

**Galaxy  
Entertainment  
Corporation  
Limited**

CIN : L51900MH1981PLC024988

December 14, 2016

Dept of Corporate Services (CRD)  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Dear Sir,

**Sub: Outcome of Board Meeting (from 12.30 p.m. to 3.15 p.m.)**

**Ref: Scrip Code: BSE - 506186**

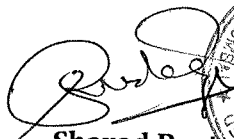
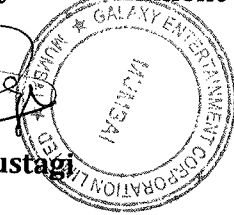
With reference to the above subject, please find enclosed herewith the un-audited financial results along with the Limited Review Report, interalia, approved by the Board of Directors at their meeting held on December 14, 2016 for the quarter and half year ended September 30, 2016 of the financial year ending March 31, 2017.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**For Galaxy Entertainment Corporation Limited**

**Sharad Rustagi**  
Director  
DIN: 07232913

Encl: a/a

Registered Office:

3rd Floor, Block A, Orchid City Centre Mall, 225, Bellasis Road, Mumbai - 400 008.

Corporate Office :

Future Group Office, 4th Floor, SOBO Central Mall, Near Haji Ali, No. 28, Pt. Madan Mohan Malviya Road, Tardeo, Mumbai Central (W), Mumbai - 400 034  
Tel. : 022 66201473 Fax No. : 022 66201473 Email : reachus@thegalaxycorp.com www.thegalaxycorp.com

**GALAXY ENTERTAINMENT CORPORATION LIMITED**

CIN: L51900MH1981PLC024988

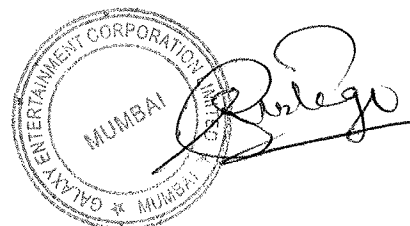
Regd Off. : 3rd Floor, Block A, Orchid City Center Mall, 225, Bellasis Road, Mumbai-400008

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

**Statement of Unaudited Financial Results for the Half Year ended September 30, 2016**

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended	
		30-Sep-2016	30-Jun-2016	30-Sep-2015	30-Sep-2016	30-Sep-2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Income from operations					
	(a) Net sales/Income from operations	789.86	857.62	1,428.45	1,647.48	2,972.86
	(b) Other operating income	0.43	0.55	7.74	0.98	17.88
	<b>Total Income from operations</b>	<b>790.29</b>	<b>858.17</b>	<b>1,436.19</b>	<b>1,648.46</b>	<b>2,990.74</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	3.07	5.94	89.69	9.01	175.13
	(b) Purchase of stock-in-trade	749.62	798.89	1,216.93	1,548.51	2,465.06
	(c) Employee benefits expense	16.59	17.64	67.67	34.23	136.72
	(d) Depreciation and amortisation expense	25.19	25.19	74.46	50.38	149.03
	(e) Impairment of Fixed Assets	-	652.05	-	652.05	-
	(f) Provision for Contingency	-	653.36	-	653.36	-
	(g) Net (Gain) / Loss on foreign currency transactions and translation	(17.64)	45.21	19.68	27.57	18.72
	(h) Fixed Assets Written Off	398.21	-	-	398.21	-
	(i) Other expenses	46.19	39.19	120.94	85.38	262.77
	<b>Total expenses</b>	<b>1,221.23</b>	<b>2,237.47</b>	<b>1,589.37</b>	<b>3,458.70</b>	<b>3,207.43</b>
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	(430.94)	(1,379.30)	(153.18)	(1,810.24)	(216.69)
4	Other Income	479.64	45.68	137.98	525.32	233.81
5	Profit / (Loss) before finance costs and exceptional items (3 + 4)	48.70	(1,333.62)	(15.20)	(1,284.92)	17.12
6	Finance costs	47.29	46.12	41.71	93.41	85.35
7	Profit / (Loss) before exceptional items (5 - 6)	1.41	(1,379.74)	(56.91)	(1,378.33)	(68.23)
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) before tax (7 + 8)	1.41	(1,379.74)	(56.91)	(1,378.33)	(68.23)
10	Tax expense	-	-	-	-	-
11	Net Profit / (Loss) for the period (9 + 10)	1.41	(1,379.74)	(56.91)	(1,378.33)	(68.23)
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	-	5.44
	Total other comprehensive income, net of income tax	1.41	(1,379.74)	(54.19)	(1,378.33)	(62.79)
13	Total comprehensive income for the period (11 + 12)	1.41	(1,379.74)	(54.19)	(1,378.33)	(62.79)
14	Earnings per share (of Rs 10/- each) (not annualised):					
	Basic and Diluted	0.01	(8.82)	(0.35)	(8.81)	(0.40)
	See accompanying note to the financial results					



**Unaudited Statement of Assets & Liabilities as on September 30, 2016**

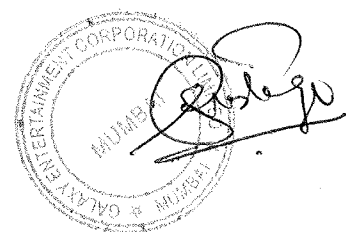
(Rs. In Lakhs)

Particulars	As at 30.09.2016
<b>(A) ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	1,145.00
<b>Financial assets</b>	
Other non-current financial assets	192.44
Other non-current assets	40.22
<b>Total non-current assets</b>	<b>1,377.66</b>
<b>Current assets</b>	
Inventories	1.57
<b>Financial assets</b>	
Trade receivables	857.53
Cash and cash equivalents	10.12
Short term loans and advances	77.88
Other current assets	20.38
Total current assets before non-current assets classified as held for sale	967.48
Non-current assets classified as held for sale	208.54
<b>Total current assets</b>	<b>1,176.02</b>
<b>Total Assets</b>	<b>2,553.68</b>
<b>(B) EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Equity Share Capital	1,564.99
Other Equity	(3,039.72)
<b>Total Equity</b>	<b>(1,474.73)</b>
<b>Liabilities</b>	
<b>Non Current Liabilities</b>	
<b>Financial Liabilities</b>	
Long Term Borrowings	826.74
Long Term Provisions	2.26
<b>Total Non Current Liabilities</b>	<b>829.00</b>
<b>Current Liabilities</b>	
<b>Financial Liabilities</b>	
Short Term Borrowings	954.01
Trade Payables	1,411.35
Other Current Financial Liabilities	1.76
Other Current Liabilities	178.86
Short Term Provisions	653.43
Total current liability before liabilities directly associated with assets classified as held for sale	3,199.41
Liabilities directly associated with assets classified as held for sale	-
<b>Total Current Liabilities</b>	<b>3,199.41</b>
<b>Total Equity and Liabilities</b>	<b>2,553.68</b>

**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 December 14, 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 end half year ended September 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 Segment Reporting

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended	
		30-Sep-2016	30-Jun-2016	30-Sep-2015	30-Sep-2016	30-Sep-2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Segment Revenue					
a)	Leisure and Entertainment Services	40.49	59.05	207.91	99.54	517.68
b)	Trading Merchandise	749.80	799.12	1,219.65	1,548.92	2,473.05
	Total	790.29	858.17	1,427.56	1,648.46	2,990.74
	Less: Inter Segment Revenue	-	-	-	-	-
	Net sales/income from Operations	790.29	858.17	1,427.56	1,648.46	2,990.74
2	Segment Result					
a)	Leisure and Entertainment Services	(46.07)	(1,426.08)	(106.61)	(1,472.15)	(156.14)
b)	Trading Merchandise	0.18	0.23	2.72	0.41	7.99
	Total	(45.88)	(1,425.85)	(103.89)	(1,471.74)	(148.15)
	Less: Other un-allocable expenditure net off un-allocable income	(47.29)	(46.12)	(41.71)	(93.41)	(85.35)
	Total Profit Before Tax	1.41	(1,379.74)	(62.18)	(1,378.32)	(62.80)
3	Segment Assets					
a)	Leisure and Entertainment Services	94.77	94.74	69.01	94.77	69.01
b)	Trading Merchandise	774.88	824.20	2,448.14	774.88	2,448.14
	Total Segment Assets	869.65	918.94	2,517.14	869.65	2,517.14
4	Segment Liabilities					
a)	Leisure and Entertainment Services	579.62	1,054.81	1,280.75	579.62	1,280.75
b)	Trading Merchandise	831.74	881.01	2,492.67	831.74	2,492.67
	Total Segment Liabilities	1,411.35	1,935.83	3,773.42	1,411.35	3,773.42

4 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	(Rs. In Lakhs)	
		Quarter Ended	Half Year
	Net Profit & Loss as per Previous GAAP	(62.18)	(72.31)
i	Add : Deferment of revenue	0.88	3.07
ii	Add : Fair Value of Loan Received	8.24	8.24
iii	Less : Measurement of Financial Liabilities at amortised cost	(1.13)	(1.79)
iv	Less : Actuarial gain / (loss) on employee defined benefit funds recognised in other Comprehensive Income	(2.72)	(5.44)
	Net Profit & Loss before OCI as per Ind AS	(56.91)	(68.23)
v	Add : Actuarial gain / (loss) on employee defined benefit funds recognised in other Comprehensive Income	2.72	5.44
	<b>Net Profit &amp; Loss after OCI as per Ind AS</b>	<b>(54.19)</b>	<b>(62.79)</b>

5 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 20th July 2016, and an appeal has been filed against dismissal.

6 With reference to note no 5 above, necessary accounting treatments were made during the current Quarter.

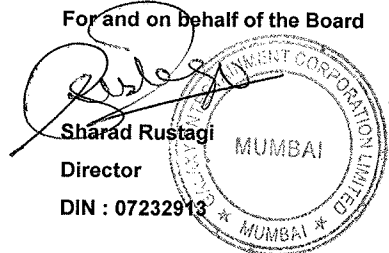
7 To improve operational efficiency, some of the loss making units of the Company being closed down.

For and on behalf of the Board

Sharad Rustagi

Director

DIN : 07232913





# SARA & ASSOCIATES

## Chartered Accountants

Santosh Jain | Ramawatar Sharma | Rajesh Agarwal | Alok Bairegra | Manoj Agarwal  
M.Com., F.C.A., DISA | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A.

Govind Sharma | Sandeep Saini | Rachana Kanol | Kamal Sharma | Dominic D'costa  
M.Com., F.C.A., DISA | B.Com., F.C.A., DISA | B.Com., F.C.A., C.S. | B.Com., F.C.A. | 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

### 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 and six months ended September 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement 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 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

- i. We draw attention to Note No. 5 and 6 to the statement; wherein the Company has written off fixed assets and written back the credit balance during the quarter 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 petitioner.
  - ii. Without qualifying our opinion, we draw attention to the Statement which indicates that the company incurred a net loss of Rs. 1,378.32 Lakhs during the quarter and six months ended September 30, 2016 particularly on account of the impairment of fixed assets and provisions made for contingency in earlier quarter. 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.
3. 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,





# SARA & ASSOCIATES

## Chartered Accountants

Santosh Jain | Ramewar Sharma | Rajesh Agarwal | Alok Bairagra | Manoj Agarwal  
M.Com., F.C.A., DISA | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A.

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202, May Building, 297/299/301, Princess Street, Near Marine Lines Flyover, Mumbai - 400 002. | Tel: 4922 7200 | Fax: 2209 1106  
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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.

4. We have not reviewed the financial results and other financial information for the Quarter and six months ended September 30, 2015 and reconciliation of net profit or loss for the quarter and six months ended September 30, 2015 between the previous GAAP and Indian Accounting Standards ("IND AS"), as reported in the Statement.

**For SARA & Associates**  
Chartered Accountants  
Firm Registration No.120927W

*Alok Bairagra*  
**Alok Bairagra**  
Partner  
Membership No. 105153



Place: Mumbai  
Date: December 14, 2016