

**GALAXY ENTERTAINMENT CORPORATION LIMITED**

**CIN: L51900MH1981PLC024988**

**Regd Off. : 3rd Floor, Block A, Orchid City Center Mall, 225, Bellasis Road, Mumbai-400008**

**Email : investors@thegalaxycorp.com, Tel: 022-66201743, Fax: 022 66201463**

**Statement of Financial Results for the Quarter and Year Ended March 31, 2017**

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-2017	31-Dec-2016	31-Mar-2016	31-Mar-2017	31-Mar-2016
		(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Income from operations					
	(a) Revenue from operations	1,562.16	964.19	95.12	4,174.82	4,289.69
	(b) Other Income	131.69	34.29	230.91	691.30	525.59
	<b>Total Income from operations</b>	<b>1,693.85</b>	<b>998.48</b>	<b>326.03</b>	<b>4,866.12</b>	<b>4,815.28</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	31.60	54.72	26.78	95.34	261.83
	(b) Purchase of stock-in-trade	1,504.54	874.12	-	3,927.17	3,470.00
	(c) Employee benefits expense	19.80	15.99	17.20	70.02	200.54
	(d) Finance costs	55.35	52.11	61.02	200.87	190.28
	(e) Depreciation and amortisation expense	25.19	25.19	44.75	100.75	268.28
	(f) Other expenses	29.97	45.19	141.87	160.54	527.54
	(g) Impairment of Fixed Assets	-	-	-	1,050.25	-
	(h) Provision for Contingency	-	-	-	653.36	-
	(i) Net (Gain) / Loss on foreign currency transactions and translation	-	-	25.65	27.57	46.88
	<b>Total expenses</b>	<b>1,666.45</b>	<b>1,067.32</b>	<b>317.27</b>	<b>6,285.87</b>	<b>4,965.35</b>
3	Profit / (Loss) before exceptional items (1-2)	27.40	(68.84)	8.76	(1,419.75)	(150.07)
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before tax (3-4)	27.40	(68.84)	8.76	(1,419.75)	(150.07)
6	Tax expense	-	-	-	-	-
7	Net Profit / (Loss) for the period (5-6)	27.40	(68.84)	8.76	(1,419.75)	(150.07)
8	Other comprehensive income/(loss), net of income tax					
	A. Items that will not be reclassified to profit or loss	(1.58)	-	2.72	(1.58)	10.87
	B. Items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total other comprehensive income/(Loss), net of income tax</b>	<b>25.82</b>	<b>(68.84)</b>	<b>11.48</b>	<b>(1,421.33)</b>	<b>(139.20)</b>
9	<b>Total comprehensive income/(Loss) for the period (7-8)</b>	<b>25.82</b>	<b>(68.84)</b>	<b>11.48</b>	<b>(1,421.33)</b>	<b>(139.20)</b>
10	Earnings per share (of Rs 10/- each) (not annualised):					
	Basic and Diluted	0.18	(0.44)	0.06	(9.07)	(0.96)
	See accompanying note to the financial results					



**Balance Sheet as at March 31, 2017**

Particulars	Audited	
	As at 31.03.2017	As at 31.03.2016
<b>Assets</b>		
<b>Non Current Assets</b>		
Property, Plant and Equipment	1,094.62	2,452.36
Other Intangible Assets	-	1.81
Financial Assets		
Other Non Current Financial Assets	197.22	206.32
Other Non Current Assets	58.78	61.89
<b>Current Assets</b>		
Inventories	17.92	1.19
Financial Assets		
Investments	-	-
Trade Receivables	1,684.03	108.83
Cash and Cash Equivalents	4.59	18.49
Loans and Advances	24.59	24.37
Other Current Assets	52.56	5.80
<b>Total Assets</b>	<b>3,134.31</b>	<b>2,881.06</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	1,564.99	1,564.99
Other Equity	(3,082.73)	(1,661.40)
<b>Liabilities</b>		
<b>Non Current Liabilities</b>		
Financial Liabilities :		
Non Current Borrowings	865.78	782.43
Non Current Provisions	2.88	2.41
<b>Current Liabilities</b>		
Financial Liabilities		
Current Borrowings	952.48	880.83
Other Current Financial Liabilities	-	2.39
Trade Payable	2,111.04	1,206.90
Other Current Liabilities	66.33	102.12
Current Provisions	653.54	0.39
<b>Total Equity and Liabilities</b>	<b>3,134.31</b>	<b>2,881.06</b>

**Notes to the financial results:**

- The aforesaid financial results were reviewed by Audit Committee of the Board and subsequently approved by the Board of Directors of the Company at its meeting held on May 22, 2017.
- 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 transition date of April 1, 2015.
- The result for the Quarter / Year ended March 31, 2017 are in compliance with Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs. Accordingly, the figures for the Quarter / Year ended March 31, 2016 have been made Ind-As compliant and restated to make them comparable with those of the current periods.
- The figure for the quarter ended March 31, 2016 and 2017 are the balancing figures between the audited figures in respect of the full financial year and the year to date figures up to the third quarter of the said financial year.
- On consolidation basis, the Company has two reportable segments, viz Leisure and Entertainment and Trading Merchandise.

Segment Revenue results and other information include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.





## Segment Reporting

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-2017	31-Dec-2016	31-Mar-2016	31-Mar-2017	31-Mar-2016
		(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Segment Revenue					
a)	Leisure and Entertainment Services	57.33	89.66	95.12	246.53	810.70
b)	Trading Merchandise	1,504.83	874.54	-	3,928.29	3,478.99
	<b>Total Segment Revenue</b>	<b>1,562.16</b>	<b>964.20</b>	<b>95.12</b>	<b>4,174.82</b>	<b>4,289.69</b>
2	Segment Result					
a)	Leisure and Entertainment Services	82.46	(17.15)	69.78	(1,220.00)	31.22
b)	Trading Merchandise	0.29	0.42	-	1.12	8.99
	<b>Total</b>	<b>82.75</b>	<b>(16.73)</b>	<b>69.78</b>	<b>(1,218.88)</b>	<b>40.21</b>
c)	Less: Other un-allocable expenditure net off un-allocable income	(55.35)	(52.11)	(61.02)	(200.87)	(190.28)
	<b>Total Profit Before Tax</b>	<b>27.40</b>	<b>(68.84)</b>	<b>8.76</b>	<b>(1,419.75)</b>	<b>(150.07)</b>
3	Segment Assets					
a)	Leisure and Entertainment Services	158.72	110.24	95.88	158.72	95.88
b)	Trading Merchandise	1,537.43	1,556.63	25.08	1,537.43	25.08
	<b>Total Segment Assets</b>	<b>1,696.15</b>	<b>1,666.87</b>	<b>120.96</b>	<b>1,696.15</b>	<b>120.96</b>
4	Segment Liabilities					
a)	Leisure and Entertainment Services	461.84	603.47	1,124.77	461.84	1,124.77
b)	Trading Merchandise	1,649.20	1,670.86	82.12	1,649.20	82.12
	<b>Total Segment Liabilities</b>	<b>2,111.04</b>	<b>2,274.33</b>	<b>1,206.89</b>	<b>2,111.04</b>	<b>1,206.89</b>

6 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:

(Rs. In Lakhs)

Sr. No.	Nature of Adjustment	Notes	Quarter Ended 31-Mar-2016	Year Ended 31-Mar-2016
	Profit/(Loss) as per previous IGAAP		(13.68)	(202.25)
i	Deferment of revenue	a	0.67	5.10
ii	Measurement of Financial Liabilities at amortised cost	b	20.85	54.31
iii	Provision for Expected Credit Loss on Financial Assets	c	3.64	3.64
iv	Actuarial gain / (loss) on employee defined benefit funds recognised in other Comprehensive Income		(2.72)	(10.87)
	<b>Net profit/loss as per Ind AS</b>		<b>8.76</b>	<b>(150.07)</b>
v	Actuarial gain / (loss) on employee defined benefit funds recognised in other Comprehensive Income	C	2.72	10.87
	<b>Total Comprehensive Income / (Loss) as per Ind AS</b>		<b>11.48</b>	<b>(139.20)</b>

7 The reconciliation of Total Other Equity as reported in previous GAAP to Ind AS is as under:

(Rs. In Lakhs)

Sr. No.	Nature of Adjustment	Year Ended 31-Mar-2016
	Opening Other Equity Balance (as per IGAAP)	(1,684.17)
i	Deferment of revenue	(7.87)
ii	Measurement of Financial Liabilities at amortised cost	59.88
iii	Provision for Expected Credit Loss on Financial Assets	(29.24)
	<b>Closing Other Equity Balance (as per IND AS)</b>	<b>(1,661.40)</b>



**Notes :**

- a) Under Ind AS, revenue is recognised when services is provided i.e. when the games are played over the period of time. Whereas under previous gaap revenue from gaming business was recognised as and when prepaid gaming cards are purchased or recharged.
- b) Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.
- c) As per Ind AS 109, the group is required to apply expected credit loss model for recognising the allowance for doubtful debts.
- 8** Impairment loss derived out of the furnitue and fittings, plant and machinery and equipments of the units / outlets closed, are disclosed in note 2(g) of the statement of financial results.
- 9** 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 cutoms duty liability excluding interest has been made during the period.
- 10** Winding up petition filed by Manjiro Works, Japan against the Company under section 433 (e) / 434 of the Companies Act, 1956 was dismissed by the Hon'ble High Court of Bombay on July 20, 2016. The Company has made necessary accounting treatments (write back / off ) in this regard during the aforesaid financial year.
- 11** The Board also considered restructuring of business verticals in a most effcent manner by including additional activities.
- 12** To improve operational efficiency, some of the loss making units of the Company being closed down.
- 13** Previous year figures have been regrouped / reclassified / rearranged where necessary, to conform to current year's classification.
- 14** The aforesaid results have been filed with Stock Exchange under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are also avilable on the Stock Exchange website at [www.bseindia.com](http://www.bseindia.com) and on website of the Company at [www.thegalaxycorp.com](http://www.thegalaxycorp.com).

Place : Mumbai

Date : 22nd May, 2017

By order of the Board  
For Galaxy Entertainment Corporation Limited



*[Signature]*  
Sharad Rustagi  
Director  
DIN : 07232913





**Auditor's Report on Quarterly Financial Results and Year to Date Financial Results of the Galaxy Entertainment Corporation Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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

We have audited the accompanying statement of financial results of **GALAXY ENTERTAINMENT CORPORATION LIMITED** ("the Company") for the year ended 31<sup>st</sup> March, 2017 ("the Statement"), being submitted by the Company pursuant to the requirements 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. This Statement, which is the responsibility of the company's management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which is in accordance with the Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder (Ind AS) and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement based on our audit of related financial statements.

We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatements. An audit includes examining, on test basis, evidence supporting amounts disclosed in the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of information and according to the explanations given to us, the statement:

- i. is presented in accordance with the requirements 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; and
- ii. give true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, of the financial performance including Other Comprehensive Income and other financial information of the Company for the year ended 31 March, 2017.





# SARA & ASSOCIATES

## Chartered Accountants

Santosh Jain M.Com., F.C.A., DISA	Ramawatar Sharma B.Com., F.C.A.	Rajesh Agarwal B.Com., F.C.A.	Alok Bairagra B.Com., F.C.A.	Manoj Agarwal B.Com., F.C.A.
Govind Sharma M.Com., F.C.A., DISA	Sandeep Saini B.Com., F.C.A., DISA	Rachana Kanoi B.Com., F.C.A., C.S.	Kamal Sharma B.Com., F.C.A.	Dominic D'costa B.Com., A.C.A.

202, May Building, 297/299/301, Princess Street, Near Marine Lines Flyover, Mumbai - 400 002. | Tel: 4922 7200 | Fax: 2209 1106  
E-mail: info@sara-india.com Website: www.sara-india.com

### EMPHASIS OF MATTER

1. We draw attention to Note No. 8 wherein the management has represented to us that the recoverable amount of fixed assets within the meaning of Ind AS 36 Impairment of Assets is less than the carrying value and as such impairment loss of Rs.652.04 Lakhs is recognized in the statement.
2. Without qualifying our opinion, we draw attention to Note No. 9 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 year.
3. We draw attention to Note No. 10 to the statement, wherein the Company has written off fixed assets and written back the credit balance during the year based on order passed by Hon'ble High Court of Bombay dated July 20, 2016 dismissing the winding up petition filed by the creditor. However, an appeal has been filed against the said order by the Creditor (petitioner).
4. Without qualifying our opinion, we draw attention to the statement wherein the Company has reported a net loss of Rs.1,421.33/- Lakhs during the year particularly on account of impairment of fixed assets and provision made for contingencies in respect of export obligation. 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 has represented that the business of the company cannot be affected materially on account of the aforesaid provisions and also the going concern concept. Further as informed to us the Company has entered into new business and is hopeful of generating revenue.

Our Opinion is not modified in respect of these matters

### OTHER MATTER

The statement includes the results for the Quarter ended 31<sup>st</sup> March, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

**For S A R A & Associates**

Chartered Accountants

(Firm Registration No. 120927W)

*Alok Bairagra*

**Alok Bairagra**

Partner

Membership No. 105153

Mumbai

May 22, 2017

