some of the loss making units of the Company being closed down.

For and on behalf of Board

Sunil Bhat  
Director  
DIN: 00006583







# **S A R A & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

202, MAY Building, 297/299/301, Princess Street, Near Marine Lines Flyover Bridge, Marine Lines, Mumbai -400 002. Tel. No.: 49227200 • Fax :2209 1106 • E-mail sara\_ca@vsnl.net

### **THE BOARD OF DIRECTORS GALAXY ENTERTAINMENT CORPORATION LIMITED**

1. We have reviewed the unaudited financial Results of **GALAXY ENTERTAINMENT CORPORATION LIMITED** ("the Company") for the quarter ended June 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEB(Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the statement in accordance with the standards on review engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

### **Emphasis of Matter**

3. Without qualifying our opinion, we draw attention to Note No. 6 to the Statement wherein the Company had imported Capital Goods under the Export Promotion Capital Goods Scheme of the Government of India, at concessional rates of duty, on an undertaking to fulfill export obligation. The company has provided for the custom duty of Rs. 653.36 Lakhs excluding interest during the period under review.
4. We draw attention to Note No. 8 wherein the management has represented to us that the recoverable amount of assets within the meaning of Ind AS 36 Impairment of Assets is less than the carrying value and as such impairment loss of Rs. 652.05 Lakhs is recognized in the Statement. We have not performed an audit and, accordingly, we do not express an audit opinion.





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5. Without qualifying our opinion, we draw attention to the Statement which indicates that the company incurred a net loss of Rs. 1,379.74 Lakhs during the quarter ended June 30, 2016 particularly on account of the provisions made in terms of Emphasis of Matters para 3 and 4 above. As of that date, the accumulated losses of the Company exceeded its paid-up capital and reserves and the Company's current liabilities exceeded its current assets. The management of the Company made representations that the business of the Company cannot be affected materially on account of the aforesaid provisions and also the going concern concept.
6. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We have not reviewed the financial results and other financial information for the Quarter ended June 30, 2015 which have been presented solely based on the financial information compiled by the Management.

**For S A R A & Associates**  
Chartered Accountants  
Firm Registration No.120927W



**Alok Bairagra**  
Partner  
Membership No. 105153



Place: Mumbai  
Date: 12/09/2016