CIN : L51900MH1981PLC024988

Galaxy Entertainment Corporation Limited

September 16, 2017

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

Dear Sirs,

Sub: Outcome of 35th Annual General Meeting (AGM) of the Company.

Ref: Scrip Code: BSE – 506186

With reference to the above, please note that the 35th Annual General Meeting (AGM) of the Company was held on Friday, September 15, 2017 at 3.00 p.m. at Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400018 and the business mentioned in the Notice dated July 26, 2017 were transacted.

In this regard, Please find enclosed the followings:

1. Summary of proceedings as required under Regulation 30, Para A of Part-A of Schedule -III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as Annexure – I.

2. Voting results as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as Annexure – II.

3. Report of Scrutinizer dated September 16, 2017, Pursuant to Section 108 of the Companies Act, 2013 and Rule 20(4) (xii) of the Companies (Management and Administration) Rules, 2014.

4. Annual Report for the financial year 2016-17 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

The above said information/documents related to the 35th Annual General Meeting ('AGM') is available on the company's website, www.thegalaxycorp.com

Please take the same on records.

Thanking you,

Yours faithfully,

For Galaxy Entertainment Corporation Limited

Vikas Kedia
Compliance Officer

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

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ENTERTAINMENT CORPORATION LIMITED

Annual Report 2016-17

Annual Report 2016 - 2017

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ENTERTAINMENT CORPORATION LIMITED

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Corporate Information

BOARD OF DIRECTORS

Mr. Rajneesh Agarwal	:	Chairman, Independent Director
Ms. Udita Jhunjhunwala	:	Independent Director
Mr. Sunil Biyani	:	Non-Executive Director
Mr. Swapnil Kothari	:	Non-Executive Director
Mr. Sharad Rustagi	:	Independent Director

COMPLIANCE OFFICER
Mr. Vikas R Kedia

STATUTORY AUDITORS
S A R A & Associates
Chartered Accountants

BANKERS
HDFC Bank Limited
AXIS Bank

REGISTERED OFFICE
3rd Floor, Block A,
Orchid City Centre Mall,
225, Belasis Road,
Mumbai Central
Mumbai – 400008.
Tel.: (022) 6199 4487
Fax: (022) 6199 5269
CIN: L51900MH1981PLC024988
E-mail: investors@thegalaxycorp.com
Website: www.thegalaxycorp.com

REGISTRAR AND SHARE TRANSFER AGENT
TSR Darashaw Limited
6-1, Haji Moosa Patrawala Estate,
20, Dr. E. Moses Road, Mahalaxmi (West)
Mumbai – 400 011.
Tel.: (022) 6656 8484
Fax: (022) 6656 8494
Email: csg-unit@tsrdarashaw.com

35th Annual General Meeting
on Friday, September 15, 2017 at 3.00 p.m.
Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai – 400018

Members are requested to bring their copy of the Annual Report to the meeting. Members are also requested to direct all correspondence relating to shares to the Company's Registrar and Transfer Agents, TSR Darashaw Limited, at the address above.

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the members of Galaxy Entertainment Corporation Limited will be held on Friday, September 15, 2017, at 3.00 p.m. at Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400018, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon; and
2. To appoint a Director in place of Mr. Swapnil Kothari (DIN: 05235636), who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

   "RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), as amended from time to time, the appointment of M/s. S A R A & Associates, Chartered Accountants (Firm's Registration No. 120927W), as the statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirty seventh Annual General Meeting to examine and audit the accounts of the Company, on such remuneration as may be decided by the Board of Directors of the Company from time to time, be and is hereby ratified."

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

CIN: L51900MH1981PLC024988
E-mail: investors@thegalaxycorp.com
Website: www.thegalaxycorp.com

By Order of the Board
For Galaxy Entertainment Corporation Limited

Sunil Biyani
Director
DIN: 00006583

Place: Mumbai
Date: July 26, 2017

NOTES:

1. An explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("Act") and applicable Secretarial Standards, relating to ordinary business to be transacted at the Annual General Meeting is annexed to the Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.** A person can act as a proxy on behalf of members up to and not exceeding fifty members and holding in the aggregate not more than ten percent of the total share capital of the Company.

   The instrument appointing proxy in order to be effective should be deposited at the registered office of the Company, duly completed and signed, not less than 48 (Forty Eight) hours before the commencement of the meeting.
3. A corporate member intending to send its authorized representatives to attend the Annual General Meeting ("AGM") in terms of Section 113 of the Act is requested to send the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf, at the AGM.
4. Any members proposes to seek any clarification on the financial statements are requested to send the queries to the Company at its registered office at least seven working days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
5. In accordance with the provisions of Section 152 of the Act, Mr. Swapnil Kothari (DIN: 05235636) will retire by rotation at the forthcoming AGM and, being eligible, has offered himself for re-appointment.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), additional information in respect of Mr. Swapnil Kothari, seeking re-appointment upon retirement by rotation at the AGM, is annexed to the Notice.

6. Under Section 124 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company has not yet declared dividend.
7. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 09, 2017 to Friday, September 15, 2017 (both days inclusive).
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
10. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations, in respect of the Directors seeking appointment/ re-appointment, at the AGM, forms integral part of the notice. Requisite declarations have been received from the Directors for his appointment/ reappointment
11. Electronic copy of the Notice of the 35th AGM of the Company inter alia indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 35th AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.
12. Members may also note that the Notice of the 35th AGM, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for 2017 will also be available on the Company's website www.thegalaxycorp.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at 3rd Floor, Block A, Orchid City Center Mall 225, Bellasis Road, Mumbai - 400 008, for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication; the shareholders may also send requests to the Company's email id: investors@thegalaxycorp.com.
13. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information related to e-voting are given in this Notice under Note No. 24. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members separately.
14. Any members proposes to seek any clarification on the accounts requested to send the queries to the Company at its registered office at least seven working days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
15. Following statutory registers shall be available for inspection by the Members at the Registered Office and copies thereof at the Corporate Office of the Company on all working days during business hours:
    i. Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act. The said Register shall also be produced at the commencement of the AGM and shall remain open and accessible during the continuance of the AGM to any person having the right to attend the AGM.

ii. Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act. The said Register shall be kept open for inspection at the AGM and shall be made accessible to any person attending AGM.

16. Members can avail of the nomination facility by filing Form SH – 13, as prescribed under section 72 of the Act and Rule 19 (1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company or the RTA.
17. The Annual Reports will not be distributed at the AGM. Members/ Proxies should bring the enclosed Attendance Slip duly filled in, for attending the meeting along with the Annual Report.
18. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
19. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, expect Saturdays, during the business hours up to the date of the AGM.
20. The Equity Shares of the Company are compulsorily traded in demat form and the shareholders who have not yet dematerialized their shares are requested to dematerialize their shares by opening DP Account with nearest Depository Participants at the earliest to avail the benefits of dematerialization.
21. Members holding shares in electronic form are requested to intimate immediately any changes in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form are requested to advise any change of address immediately to the Company / Registrar and Share Transfer Agent viz. TSR Darashaw Limited, 6-1, Haji Moosa Patrawala Estate, 20, Dr. E. Moses Road, Mahalaxmi (West), Mumbai – 400 011, Maharashtra.
22. Non-Resident Shareholders are requested to inform immediately Registrar and Share Transfer Agent , TSR Darashaw Limited:
    a) The change in the Residential status on return to India for permanent settlement.
    b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
23. Members who have not registered their e-mail address so far are requested to register their e-mail address so that they can receive the Annual Report and other communications form the Company electronically.
24. Voting through electronic means and poll:

    I. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereof and Regulation 44 of Listing Regulations, the Company is providing its members with the facility for voting by electronic means provided by National Securities Depository Limited (NSDL) on all the resolutions set forth in this Notice.

    The Company also will be providing voting facility through polling paper at the Meeting and members attending the Meeting who have not already cast their vote by remote e-voting may be able to exercise their voting right at the Meeting. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

    The procedure and instructions for remote E-Voting facility are as follows:

    A. **In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:**

    i. Open email and open PDF file viz; ""galaxy e-Voting.pdf"" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.

    ii. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

    iii. Click on Shareholder – Login

    iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.

vii. Select "EVEN" (Electronic Voting Event Number) of Galaxy Entertainment Corporation Limited.

viii. Now you are ready for e-voting as Cast Vote page opens.

ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

x. Upon confirmation, the message "Vote cast successfully" will be displayed.

x. Once you have voted on the resolution, you will not be allowed to modify your vote.

xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to amit@sgkadvisory.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :

i.	Initial password is provided as below/at the bottom of the Attendance Slip for the AGM		
	EVEN (Electronic Voting Event Number)	USER ID	PASSWORD / PIN
ii.	Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.		

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com

II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IV. The remote e-voting period commences on Tuesday, September 12, 2017 (9:00 am) and ends on Thursday, September 14, 2017 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 08, 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder by means of e-voting, shareholder shall not be allowed to change it subsequently.

V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of August 11, 2017.

Any person who acquires shares of the Company and becomes member of the Company after the dispatch of the Notice and holding shares as of the cut-off date, i.e. August 11, 2017 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or issuer.

However if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting vote. If you forget your password, you can reset your password by using "Forget User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no: 1800-222-990.

A member may participate in the AGM even after exercising his / her right to vote through remote voting but shall not be allowed to vote again at the AGM.

Mr. Amit Samani, of M/s. Amit Samani & Co, Practicing Company Secretary (Membership No: F7397 and Certificate of Practice No: 7966), Mumbai, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner at the 35th AGM of the Company.

The Chairman of the AGM, shall at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of the scrutinizer, by use of "Ballot Paper" for all those members, who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

VI. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes casted at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make within a period of three (3) days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him, of the Company.

VII. The results declared along with the report of the scrutinizer shall be placed on the Company's website www.thegalaxycorp.com and on the websites of Stock Exchange and NSDL.

VIII. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of voting results (i.e. remote e-Voting and voting held at the AGM)

25. It may be noted that shareholders can opt for only one mode of voting i.e. either by Physical Ballot or e-Voting. In case of receipt of vote by both the modes, voting done through e-Voting shall prevail and voting done by Physical Ballot shall be treated as invalid.

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

CIN: L51900MH1981PLC024988
E-mail: investors@thegalaxycorp.com
Website: www.thegalaxycorp.com

Place: Mumbai
Date: July 26, 2017

By Order of the Board
For Galaxy Entertainment Corporation Limited

Sunil Biyani
Director
DIN: 00006583

EXPLANATORY STATEMENT

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out all the material facts pertaining to the Ordinary Business for the item No. 3 as stated in the Notice.

Item No. 3

This explanatory statement is provided though strictly not required as per Section 102 of the Companies Act, 2013.

M/s. S A R A & Associates., Chartered Accountants, Mumbai (Firm Registration No. 120927W) were appointed as Statutory Auditors of the Company for three consecutive financial years w.e.f. financial year 2015-16 at the Annual General Meeting of the Company held on September 20, 2016.

Accordingly, the audit of the Company for financial year 2015-16 was conducted by M/s. S A R A & Associates., Chartered Accountants, Mumbai. Further, as per provisions of Section 139(1) of the Companies Act, 2013 read with Rule 3 of Companies (Audit and Auditors) Rules, 2014, appointment of Statutory Auditor for the above tenure is subject to ratification by members at every Annual General Meeting by way of an ordinary resolution.

Accordingly, ratification of the members is being sought for the proposal contained in the Resolution set out at item no. 3 of the Notice. The Board recommends the Resolution at Item No. 3 for approval by the Members.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

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

CIN: L51900MH1981PLC024988
E-mail: investors@thegalaxycorp.com
Website: www.thegalaxycorp.com

Place: Mumbai
Date: July 26, 2017

By Order of the Board
For Galaxy Entertainment Corporation Limited

Sunil Biyani
Director
DIN: 00006583

ADDITIONAL INFORMATION IN TERMS OF REGULATION 36 OF THE SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECRETARIAL STANDARD ON GENERAL MEETINGS ("SS-2"), ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA AND APPROVED BY THE CENTRAL GOVERNMENT IN RESPECT OF DIRECTORS BEING PROPOSED FOR APPOINTMENT / RE-APPOINTMENT

Name of the Director	Swapnil Kothari
DIN	05235636
Date of birth	March 14, 1971
Date of appointment	February 7, 2013
Director Identification Number	05235636
Qualification	L.L.M (International & Comparative Law)
Expertise in specific Functional Areas	An International corporate lawyer practicing in the areas of Banking Law, Property Law, Project Finance, Joint ventures and Mergers & Acquisitions including Litigation/arbitration, IT related matters and high profile NRI investments
Directorship held in other public Companies	Pallazzio Hotels & Leisure Limited
Chairmanship / Membership of Committees across other public companies, if any.	Pallazzio Hotels & Leisure Limited Audit Committee, Member
Relationship between Directors interse	None
Number of Equity Shares held in the Company	None

To,
The Members of Galaxy Entertainment Corporation Limited

The Directors take pleasure in presenting the Thirty Fifth Annual Report together with the audited financial statements for the year ended March 31, 2017.

Financial Results

The Company's financial performance for the year ended March 31, 2017 is summarized below:

Standalone

(₹ in lakhs)

Particulars	**Year ended 31.03.2017**	**Year Ended 31.03.2016**
Revenue from operations	4174.82	4289.69
Other Income	691.30	525.59
Total Income	**4866.12**	**4815.28**
Personnel Cost	70.02	200.54
Operating and other expenses	5915.81	4295.38
Total Expenditure	**5985.83**	**4495.92**
Profit before Interest, Depreciation and Tax	(1119.71)	319.36
Less: Interest	200.87	190.28
Less : Depreciation	100.75	268.28
Profit/(Loss) before tax	(1421.33)	(139.20)
Less Provision for Tax	-	-
Profit/(Loss) after Tax	(1421.33)	(139.20)

In accordance with Section 136 of the Companies Act, 2013 ("Act"), the audited financial statements and related information of the Company are available on our website, www.thegalaxycorp.com. These documents will also be available for inspection during business hours at our registered office at Mumbai.

Notes:

The above figures are extracted from the standalone financial statements as per Indian Accounting Standard (Ind AS). For the purpose of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First Time Adoption of Indian Accounting Standards, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

Indian Accounting Standards

The Ministry of Corporate Affairs (MCA), vide its notification dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Ind AS is applicable from April 1, 2016, with a transition date of April 1, 2015 and IGAAP as the previous GAAP.

The following are the areas which had an impact on account of transition to Ind As:

i. Measurement of financial liabilities at amortized cost.

ii. Employee costs pertaining to defined benefit obligations.

iii. Actuarial gain/(loss) on employee defined benefit funds recognized in other Comprehensive Income.

The reconciliations and descriptions of the effect of the transition from IGAAP to Ind AS have been provided in Note No. 36(B) in the notes to accounts in the standalone financial statements.

Dividend:

Your Directors have not recommended any dividend on account of losses incurred during the financial year ended March 31, 2017. Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) with regard to formulation of Dividend Distribution Policy are not applicable to our Company.

Internal Controls

The Company has robust internal control systems and procedures commensurate with its nature of business which meets the following objectives:

- providing assurance regarding the effectiveness and efficiency of operations;
- efficient use and safeguarding of resources;
- compliance with policies, procedures, applicable laws and regulations; and
- transactions being accurately recorded and promptly reported.

The Company continues to have periodical audits conducted of all its functions and activities to ensure that systems and procedures are followed across all areas.

The Audit Committee of Directors of the Company regularly reviews the adequacy of internal control systems through such audits. The Internal Auditor reports directly to the Audit Committee.

The Company also has a budgetary control system to monitor expenditure against approved budgets on an ongoing basis.

Internal Financial Controls and its adequacy

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's Policies, the safeguarding of its assets, the prevention and the detention of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

Risk Management

The Board of Directors of the Company has formulated a Risk Management Policy which aims at minimizing the risk and enhancing the value.

The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

Share Capital

The Authorized Share Capital of the Company is ₹ 20,00,00,000/- (Rupees Twenty Crores) divided into 2,00,00,000 equity shares of ₹ 10/- each.

The issued, subscribed and paid up Share Capital of the Company as on March 31, 2017 was ₹ 15,64,99,350/- divided into 1,56,49,935 equity shares of ₹ 10/- each.

Cash Flow Statement

In conformity with the provisions of Regulation 34 of Listing Regulations, Cash Flow Statement for the year ended March 31, 2017 has been provided in the Annual Report and which forms part of this report.

Subsidiaries

The Company is not a holding Company in terms of Section 2 (46) of the Act.

There are no subsidiary, associate or joint venture companies within the meaning of Section 2(6) of the Act. Hence, Form AOC-1 pursuant to provisions of Section 129(3) of the Act, is not provided in this report.

Particulars of Employees and other additional information

The ratio of the remuneration of each whole-time Director and key managerial personal (KMP) to the median of employee's remuneration as per 197(2) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 forms part of the Board's Report under ('Annexure 'A').

None of the employees are drawing remuneration as per the ceiling stipulated in terms of Rule 5 (2) (ii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Extract of Annual Return

Pursuant to the provisions of Section 92 (3) of the Act, an extract of the Annual Report in prescribed format in form MGT-9 is attached as (Annexure 'B').

Board Diversity

The Company recognizes and embraces the importance of a diverse board in success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experiences, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website www.thegalaxycorp.com.

Secretarial Auditor and Secretarial Audit Report

In terms of the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Mrs. Nidhi Bajaj of M/s. Nidhi Bajaj & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year 2016-2017 is annexed herewith as (Annexure 'C') and forms part of this report. The report does not contain any qualification, reservation or adverse remark other than appointment of key managerial personnel.

Corporate Governance

Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. At GECL, the goal of corporate governance is to ensure fairness for every shareholder. We believe sound corporate governance is critical to enhance and retain investor trust. Our Board exercises its fiduciary responsibilities in the widest sense of the team. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

Certificate on Corporate Governance

As per Regulation 34 (3) read with Schedule V of the Listing Regulations, the auditor's certificate on corporate governance is enclosed as (Annexure 'D') to the Board's report. The auditor's certificate for financial year 2017 does not contain any qualification, reservation or adverse remark.

Management's discussion & analysis

The Management Discussion and Analysis Report on the operations of the Company, as required under Regulation 34 of Listing Regulations is provided in a separate section and forms an integral part of this Report.

Disclosures related to Board, Committees, Policies and number of Board meetings

Meetings

The Board of Directors met five (5) times during the financial year 2016 -17. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Act.

Audit Committee

The Audit Committee comprises of Mr. Rajneesh Agarwal, Ms. Udita Jhunjhunwala and Mr. Sharad Rustagi, Independent Directors and Mr. Swapnil Kothari, Non-Executive Director.

Five meetings of the Committee were held during the year. For further details, please refer Corporate Governance Report forming part of the Annual Report.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board. There were no instances where the Board has not accepted any recommendation of the Audit Committee.

Details of Committees of the Board of Directors along with their terms of reference, composition and meetings held during the year under review, are provided separately in the Corporate Governance Report, which forms part of this Annual Report.

Directors

The Board had judicious combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management.

As of March 31, 2017, the Board of Directors of the Company consists of Mr. Rajneesh Agarwal, Ms. Udita Jhunjhunwala and Mr. Sharad Rustagi, Independent Directors, Mr. Sunil Biyani and Mr. Swapnil Kothari, Non-Executive Directors.

Re-appointment

In terms of the provisions of the Act and in terms of the Memorandum and Articles of Association of the Company, Mr. Swapnil Kothari retires by rotation at the ensuing AGM and being eligible seeks re-appointment. The Board recommends his re-appointment.

The brief resume and other information as required under Regulation 36 (3) of Listing Regulations relating to Mr. Swapnil Kothari, forms part of the Notice of ensuing Annual General Meeting. None of the Directors are disqualified for appointment / reappointment under Section 164 of the Companies Act, 2013.

Declarations by Independent Directors

The Company has received necessary declarations from each Independent Director under Section 147(7) of the Act, that he/she meets the criteria as specified under Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations.

Policy on Director's Appointment and Remuneration

The policy of the Company on Director's appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Act is available on our website at www.thegalaxycorp.com.

There has been no change in the policy since last fiscal. We affirm that the sitting fees paid to Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

Board Evaluation

Listing Regulations mandates that the Board shall monitor and review the evaluation framework. The frame work includes the evaluation of Directors on various parameters.

The Act states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Schedule IV of the Act, states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and frame work adopted by the Board. The evaluation process has been explained in the Corporate Governance report.

Familiarization program for independent Directors

At the time of the appointment of an independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities. The letter of appointments issued to Independent Directors is available on our website at www.thegalaxycorp.com.

Code of conduct for prevention of insider trading

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the Listing Regulations.

The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosure to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website viz. www.thegalaxycorp.com.

Listing

The Company has entered into Listing Agreement with BSE Limited (BSE) in terms of the Listing Regulations and the listing fee for the year 2017-18 has been paid.

The Company has entered into necessary agreements with the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for availing the Depository services.

Director's Responsibility statement:

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accruel basis except for certain financial instruments, which are measured at fair values, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with applicable transition guidance.

The Directors confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the annual accounts on a going concern basis;

v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Audit Reports

The Auditors' Report for fiscal 2017 does not contain any qualification, reservation, or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

Auditors

M/s. S A R A & Associates., Chartered Accountants, Statutory Auditors of the Company, bearing ICAI Registration No. 120927W, have been appointed as the Statutory Auditors of the Company for a term of 3 years by the members at their Annual General Meeting held on September 20, 2016. In terms of the provisions of the Act and the rules thereon, the members shall ratify the appointment at every Annual General Meeting. The Statutory Auditors have confirmed their eligibility to continue to act as the auditors of the Company and they are not disqualified from completing the term of appointment.

Accordingly the Board recommends the resolution of members for ratification of appointment of Statutory Auditors.

Particulars of Contracts or Arrangement with Related Parties

All Related Party Transactions that were entered into during the financial year were on arm's length and were in the ordinary course of business. All Related Party Transactions were placed before the Audit Committee of the Board of Directors for their approval. The Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions and restrictions contained in the erstwhile Listing Agreement and Listing Regulations.

There are no material significant RPTs made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC -2 is not required. The Board has approved and adopted Policy on Related Party Transactions and the same is uploaded on the Company's website at www.thegalaxycorp.com.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The Policy is available on the Company's website www.thegalaxycorp.com.

Disclosure relating to equity shares with differential rights

The Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Disclosure relating to Employee Stock Option Scheme and Employee Stock Purchase Scheme

The Company has not issued or granted any Employee Stock Option Scheme and Employee Stock Purchase Scheme during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Disclosure relating to sweat equity shares

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Disclosures in respect of voting rights not directly exercised by employees

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

Disclosure of Orders passed by Regulators or Courts or Tribunal

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

Detection of Fraud

No Fraud has been reported by the auditors viz. statutory and internal auditors to the Audit Committee or the Board in terms of sub-section (12) of Section 143 of the Act.

Energy, Technology Absorption and Foreign Exchange

Information required under Section 134 (3)(m) of the Act read with Rule, 8(3) of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is included in (Annexure 'E').

Deposits from Public

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of Loans, Guarantees or Investments

Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act form part of the notes to the Financial Statements provided in this Annual Report.

Prevention of Sexual Harassment Policy

The Company has in place a prevention of Sexual Harassment Policy in line with the requirements of the sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with law of the Land. We have also constituted an internal Committee to consider and address sexual harassment complaints in accordance with the Sexual Harassment of Women at Workplace (prevention, prohibition and Redressal) Act, 2013. All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2016-17, no complaints were received by the Company related to sexual harassment.

Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Regulations, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Task Force or to the

Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website viz. http://www.thegalaxycorp.com/Corpopolicecode.html

Acknowledgement

The Board appreciates and places on record the contribution made by the employees during the year under review. The Board also places on record their appreciation of the support of all stakeholders particularly shareholders, customers, bankers, suppliers and business partners.

Cautionary Note

The statements forming part of the Director's Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

For and behalf of the Board of Directors

Place: Mumbai	Sunil Biyani	Udita Jhunjhunwala
Date: July 26, 2017	(Director)	(Director)
	DIN: 00006583	DIN: 00120951

ANNEXURE 'A' TO THE BOARD'S REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i. The Directors of the Company does not draw remuneration from the Company. Hence, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company cannot be determined.

ii. The percentage increase in remuneration of Compliance Officer during the financial year 2016-17, is as under:

Name of KMP and Designation	Remuneration of Director/KMP for financial year 2016-17 (₹ in lakh)	% increase in Remuneration in the Financial Year 2016-17
Mr. Vikas Kedia Compliance Officer	6.90	12%

iii. The Median Remuneration of Employees (MRE) of the Company during the financial year was ₹ 16199/-, previous period it was ₹ 11623/-.

iv. There are 18 permanent employees on the rolls of Company as on March 31, 2017.

v. Average percentage increase/decrease made in the salaries of employees other than the managerial personnel in the last financial period i.e. 2015-16 was around 12%.

vi. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i. There were no employees in the Company who were drawing a remuneration throughout the financial year 2016-17 as stipulated in Rule 5 (2) (i).

ii. There were no employees in the Company who were drawing a remuneration for the part of the financial year 2016-17 as stipulated in Rule 5 (2) (ii).

iii. The Directors of the Company does not draw remuneration from the Company and none of the employees directly or indirectly holds more than 2% of the equity shares of the Company.

For and behalf of the Board of Directors

Sunil Biyani
(Director)
DIN: 00006583

Udita Jhunjhunwala
(Director)
DIN: 00120951

Place: Mumbai
Date: July 26, 2017

ANNEXURE 'B' TO THE BOARD'S REPORT

EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

I. Registration and other details

CIN	L51900MH1981PLC024988
Registration Date	13/08/1981
Name of the Company	Galaxy Entertainment Corporation Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details.	3rd Floor, Block A, Orchid City Center Mall, 225, Bellasis Road, Mumbai - 400 008. Tel. No: 022-66194487
Whether Listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	TSR Darashaw Limited 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011. Tel No.: 022-66568484 Email Id: csg-unit@tsrdarashaw.com

II. Principal Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:		
Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Entertainment & Leisure	90	5.86
Merchandise Trading	13	94.14

III. Particulars of Holding, Subsidiary and Associate Companies

Name and address of the Company	Corporate Identify Number	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
NIL	NIL	NIL	NIL	NIL

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding -

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual / HUF	50,000	-	50,000	0.32	50,000	-	50,000	0.32	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	91,19,163	-	91,19,163	58.27	91,19,163	-	91,19,163	58.27	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)	**91,69,163**	**-**	**91,69,163**	**58.59**	**91,69,163**	**-**	**91,69,163**	**58.59**	**-**
2) Foreign									
a) NRI's- Individuals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	**91,69,163**	**-**	**91,69,163**	**58.59**	**91,69,163**	**-**	**91,69,163**	**58.59**	**-**
B. Public Shareholding									
1) Institutions									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2) Non - Institutions									
a) Bodies Corporate									
i. Indian	29,05,914	100	29,06,014	18.57	28,96,142	100	28,96,242	18.51	-0.06
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual Shareholders holding nominal share capital upto Rs. 1 lakh	17,74,085	42,166	18,16,251	11.61	17,81,093	42,191	18,23,284	11.65	0.04
ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	15,68,567	18,000	15,86,567	10.14	15,44,422	18,000	15,62,422	9.98	-0.16
c) Others (specify)									
i. Non-Resident Indian (Repat)	87,560	-	87,560	0.56	43,650	-	43,650	0.28	-0.28
ii. Non-Resident Indian (Non-Repat)	59,806	-	59,806	0.38	69,867	-	69,867	0.45	0.07
iii. Clearing Member	24,574	-	24,574	0.16	85,307	-	85,307	0.55	0.39
iv. Trusts	-	-	-	-	-	-	-	-	-
Sub-Total (B) (2)	**64,20,506**	**60,266**	**64,80,772**	**41.41**	**64,20,481**	**60,291**	**64,80,772**	**41.41**	**-**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**64,20,506**	**60,266**	**64,80,772**	**41.41**	**64,20,481**	**60,291**	**64,80,772**	**41.41**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grant Total (A+B+C)	**1,55,89,669**	**60,266**	**1,56,49,935**	**100.00**	**1,55,89,644**	**60,291**	**1,56,49,935**	**100.00**	**-**

ii. Shareholding of Promoters

Name of Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in Shareholding during the year
	Number of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	Number of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to total shares	
Future Enterprises Limited (formerly known as Future Retail Limited)	49,37,935	31.55	Nil	49,37,935	31.55	Nil	-
Bellona Hospitality Services Ltd. (formerly known as Bellona Finvest Limited)	36,86,491	23.56	Nil	36,86,491	23.56	Nil	-
Ashbee Investments & Finance Pvt. Ltd.	3,50,000	2.24	Nil	3,50,000	2.24	Nil	-
Senior Advisory Services Pvt. Ltd. (formerly known as Senior Holding Pvt. Ltd.)	97,237	0.62	Nil	97,237	0.62	Nil	-
Atul Ashok Ruia	50,000	0.32	Nil	50,000	0.32	Nil	-
Ashok Apparels Pvt. Ltd.	47,500	0.30	Nil	47,500	0.30	Nil	-
Total	**91,69,163**	**58.59**	**0.00**	**91,69,163**	**58.59**	**0.00**	-

iii. Changes in Promoters Shareholding (Please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total shares of the Company	Number of Shares	% of total shares of the Company
At the beginning of the year	91,69,163	58.59	91,69,163	58.59
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	There is no change in shareholding of promoters during the year			
At the end of the year	**91,69,163**	**58.59**	**91,69,163**	**58.59**

iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1. Eclipse Trades Private Limited	10,29,432	6.58	10,29,432	6.58
2. Merlin Enclaves Private Limited	8,95,626	5.72	8,95,626	5.72
3. C Mackertich Private Limited	0	0	702,926	4.49
4. Shivanand Shankar Mankekar	3,24,302	2.07	3,24,302	2.07
5. Coppola Holdings Private Limited	1,24,255	0.79	1,24,255	0.79
6. Kedar Shivanand Mankekar	1,04,600	0.67	1,04,600	0.67
7. Naveen Kumar S Chadalavada	67,100	0.43	70,000	0.45
8. Vivek Rajesh Dhanki	15,000	0.10	56,000	0.36
9. Rajesh V Dhanki	56,020	0.35	54,020	0.35
10. A S Vishnu Bharath	52,809	0.34	52,809	0.34

v. Shareholding of Directors and Key Managerial Personnel

Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Vikas Kedia Chief Financial Officer				
At the beginning of the year	10	0.00	-	-
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.):	-	-	-	-
At the end of the year	10	0.00	-	-

V. INDEBTEDNESS –

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness (₹ in Crores)
Indebtedness at the beginning of the financial year				
i. Principal Amount	10.92	5.84	-	16.76
ii. Interest due but not paid	-	0.07	-	0.07
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**10.92**	**5.91**	**-**	**16.83**
Change in Indebtedness during the financial year				
i. Addition	-	8.09	-	8.09
ii. Reduction	3.68	1.72	-	5.40
Net Change	**-3.68**	**6.37**	**-**	**2.69**
Indebtedness at the end of the financial year				
i. Principal Amount	7.24	11.80	-	19.04
ii. Interest due but not paid	-	0.48	-	0.48
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**7.24**	**12.28**	**-**	**19.52**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No	Particulars of Remuneration	Amount (₹ in lakhs)	Total Amount (₹ in lakhs)
1)	Gross Salary	-	-
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-
	c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2)	Stock Options	-	-
3)	Sweat Equity	-	-
4)	Commission		
	- as % of profit	-	-
	- as others specify	-	-
5)	Others , Please specify	-	-
	Total A	-	**-**

B. Remuneration to other Directors :

S. No	Particulars of Remuneration	Fee for attending board / committee Meetings	Commission	Others, please specify	Total Amount
1.	Independent Directors				
	1. Mr. Rajneesh Agarwal	30,000	-	-	30,000
	2. Ms. Udita Jhunjhunwala	60,000			60,000
	3. Mr. Sharad Rustagi	75,000			75,000
	Total (1)	**1,65,000**	**-**	**-**	**1,65,000**
2.	Other Non- Executive Directors				
	1. Mr. Sunil Biyani	50,000	-	-	50,000
	2. Mr. Swapnil Kothari	75,000			75,000
	Total (2)	**125,000**	**-**	**-**	**125,000**
	Total (B) = (1+2)	**2,90,000**	**-**	**-**	**2,90,000**
	Total Managerial Remuneration				
	Overall Ceiling as per the Act	Sitting fees is paid within the limit specified under the Companies Act, 2013.			

(₹ in lakhs)

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel
		Vikas Kedia
1.	Gross salary	
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	6.90
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-
	c. Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission as % of profit	-
5.	Others, Allowances	-
	Total	**6.90**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

ANNEXURE 'C' TO THE BOARD'S REPORT

FORM NO. MR. 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
GALAXY ENTERTAINMENT CORPORATION LIMITED
CIN: L51900MH1981PLC024988
3rd Floor, Block A, Orchid City Centre Mall,
225, Belasis Road, Mumbai Central,
Mumbai – 400 008.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GALAXY ENTERTAINMENT CORPORATION LIMITED** (CIN: L51900MH1981PLC024988) (hereinafter called the "Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's statutory books, legal papers, minute books, forms and returns filed and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the above mentioned books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 and made available to me, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings, **as applicable**;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

   e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

(vi) Other specific business/industry related laws applicable to the Company- The Company has complied with the provisions of the Maharashtra Contract Labour (Regulation and Abolition) Rules, 1971, Maharashtra Plastic Carry Bags (Manufacture and Usage) Rules, 2006, Maharashtra State Tax on Professions, Trades, Callings And Employments Act, 1975, Maharashtra State Tax on Professions, Trades, Callings And Employments Rules, 1975, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Environment (Protection) Act, 1986, E-Waste (Management and Handling) Rules, 2011, Maharashtra Shops and Establishments Act, 1948, Maharashtra Apartment Ownership Act,1970, Bombay Lift Act, 1939, Bombay Lift Rules, 1958, The Trade Marks Act, 1999, The Prevention of Food Adulteration Act, 1954, Essential Commodities Act, 1955, Food Safety and Standards Act, 2006 and applicable general business laws, rules, regulations and guidelines.

We have also examined compliance with the applicable clauses of:

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India; and

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, there were no events / actions in pursuance of:

a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

requiring compliance thereof by the Company during the Audit period.

During the period under review the Company has complied with the provisions of the above mentioned Act, Rules, Regulations, Guidelines and Standards mentioned above subject to the following observation:

- The Company has yet to comply with the provisions related to appointment of Key Managerial Personnel in terms of the provisions of Section 203 of the Companies Act, 2013 and Rules 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. There are no changes in the composition of the Board during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

For Nidhi Bajaj & Associates
Company Secretaries

Nidhi Bajaj
Proprietor
ACS – 28907, COP - 14596

Date: May 13, 2017
Place: Mumbai

ANNEXURE 'D' TO THE BOARD'S REPORT

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Galaxy Entertainment Corporation Limited

I have examined the compliance of conditions of corporate governance by Galaxy Entertainment Corporation Limited ("the Company"), for the year ended March 31, 2017, as prescribed in Regulation 17 to 27, 46 (2) (b) to (i) and para C, D, and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The compliance conditions of corporate governance are the responsibility of the management. My examinations was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Anant Gude & Associates
Company Secretaries

S/d

Anant Gude
Proprietor
CP. NO: 18623

Place: Mumbai
Date: July 26, 2017

ANNEXURE 'E' TO THE BOARD'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

a) Energy Conservation Measures Taken

b) Additional investments and Proposals, if any, being implemented for reduction of consumption of energy and

c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Disclosure for (a) to (c): The operations of the Company do not involve high energy consumption. However the Company has been laying great emphasis on the Conservation of Energy and has taken several measures including regular monitoring of consumption, implementation of viable energy saving proposals, improved maintenance of systems etc.

d) Particulars of Energy consumption etc in respect of specified industries.

The disclosure on particulars regarding consumption of energy etc are not applicable to the Company since industry to which the Company belongs is not covered under the schedule prescribed by the said Rules.

B. TECHNOLOGY ABSORPTION

The particulars regarding absorption of technology is given below as per Form B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

Research and Development (R & D):

Specific areas in which R&D is carried out by the Company:	Nil
Benefits derived as a result of the above R & D	
Future Plan of Action	
Expenditure on R & D a. Capital b. Recurring c. Total d. Total R & D expenditure as a percentage of total turnover	Nil

Technology absorption, adaptation and innovation:

Efforts in brief, made towards technology absorption, adaptation and innovation	Nil
Benefit derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	Nil
In case of Imported Technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: a) Technology Imported b) Year of Import c) Has technology been fully absorbed d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in ₹)

	Current Year	Previous Year
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	-	-

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2017, in terms of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations").

I. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on corporate governance is to achieve business excellence and to create long term value for its stakeholders. The Company has set of systems and practices to ensure that the affairs of the Company envisages adherence to the highest levels of transparency, accountability and fairness in all its transactions.

The Company is committed to achieve and maintain the highest standards of Corporate Governance. Over the years, governance processes and systems have been strengthened within the Company and corporate governance has been an integral part of the way business done.

We believe that sound Corporate Governance is critical to enhance and retain investor trust. Accordingly, we always seek to ensure that we attain our performance with integrity and the Board exercises its fiduciary responsibilities in the widest sense of the term.

Actions and decisions of the Board are aligned in the best interest of the Company. The Board critically evaluates, Company's strategic decisions, management policies and its effectiveness. The Board regularly reviews related party transactions, financial controls, financial statements and evaluates performance of the business operations.

The Company not only adheres to the prescribed corporate governances practices as per Listing Regulations but has also undertaken several initiatives towards maintaining the highest standards of Governance and these include:

- **Appropriate Governance Structure with defined roles and responsibilities**

  The Company has put in place an integral governance structure with defined roles and responsibilities of every constituent of the system. The Board has established four Committees to discharge its responsibilities in an effective manner.

- **Ethics / Governance Polices**

  The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. In this direction, the Company has, inter-alia, adopted the following codes and policies which act as enablers to carry out our duties in an ethical manner:

  - Code of Conduct for the Board of Directors and the Senior Management Personnel
  - Code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders
  - Vigil Mechanism and Whistle – Blower Policy
  - Policy on Related Party Transaction
  - Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information
  - Policy on Preservation of Documents
  - Policy on Determination and Disclosure of Materiality of Events and Information and Web archival Policy.
  - Policy for Selection of Directors and determining Directors Independence.

- **Audits and internal checks**

  The Company's accounts are audited by M/s. S A R A & Associates, Chartered Accountants, Mumbai. With respect to Internal Audit, an external firm acting as independent internal auditor reviews internal controls and operating systems and procedures. With respect to Legal Compliances, the Company conducts its business with high standards of legal, statutory and regulatory compliances.

- **Management initiatives for Internal Controls**

  The Company has robust internal control systems, including internal financial controls with reference to financial statements, commensurate with its nature of business. These controls have been documented and digitalized in the business process and are regularly tested for design and operating effectiveness.

- **Best Corporate Governance practices**

  It is the Company's constant endeavor to adopt the best Corporate Governance practices which include the following:

  - ☐ All securities related filings with Stock Exchange and SEBI are reviewed by the Company's Stakeholders Relationship Committee of Directors, as and when required.
  - ☐ The Company's internal audit is conducted by an external firm acting as independent auditors.

- The Company also undergoes secretarial audit conducted by an independent Company Secretary in Whole-Time Practice. The secretarial audit reports are placed before the Board.

- **Shareholders' communications**

  The Board recognizes the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. Shareholders seeking information related to their shareholding may contact the Company directly or through any of the Investor Service Centre of the Company's Share Transfer Agent. The Company ensures that complaints and suggestions of its shareholders are responded to in a timely and consistent manner.

- **Role of the Compliance Officer in overall governance process**

  The Compliance Officer plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Compliance Officer ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Compliance Officer is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to Directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

- **Observance of Secretarial Standards issued by the Institute of Company Secretaries of India**

  The Secretarial Standards on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, are adhered to by the Company.

II. Board Composition

Size and composition of the Board

There were no changes in the Board composition during the year. The Board consists of five members, out of which three are independent Directors including a Women Director and a Non – Executive Director, which are in line with the requirements of the Act and the Listing Regulations. Your Directors have rich and varied experience in fields of business management, banking and finance, project management, risk management, real estate, corporate governance and bring in extensive knowledge and expertise to the Board. Board provides strategic guidance to the Company and ensures effective monitoring to the management and corporate governance practices.

The Composition of the Board as on March 31, 2017 and other relevant details are as under:

Sr. no.	Name of the Director	DIN	Category
1.	Mr. Rajneesh Agarwal	01273010	Non-Executive Chairman and Independent Director
2.	Ms. Udita Jhunjhunwala	00120951	Independent Director
3.	Mr. Sharad Rustagi	07232913	Independent Director
4.	Mr. Sunil Biyani	00006583	Non-Executive Director
5.	Mr. Swapnil Kothari	05235636	Non-Executive Director

No Director is inter-se, related to any other Director on the Board nor is related to the other Key Managerial Personnel of the Company.

Chairman of the Board

Mr. Rajneesh Agarwal, Non-Executive and Independent Director is the Chairman of the Board.

Responsibilities of the Chairman

Chairman is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long – term benefit of the Company and all its stakeholders. The Chairman is primarily responsible for ensuring the Board provides effective governance to the Company. In doing so, the Chairman presides over meetings of the Board and of the shareholders of the Company.

The Chairman takes a lead role in managing the Board and facilitating effective communication among Directors. The Chairman provides independent leadership to the Board, identifies guidelines for the conduct and performance of Directors, and oversees the management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation.

The Chairman actively works with the Nomination, Remuneration and Compensation Committee to plan the Board and Board committees' composition, induct Directors to the Board, participate in the Board effectiveness evaluation process and meet with individual Directors to provide constructive feedback and advice.

Role of the Board of Directors

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic Direction to the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. It sets strategic goals and seeks accountability for their fulfilment. It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholder's aspirations and social expectations.

Independent Directors

The Act and the Listing Regulations defines an "Independent Director" as a person who is not a promoter or employee or one of the Key Managerial personnel (KMP) of the Company and its subsidiaries. The law also states that the person should not have a material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving remuneration as an independent Director and we abide by these definitions of independent Director.

The Board includes Directors with independent standing in their respective fields / profession and who can effectively contribute to the Company's business and policy decisions. Their appointment as Independent Directors on the Board is considered by the Nomination, Remuneration and Compensation Committee.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under law.

Selection of new Directors

The Board is instrumental in selection of new Directors. The Board delegates the screening and selection process to the Nomination, Remuneration and Compensation Committee consisting majority of Independent Directors. Nomination, Remuneration and Compensation Committee makes recommendations to the Board on the induction of new Directors.

Familiarization programmes for Independent Directors

Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, interalia, on the business and performance updates of the Company, business strategy and risks involved.

The independent Directors are updated periodically on all business – related issues and new initiatives. At such meetings, the executive Directors and other members of the senior management share points of view and leadership thoughts on relevant issues.

Meetings of Independent Directors

One meeting of the Independent Directors was held during the year without the presence of the Non-Independent Director or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters, inter-alia, pertaining to the Company's affairs and put forth their views to the Board.

Tenure of Directorships

The Board constantly evaluates the contribution of the members and periodically shares updates with the shareholders about re-appointments consistent with applicable statues. The current law in India mandates the retirement of two-third of the Non-Independent Directors (who are liable to retire by rotation) every year, and qualifies the retiring members for reappointment. Executive Directors are appointed by the shareholders for a maximum period of five years, but are eligible for re-appointment upon completion of their term. An independent Director shall hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment for a further terms of 5 years on passing of a special resolution by the Company.

Performance Evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination, Remuneration and Compensation Committee to lay down the evaluation criteria for the performance of the Chairman, the Board, the Board Committees and executive / non-executive / independent Directors through a peer evaluation, excluding the Director being evaluated. The Board carried out the annual performance evaluation for the year ended March 31, 2017.

The Board expressed its satisfaction on the process as well as performance of all Directors, Committees, and Board as a whole.

III. Board Meetings

Scheduling and selection of agenda items

Board meeting dates are finalized in consultation with all the Directors. Minimum four pre-scheduled Board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

The Compliance team drafts the agenda for each meeting, along with explanatory notes, in consultation with Accounts Head and other Directors and distributes these in advance to the Board of Directors. Every Board member can suggest the inclusion of additional items in the agenda. The Board meets at least once a quarter to review the quarterly results and other items on the agenda, and also on the occasion of the Annual General Meetings.

The minimum information to be placed before the Board as required under Part A of Schedule II of the Listing Regulations (the extent applicable), is placed before the Board at their meetings.

Five (5) Board Meetings were held during the year ended March 31, 2017. These were held on:

i)	May 19, 2016	ii)	August 12, 2016
iii)	September 12, 2016	iv)	December 14, 2016
v)	February 13, 2017		

Attendance of Director's and other Directorships held.

The names and categories of the Directors on the Board, their attendance at Board meetings and Annual General Meeting held during the year, the number of Directorships and Committee Chairmanships/Memberships held by them in other public companies as on March 31, 2017 are given herein below.

Name	Category	No. of Board Meetings held during the year	No. of Board Meetings attended	last AGM Attendance	Number of Directorship of other public companies (excluding the Company and private limited companies, foreign companies and Section 8 companies)	Committee Positions of other public companies		Pecuniary or business relation with the Company
						Chairman	Member	
Mr. Rajneesh Agarwal	Independent Director	5	2	No	-	Nil	Nil	None
Ms. Udita Jhujhunwala	Independent Director	5	4	No	1	Nil	Nil	None
Mr. Swapnil Kothari	Non-Executive Director	5	5	Yes	2	Nil	9	None
Mr. Sunil Biyani	Non-Executive Director	5	5	Yes	4	Nil	1	None
Mr. Sharad Rustagi	Independent Director	5	5	Yes	-	Nil	Nil	None

As on March 31, 2017, the number of directorship/ committee membership / chairmanship of all the Directors are within the respective limits prescribed under the Act and the Listing Regulations.

Notes:

- Other directorships do not include alternate directorships, directorships of private limited companies, Section 8 companies and of companies incorporated outside India.
- None of the Directors is a Member of the Board of more than 10 Public Companies in terms of Section 165 of the Companies Act, 2013; Member of more than 10 committees and Chairman of more than 5 committees in terms of the Listing Regulations, across all the companies in which he is a Director.
- Mandatory committees are the committees prescribed under the Listing Regulations i.e. Audit Committee and Stakeholders Relationship Committee of public companies.
- During the year 2016-17, information as mentioned in Schedule II Part A of the Listing Regulations, has been placed before the Board for its consideration.
- The Directorship/Committee Membership is based on the latest disclosures received from Directors.
- Video conferencing facility was made available to Directors to participate in the proceedings of the Board and its committees. Attendance of Directors includes participation in the meeting(s) through video conference.

- Excluded the separate meeting of independent Directors, in which non independent Directors were not eligible to participate.

Availability of information to Board members

The Board has unrestricted access to all Company – related information, including that of our employees. At Board meetings, representatives who can provide additional insights into the items being discussed are invited. Regular updates provided to the Board include:

- Annual operating plans and budgets including capital budgets and any updates
- Company's annual Financial Results, Financial Statements, Auditors' Report and Board's Report
- Quarterly results and update on operations.
- Financial results for the relevant period along with limited review / audit report thereon.
- Minutes of various committee meetings of the Company and abstracts of circular resolutions.
- General notices of interest received from Directors.
- Shareholding pattern as per Regulation 31(1) (b) of the Listing Regulations.
- Statement of shareholder grievance received/disposed during each quarter.
- Materially important litigations, show cause, demand, prosecution and penalty notices.
- The information on recruitment and remuneration of senior officers below the board level, including appointment or removal of the Chief Financial Officer and the Company Secretary, if any.
- Approval of related party transactions.
- Non-compliance with any regulatory, statutory or listing requirements, as well as shareholder services.
- Quarterly compliance reports and investor grievance report.
- Declaration of Independent Directors at the time of appointment / annually.
- Appointment of Internal and Secretarial Auditors.
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made.
- Significant changes in accounting policies and internal controls, if any.
- Proposals for major investments, mergers, amalgamations and reconstructions.

Recording minutes of proceedings at Board and Committee meetings

The Compliance Officer records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Board Committee members for their comments. Thereafter, after considering the comments minutes are finalized and placed before the next meeting for approval.

Post meeting follow-up mechanism

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at Board / Board Committee meetings are communicated promptly to the concerned departments / divisions. Action-taken report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board / Board Committee for noting.

Compliance

The Compliance Officer, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations including the Act read with rules issued there under, as applicable and SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

Independent Directors meeting

Schedule IV of the Act and the Rules under it mandates that the independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent Directors and members of the management.

During the year under review, a separate meeting of Independent Directors was held on February 13, 2017 and Independent Directors reviewed all the matters as per Schedule IV of the Act. All the Independent Directors were present at the meeting expect Mr. Rajneesh Agarwal who had intimated his inability to attend the meeting.

Remuneration Paid to Directors in fiscal 2017

Name of Director	Sitting Fees Paid*	Salaries, allowances and perquisites+	Total
Mr. Sunil Biyani	50,000	-	50,000
Mr. Rajneesh Agarwal	30,000	-	30,000
Ms. Udita Jhunjhunwala	60,000	-	60,000
Mr. Swapnil Kothari	75,000	-	75,000
Mr. Sharad Rustagi	75,000	-	75,000

Notes:

- Sitting fees include payment to the Directors for attending meetings of Board and Audit Committee.
- Service Tax is not included.

IV. Board Committees

Currently the Board has Four (4) Committees: Audit Committee, Stakeholders Relationship Committee, Nomination, Remuneration and Compensation Committee and Committee of Directors. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference of the Committees are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

A. Audit Committee

As on March 31, 2017, the Committee comprises of 4 Directors out of which 3 are Independent Directors. All the members, including Chairman of the Audit Committee are financially literate and have the ability to read and understand the financial statement. Composition of the committee as on March 31, 2017 are as under:

Mr. Rajneesh Agarwal : Chairman

Mr. Swapnil Kothari : Non-Executive Director

Ms. Udita Jhunjhunwala : Independent Director

Mr. Sharad Rustagi : Independent Director

The Audit Committee met five times i.e. on May 19, 2016, August 12, 2016, September 12, 2016, December 14, 2016 and February 13, 2017 and the time interval between any two Audit Committee meetings was not more than 120 days.

The minutes of the meetings of the Audit Committee are reviewed and noted by the Board. The attendance at the meetings of the Committee is given below:

Name of Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Rajneesh Agarwal	Independent Director	Chairman	5	2
Mr. Swapnil Kothari	Non-Executive Director	Member	5	5
Ms. Udita Jhunjhunwala	Independent Director	Member	5	4
Mr. Sharad Rustagi	Independent Director	Member	5	5

General

- At present the members of the Audit Committee are paid sitting fees of Rs. 5,000/- for every meeting of the Committee attended by them.
- Executives of Accounts Department, Corporate Secretarial Department and representatives of statutory and internal auditors attend the Audit Committee Meetings.
- The internal auditor reports directly to the Audit Committee.

The Chairman of the Audit Committee was not present at the last Annual General Meeting held on September 20, 2016.

The Compliance Officer acts as the secretary to the Audit Committee.

The Committee's composition meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Members of the Audit Committee possess financial / accounting expertise / exposure.

(i) Powers of the Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employees.
- To obtain outside legal or other professional advice.
- To ensure efficiency and effectiveness of operations, both domestic and overseas;
- To ensure reliability of financial and management information and adequacy of disclosures;
- Safeguarding of assets and adequacy of provisions of all liabilities; and
- To oversee and review compliance with all relevant statutes.

(ii) Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

(iii) Terms of reference of the Audit Committee

Role of the Audit Committee, inter-alia, includes the following:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Reviewing with the management, performance of the statutory and internal auditors and adequacy of the internal control system.
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in draft audit report, if any.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- To ensure compliance of Internal Control Systems and action taken on Internal Audit reports.
- To appraise the Board on the impact of accounting policies, auditing standards and legislation.
- To hold periodical discussions with statutory auditors on the nature and scope of the audit.
- To review the Company's financial and risk management policies.
- To seek any information and investigate any activity with terms of its reference.
- To review the functioning of the Vigil Mechanism and Whistle Blower Policy.
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate.

- To carry out any other function as mentioned in the terms of reference of the Audit Committee.
- Reviewing the following information:
  - The Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor.

B. Nomination, Remuneration and Compensation Committee

Our Nomination, Remuneration and Compensation Committee comprised two independent Directors and a one Non-Executive Director as on March 31, 2017. The Committee's constitution and terms of reference are in compliance with the Regulation 19 of the Listing Regulations and Section 178 of the Act.

Mr. Rajneesh Agarwal : Member

Ms. Udita Jhunjhunwala : Chairperson

Mr. Swapnil Kothari : Member

In the Financial year 2016-17, one meetings of the Committee was held on February 13, 2017. The minutes of the meetings of the Nomination, Remuneration and Compensation Committee are reviewed and noted by the Board. Composition of Committee and members attendance at the meeting during the year are as under:

Name of Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Rajneesh Agarwal	Independent Director	Member	1	-
Mr. Swapnil Kothari	Non-Executive Director	Member	1	1
Ms. Udita Jhunjhunwala	Independent Director	Chairperson	1	1

Terms of Reference of the Committee, inter-alia, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

This Committee also discharges the functions of the 'Compensation Committee' as prescribed under the SEBI (Share Based Employee Benefits) Regulations, 2014. The role of the Committee, inter alia, is to approve/recommend the remuneration/ packages of the Executive and Non-Executive Directors and of Senior Management Personnel and to lay down the criteria for performance evaluation of Board of Directors as whole, individual Directors and the committees of the Board.

During the year, the committee under the guidance of the Board also formulated the criteria and framework for the performance evaluation of every Director on the Board, including the executive and independent Directors and identified ongoing training and education programs to ensure that the non-executive Directors are provided with adequate information regarding the business, the industry, and their legal responsibilities and duties.

Brief about Remuneration Policy:

Your Company has formulated a policy on Nomination and Remuneration of Directors and Senior Management Personnels and the major points relating to Remuneration policy are as follows:

A. Remuneration structure of Independent Directors & Non-Executive Directors:

i. Independent Directors receive remuneration by way of sitting fees for attending meetings of Board and Board Committees (where they are members).

ii. No remuneration other than sitting fees has been paid to any of the Directors.

B. Remuneration structure of Key Managerial Personnel (KMP) and Senior Management Personnels is as detailed hereunder:

i. The compensation of KMP and Senior Management Personnels shall be approved by the Nomination, Remuneration and Compensation Committee.

ii. The Compensation of a KMP and Senior Management Personnels is done keeping in consideration the prevailing market value of the resource, criticality of role and internal parity of the team.

C. Stakeholders' Relationship Committee

Committee performs various functions conferred under the Listing Regulations and Section 178 of the Act, which mainly covers ensuing resolution of grievances of security holders of the Company.

The Committee comprises of three Directors out of which one Independent Director, namely Mr. Rajneesh Agarwal, Two Non-Executive Director, namely Mr. Swapnil Kothari and Mr. Sunil Biyani.

The Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the Listing Regulations and provisions of the Act.

Terms of Reference of the Committee, inter-alia, includes the following:

a. To approve the Transfer/Transmission of Shares, dematerialization and rematerialization of Shares of the Company.

b. To approve deletion of name.

c. To approve split, consolidation and issuance of duplicate shares.

d. To oversees the performance of the Registrars and Share Transfer Agents i.e. TSR Darashaw Limited.

e. Consider, resolve and monitor redressal of investors' / shareholders' grievances related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend etc.

f. Oversee the performance of the Company's Share Transfer Agent.

g. Recommend methods to upgrade the standard of services to investors.

h. Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading

i. Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

j. Perform such other functions as may be necessary or appropriate for the performance of its duties.

There were no major complaints received from the Shareholders of the Company. The Complaints received were promptly replied by the Registrar and Share Transfer Agents of the Company. The Directors are not paid any sitting fees for attending the meeting of the aforesaid Committee.

Based on the report received from the Company's Registrars and Share Transfer Agent, during the year ended March 31, 2017, no investor complaints were received and no complaints were outstanding as on March 31, 2017.

Mr. Vikas Kedia has been nominated as the Compliance Officer of the Company.

Compliance Officer:

Mr. Vikas Kedia is the Compliance Officer responsible for complying with requirements of Securities Laws, Listing Regulations and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

D. Committee of Directors

The Committee of Directors is authorized to take decisions which are required for the day to day operations of the Company. The composition of the Committee of Directors is given below:

Name of Member	Category
Mr. Sunil Biyani	Non – Executive Director
Ms. Udita Jhunjhunwala	Independent Director
Mr. Sharad Rustagi	Independent Director

The committee met once during the year. The Minutes of the meetings of Committee of Directors are reviewed and noted by the Board. No sitting fee is paid to the members of the Committee of Directors.

E. Shareholders

Disclosure regarding the appointment or re-appointment of Directors

In terms of Section 152 read with Section 149(13) of the Companies Act, 2013, Mr. Swapnil Kothari is liable to retire by rotation. The said Director has offered himself for reappointment and resolution for his reappointment, is incorporated in the Notice of the ensuing Annual General Meeting.

Mr. Swapnil Kothari: Non–Executive Director

Mr. Swapnil Kothari is an International Corporate Lawyer with a degree of L.L.M (International & Comparative Law) from Georgetown since 1995. He is admitted as an Advocate Lawyer and as a Solicitor in England and Wales. He has been practicing in the areas of Banking Law, Property Law, Project Finance, Joint Ventures and Mergers & Acquisitions including Litigation/arbitration, IT related matters and high profile NRI investments. He has worked with Slaughter and May, London and jones Day which are premier international law firms with fortune 500 Companies and other major international conglomerates as its clients-Barclayes Bank PLC, ABN AMRO, Detroit Edison, Harman International, JP Morgan Securities Asia, Toyoto to name a few. Also, he was associated with Amarchand & Mangaldas, Mumbai for two years. He started his own corporate practice in Mumbai in 2001.

Means of Communication

Board of Directors approves and takes on record Unaudited Quarterly Results and Audited Annual Results and announces forthwith the results to the Stock Exchange where the shares of the Company are listed. Same are published within 48 hours in Business Standard (English Daily newspaper) and Mumbai Lakshadweep (Marathi newspaper). The results are simultaneously posted on the website of the Company at www.thegalaxycorp.com and also uploaded on the website of BSE Limited.

Details of non-compliance

No penalty has been imposed by any stock exchange or SEBI nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market over the last three years.

Auditor's Certificate on corporate governance

As required by Schedule V of the Listing Regulations, the Auditor's certificate on corporate governance is annexed to the Board's report.

In addition to the certificate by Auditors, Mr. Anant Gude of M/s. Anant Gude & Associates, Practicing Company Secretaries has also issued a certificate on corporate governance as part of the secretarial audit.

CEO and CFO certification

As required by Listing Regulations, the CEO / CFO certification is provided in this Annual Report.

Code of conduct

Board of Directors have laid down Code of Conduct for Directors and Senior Management (the Code) for all the Board Members and senior management personnel in terms of Regulation 26(3) of the Listing Regulations and the Act.

All the Directors and senior management personnel have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors. The code of conduct has been posted on the website of the company www.thegalaxycorp.com.

Prohibition of Insider Trading

The Company has devised and adopted a Code of Conduct to regulate, monitor and report trading in Company's securities by persons having access to unpublished price-sensitive information of the Company in terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, is Compliance Officer for the purpose of this code.

The Company has automated the declarations and disclosures to identified designated employees, and the Board reviews the policy on need basis. During the year there has been due compliance with the code by the Company and all insiders and requisite disclosures were made to the Stock Exchange from time to time. The policy is available on our website, www.thegalaxycorp.com.

General Body Meetings

The Company convenes Annual General Meeting (AGM) within the stipulated time period. The details of the Special Resolutions passed at in the previous three AGM are given below:

a. Details of the Special Resolutions passed at in the previous three Annual General Meeting:

Financial Year	Day, Date & Time	Venue	Special Resolution Passed
2013-14	Thursday, September 18, 2014 01.30 p.m.	Sunville Banquets 9, Dr. Annie Besant Road, worli, Mumbai – 400 018	▪ No special resolution was passed.
2014-15	Tuesday, September 29, 2015 01.30 p.m.	Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018	▪ Approval for entering into related party transactions which are material in nature.
2015-16	Tuesday, September 20, 2016 03.00 p.m.	Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018	▪ No special resolution have been passed

b. Details of Special Resolutions passed at the Extraordinary General Meetings for the last 3 years.

No extra ordinary general meeting of the company was held during the last 3 (three) years.

c. Details of Postal Ballot during the FY 2016-17:

During the period under review, the Company has not passed any special resolution through postal ballot pursuant to section 110 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read together with the Companies (Management and Administration) Rules, 2014.

V. General Shareholders information:

a. Company Registration Details: The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51900MH1981PLC024988.

b. Annual General Meeting

i. AGM Date, Day : September 15, 2017, Friday

ii. Time & Venue : 3.00 p.m., Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400018

c. Financial Year : April 1 to March 31

d. Book Closure Period : September 9, 2017 to September 15, 2017 (both days inclusive)

e. Tentative Calendar for Financial Year ending March 31, 2018

The tentative dates for Board Meetings for consideration of quarterly financial year are as follows:

First Quarterly Result : on or before 14th August 2017

Second Quarterly Result : on or before 14th November 2017

Third Quarterly Result : on or before 14th February 2018

Financial year ending : on or before 30th May 2018

f. Listing of Equity Shares on Stock Exchange

I. BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

Scrip Code: 506186

ISIN - INE403B01016

Stock Market Data

High, lows and Volumes of GECL from April 1, 2016 to March 31, 2017 at BSE.

Month	BSE		
	High (₹)	Low (₹)	Volume (Number of Shares Traded)
April 2016	18.00	14.60	24,483
May 2016	18.00	13.55	1,08,323
June 2016	15.95	13.00	67,619

Month	BSE		
	High (₹)	Low (₹)	Volume (Number of Shares Traded)
July 2016	18.25	16.90	77,624
August 2016	18.45	14.05	72,465
September 2016	24.50	15.50	3,16,218
October 2016	20.20	16.30	82,992
November 2016	19.80	13.80	89,298
December 2016	19.55	15.75	38,983
January 2017	19.35	15.80	33,197
February 2017	20.95	16.20	45,454
March 2017	21.25	15.10	8,13,757

g. Distribution of Shareholding

The distribution of the shareholding of the Equity Shares of the Company by size and by ownership class as on March 31, 2017 is as below:

i. Distribution of shareholding as on March 31, 2017

Distribution Range of Shares	No. of Shares	% of shares	No. of Shareholders	% of Shareholders
1 – 500	3,94,834	2.52	2,503	74.10
501 – 1000	3,17,564	2.03	376	11.13
1001 – 2000	3,39,700	2.17	221	6.54
2001 – 3000	1,90,603	1.22	73	2.16
3001 – 4000	1,42,522	0.91	40	1.18
4001 – 5000	1,48,028	0.95	31	0.92
5001 – 10000	4,62,961	2.96	63	1.87
Greater than 10000	1,36,53,723	87.24	71	2.10
Total	**1,56,49,935**	**100.00**	**3,378**	**100**

ii. Shareholding pattern by ownership as on March 31, 2017

Categories	As on March 31, 2017	
	No. of Shares	Percentage
Promoters, Relatives and Associates	91,69,163	58.59
Directors	-	-
Foreign Institutional Investor/ Mutual Funds	-	-
Public Financial Institutions / State Financial Corporation / Insurance Companies	-	-
Mutual Funds (Indian) and UTI	-	-
Nationalized and other Banks	-	-
NRI / OCBs	1,13,517	0.73
Public	33,85,706	21.63
Others (CM/Other Body Corporate/HUF/Trusts/Foreign Portfolio Investor (Corporate))	29,81,549	19.05
Total	**1,56,49,935**	**100**

h. Dematerialization of Shares

As on March 31, 2017, 1,55,89,644 Equity Shares representing 99.61% of the total Equity Capital of the Company were held in dematerialized form. The bifurcation of shares held in Physical and Demat form as on March 31, 2017, are given below:

Particulars	No. of Shares	Percentage
Physical Segment	60,291	0.39
Demat Segment		
NSDL	96,16,068	61.44
CDSL	59,73,576	38.17
Total	**1,56,49,935**	**100.00**

i. Share Transfer system:

Transfer of shares held in physical mode is processed by TSR Darashaw Limited, 6-10, Haji Moosa Patrawal Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai-400011, Share Transfer Agent and approved by the Share Transfer Committee. Valid Share Transfer in physical form and complete in all respects were approved, registered and dispatched within stipulated period.

j. Address for correspondence:

i. Any Query on Annual Report:

Mr. Vikas Kedia
Compliance Officer
3rd Floor, Block A, Orchid City Centre Mall,
225, Belasis Road, Mumbai Central
Mumbai-400008
Phone: 022 61994487, Fax: 022 61995269
Email id for investors: investors@thegalaxycorp.com

ii. Shareholders correspondence should be addressed to:

TSR Darashaw Limited,
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, Mahalaxmi,
Mumbai-400011
Phone: 022-66568484
Email Id: csg-unit@tsrdarashaw.com

Shareholders holding shares in electronic mode should address their correspondence to their respective Depository Participants.

k. Adoption of Non-Mandatory Requirements

As specified in sub-regulation 1 of Regulation 27 of the Listing Regulations, the non-mandatory requirements are reviewed by the Board as and when necessary.

VI. Additional Shareholders Disclosure/information

a. During the Financial Year 2016-17, there were no transactions of material nature with the Directors or the management or relatives that had potential conflict with the interest of the Company.

b. The Company has complied with the requirements of the Stock Exchange/SEBI/and other Statutory Authorities on all matters related to capital markets during the last three years. No penalties or structure have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities.

c. The Board of Directors of the Company has adopted and put in place a Whistle Blower Policy and no personnel have been denied access to the audit committee. Details of vigil mechanism/ whistle blower policy are provided in the Director's report.

d. At present, the Equity shares of the Company are listed on the BSE Limited (BSE). The Annual Listing fees for the year 2017-18 have been paid to BSE.

e. The company has paid custodial fees for the year 2017-18 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them.

f. The financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind-AS) notified under the Companies (Indian Accounting Standards), Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. For all upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Act, read with Companies (Accounts) Rules, 2014 (Previous GAAP). The financial statement have been measured at fair value or revalued amount wherever applicable.

CEO / CFO Certification

We, the undersigned, in our respective capacities as Director and Chief Financial Officer of Galaxy Entertainment Corporation Limited ('the Company') to the best of our knowledge and belief certify that:

a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2017 and that to the best of ur knowledge and belief, we state that:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.

b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee:

   i. significant changes, if any, in internal control over financial reporting during the year;

   ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Galaxy Entertainment Corporation Limited**

Sunil Biyani	**Vikas Kedia**
Director	**Chief Financial Officer**

Overview of the Indian Economy:

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). The Government of India has forecasted that the Indian economy will grow by 7.1 per cent in FY 2016-17. As per the Economic Survey 2016-17, the Indian economy should grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices.

India's consumer confidence index stood at 136 in the fourth quarter of 2016, topping the global list of countries on the same parameter, as a result of strong consumer sentiment, according to market research agency, Nielsen.

Moody's has affirmed the Government of India's Baa3 rating with a positive outlook stating that the reforms by the government will enable the country perform better compared to its peers over the medium term.

The Food Service Industry:

India's food and beverages (F&B) industry will expand at an average annual pace of 24% to reach Rs.3.8 trillion in sales by the during the year 2016 – 2017. Fast-food joints, which have the largest market share at 45%, will grow by 16.6% a year, said the report by consulting firm Grant Thornton India and lobby group Federation of Indian Chambers of Commerce and Industry (Ficci), followed by casual dining (32% share) expanding 10.1% annually.

Standalone restaurants, which comprise 22% of the market, is the fastest-growing, the report said, while the cafe segment with 12% market share is growing at 10.7% a year. Although fine dining constitutes only 3% of the market, the segment is seeing a renewed interest, particularly from multinational chains, the report said.

Local fast-food firms are expanding faster at about 37% in terms of number of stores, compared with foreign firms growing at 28% a year. The study found that although nearly 70% of the sector is still unorganized, it is changing fast. In the next 4-5 years, the unorganized share is expected to fall to 60%, it said.

Indians spend about half of their total consumption expenditure on food, the report said, which seem to be rising among people between 20 and 25 years of age. "Indian consumers are increasingly dining out, particularly in urban areas. Urbanization, changing lifestyle and food preferences are spurring the organized market," noted the study, adding that about 70% of the young consumers in India are price-sensitive.

The other key driver for the growth in the F&B sector is the rising number of working women and eating-out options.

Road Ahead

The International Monetary Fund (IMF) has cut India's growth forecast for the current fiscal by one percentage point, citing demonetization woes. It sees India ceding the tag of the world's fastest growing major economy to China in FY17.

In an update of its flagship publication the World Economic Outlook, the IMF said India is likely to grow by 6.6% only in FY17, down from 7.6% estimated earlier and marginally behind China that is pegged to grow at 6.7% in 2016.

IMF in its Report stated that in India, the growth forecast for the current (2016-17) and next fiscal year were trimmed by one percentage point and 0.4 percentage point, respectively, primarily due to the temporary negative consumption shock induced by cash shortages and payment disruptions associated with the recent currency note withdrawal and exchange initiative.

Industrial production was up 5.7% in November 2016, exports touched their highest since March 2015 in December 2016 and tax collections have been robust. The World Bank also reduced India's FY17 growth forecast to 7% from 7.6%. The IMF report also sees the impact of note exchange lasting in the next fiscal year as well. The forecast for FY18 has been trimmed by 0.4 per centage points to 7.2%. The forecast for FY19 is unchanged at 7.7%. The forecasts for FY18 and FY19 show India wresting back the fastest-growing economy status from China, whose growth is forecast to slow further to 6.5% in 2017 and 6% in 2018.

Business Environment:

The food service in food courts and restaurants allow customers to experience food that is aesthetically cooked and appealingly presented with ample food portions. An industry as big as the food service provides large direct and indirect employment opportunities and generates revenue for the Government.

Opportunities:

Increase in the Standard of Living: With the high standard of living and the change in the lifestyle of people, more and more consumers are patronizing various restaurants. Restaurants have evolved as places for social gatherings and outings resulting in good opportunities given the evolving dining culture.

Consumer Awareness: With an increase in the number of Indians going abroad and the flurry in domestic tourism, Indian have enjoyed global experiences and cuisines from across the world. Resultantly, Fine Dining restaurants are preferred as they offer better ambience, service and presentation, often on par with global standards.

Disposable Income of an Young Working population: With the young population in the urban areas now having access to large sums of disposable wealth and the advent of the many cuisines, the food trend has shifted from traditional food to upbeat cuisines of the world.

Changing consumer lifestyles: Preferences with an increasing number of women in the workforce, increase in double income households, rising disposable income, growth in nuclear families particularly in urban India, increasing urbanization and higher frequency of eating out, exposure to global media and cuisine, mall and the multiplex boom have all fuelled the growth of the dining business in India.

Challenges:

Rising Food Costs: Food price inflation is a key factor affecting the food services market in India, and is impacted by irregular monsoons and unfavorable demand-supply conditions. It keeps fluctuating and while it affects consumer indulgence across all formats, it also hits the margins realized by players.

Across all food services formats, food costs (raw materials) account for 30-35% of the revenue. The perpetual rise in food costs narrows the players' margins, compelling them to increase menu prices. This in turn accentuates the challenge of retaining customers who are already value-conscious and tend to evaluate all available eating out options carefully.

Fragmented Market, Increasing Competition: The Indian food services market has many small and mid-size unorganized players competing with large chain players. This fragmented market reflects a number of challenges, including the unclear format segmentation, varied consumer options for eating out, and the lack of best practices for food services outlets. There are a number of players who offer products that are more or less similar, at competitive prices. No single player leads the market; and also low consumer loyalty exists.

Shortage of Quality Staff, High Attrition and Increasing Labor Cost: The Indian hospitality industry is highly labor-intensive, but the availability of trained chefs, managerial staff and other support staff is low. According to a study by the Ministry of Tourism, the current supply of skilled/professionally trained manpower is estimated to be ~9% of the total manpower requirement. Given this shortfall of quality manpower and the industry's high attrition rate of 20-25%, the cost of labor is high. To bridge the demand and supply gap, currently players are hiring in huge numbers and increasingly investing in in-house training programs.

High real estate and labor costs impacting store profitability: For over a decade, India has been experiencing an escalation in real estate prices amplified by increasing demand and the availability of easy credit. For food services outlets, real estate (rentals) is the second major cost component after raw materials and accounts for ~12-15% and sometimes even 20% of total revenues.

Over- Licensing: In India, obtaining the requisite licenses, e.g. health license, food safety license, police license, No Objection Certificate (NOC), from the fire department and the state pollution control board, etc. is a major obstacle hindering the smooth operations of a restaurant. The process is not centralized as yet and requires filing applications with individual stakeholders, which involves a lot of paperwork and is a time-consuming activity. The licenses required to start a restaurant are the same throughout India, expect in some states like Maharashtra. A player needs approximately 12-15 licenses just to open a restaurant each from a government department. In comparison, the licensing requirements internationally are not as intricate as shown below.

Inflation and Cost Pressures: To counter the rising prices the company is looking at further leveraging the economies of scale available by opening centralized kitchen facilities in key locations.

Financial performance and out look

Total Income: The Company achieved total revenue of Rs. 4866.12 Lakhs during the financial year ended March 31, 2017.

Profit/Loss after Tax: The Company recorded loss of Rs. 1421.33 Lakhs for financial year ended March 31, 2017.

Considering the huge cost involved in operation and maintenance, the Company consolidated its operations to sectors that are profits making in terms of location and formats. This has reduced the operational cost significantly. The Company may focus more on such formats and locations to strengthen the financials and may take up additional business activities in line with the objects of the Company.

Internal Control Systems and their Adequacy: At GECL, internal control systems and procedure are adequately commensurate with the size and structure of the business. The operating and business control procedures have been planned and implemented in a manner that ensures efficient use of resources, as well as compliance with procedures and regulatory requirements.

The Company has engaged a firm of Internal Auditors to carry out audits extensively throughout the year with the objective of testing the adequacy and effectiveness of internal controls and recommending improvements.

The Audit Committee hold discussions with auditors periodically about internal control systems, the scope of audit including the observations and reviews of the quarterly, half yearly and annual financial statements before submission to the Board. The Audit Committee ensures compliance of internal control systems.

Human Resources:

The industrial relations across different locations of the Company were cordial during the year. The Company has, over the last few months, built the team necessary to be able to build and execute the vision that has been articulated in the preceding paragraphs. The total number of employees of the Company as on March 31, 2017 stood at 18.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include domestic and global; supplies and demand conditions affecting prices of final product and service, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

TO THE MEMBERS OF

GALAXY ENTERTAINMENT CORPORATION LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Galaxy Entertainment Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year thenended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its Loss (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

EMPHASIS OF MATTERS

We draw attention to Note No. 3 to the financial statement wherein the management has represented 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 financial statement.

We draw attention to Note 21(iii) to the financial statement on capital goods imported under the Export Promotion Capital Goods Scheme of the Government of India, at concessional rates of duty, on an undertaking to fulfil export obligation by October 2015 for which Company had sought an extension with Directorate General of Foreign Trade.The company has provided for the custom duty of Rs.653.36 Lakhs (excluding interest) during the year.

We draw attention to Note No. 22 to the financial 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) which is pending for admission.

Without qualifying our opinion, we draw attention to the financial 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 MATTERS

The financial information for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2015 included in these financial statements, are based on previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 19, 2016 and May 29, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition have been audited by us.

Our Opinion is not modified in respect of these matters

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and according to the information and explanation given to us, we give in the **"Annexure B"** a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in **"Annexure A".**
   g) With respect to the other matters to be included in Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
      i. The Company has disclosed the impact of pending litigations as at March 31, 2017 on its financial statements.
      ii. The Company did not have any long-term contracts including derivative contracts hence the question of making a provision for any resulting material foreseeable losses does not arise; and
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      iv. The Company has provided requisite disclosures in the financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016, on the basis of information available with the Company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management – Refer Note No. 26.

For S A R A & Associates
Chartered Accountants
Firm Regn No: 120927W

Alok Bairagra
Partner
Membership No: 105153

Place: Mumbai
Date: May 22, 2017

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Galaxy Entertainment Corporation Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S A R A & Associates
Chartered Accountants
Firm Regn No: 120927W

Alok Bairagra
Partner
Membership No.: 105153

Place: Mumbai
Date: May 22, 2017

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March, 2017. We report that;

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, a part of fixed assets have been physically verified by the management during the year in the phased periodical manner which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.

(c) Since the Company does not have any immovable properties, therefore the provisions of the Clause 3(i) (c) of the Order are not applicable to Company.

(ii) As explained to us, inventory consisting of consumables and supplies has been physically verified by the management during the year and no material discrepancies were noticed.

(iii) The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of the Clause 3(iii)(a)(b)(c) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanation given to us during the year there are no loans, investment, guarantees and security given by the Company. Therefore the provisions of the Clause 3(iv) of the Order are not applicable to the Company.

(v) In our opinion and according to the information and explanation given to us, the company has not accepted any deposit from the public. Therefore provisions of the Clause 3(v) of the order are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities.

(b) According to the information and explanation given to us and the records of the Company examined by us, the particulars of dues as at 31st March, 2017 which has not been deposited on account of dispute, are as follows

Name of the Statute	Nature of Dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Maharashtra Sales Tax	Sales Tax	16,68,316	F.Y. 2003-04	Deputy Commissioner of Sales Tax
West Bengal Sales Tax	Sales Tax	81,211	F.Y. 2011-12	Joint Commissioner of Sales Tax
Income Tax Act, 1961	Income Tax	2,260 13,39,320 17,410	A.Y. 2011-12 A.Y. 2012-13 A.Y. 2013-14	ITAT ITAT Assistant Commissioner of Income Tax
Bangalore Sales Tax Act	Entertainment Tax	20,04,648	November 2006 to August 2007	Sales Tax

(viii) According to the information and explanation given to us and on the basis of our examination of relevant records the company has not defaulted in repayment of loans or borrowings to financial institution, bank, government or dues to debenture holders as at the balance sheet date.

(ix) The Company did not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during course of our audit.

(xi) According to the information and explanation given to us and on the basis of our examination of relevant records, no managerial remunerations were paid or provided by the Company during the year.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanation given to us and on the basis of our examination of relevant records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act wherever applicable and details of such transaction have been disclosed in the financial statements as required under IND AS 24, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2015.

(xiv) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanation given to us and on the basis of our examination of the records, the company has not entered in to any non-cash transaction with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For S A R A & Associates
Chartered Accountants
Firm Regn No: 120927W

Alok Bairagra
Partner
Membership No: 105153

Place: Mumbai
Date: May 22, 2017

Balance Sheet

as at March 31, 2017 (CIN : L51900MH1981PLC024988)

(₹ in thousand)

Particulars	Notes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Assets				
Non Current Assets				
Property, Plant and Equipment	3	109,462.03	245,235.81	272,696.54
Other Intangible Assets	4	-	180.57	195.35
Financial Assets				
Investments	5 (a)	-	-	-
Loans and Advances	5 (b)	-	-	-
Other Non Current Financial Assets	5 (d)	19,721.95	20,632.19	19,214.73
Other Non Current Assets	6 (a)	5,878.21	6,189.04	9,756.77
Total Non- Current Assets		**135,062.19**	**272,237.61**	**301,863.39**
Current Assets				
Inventories	7	1,791.68	118.61	2,544.89
Financial Assets				
Trade Receivables	5 (e)	168,402.06	10,883.57	10,459.76
Cash and Cash Equivalents	5 (f)	459.47	1,848.72	3,683.05
Loans and Advances	5 (c)	2,459.33	2,437.33	10,240.40
Other Current Assets	6 (b)	5,255.69	580.65	7,468.62
Total Current Assets		**178,368.23**	**15,868.88**	**34,396.72**
Total Assets		**313,430.42**	**288,106.49**	**336,260.11**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	8 (a)	156,499.35	156,499.35	156,499.35
Other Equity	8 (b)	(308,273.08)	(166,140.01)	(152,220.15)
Total Equity		**(151,773.73)**	**(9,640.66)**	**4,279.20**
Liabilities				
Non Current Liabilities				
Financial Liabilities :				
Non Current Borrowings	9 (a)	86,577.75	78,243.31	94,944.02
Non Current Provisions	11 (a)	288.24	241.27	1,636.00
Total Non Current Liabilities		**86,865.99**	**78,484.58**	**96,580.02**
Current Liabilities				
Financial Liabilities				
Current Borrowings	9 (b)	95,247.77	88,082.98	65,762.51
Other Current Financial Liabilities	9 (c)	-	238.74	8,033.89
Trade Payable	9 (d)	211,104.01	120,689.45	158,560.93
Other Current Liabilities	10	6,632.85	10,211.90	2,770.15
Current Provisions	11 (b)	65,353.53	39.50	273.41
Total Current Liabilities		**378,338.16**	**219,262.57**	**235,400.89**
Total Equity and Liabilities		**313,430.42**	**288,106.49**	**336,260.11**
Significant Accounting Policies	2			

The above balance sheet should be read in conjunction with the accompanying notes.

As per our Report of even date
For S A R A & Associates
Chartered Accountants
Firm Regn No.120927W

For and on behalf of the Board of Directors

Alok Bairagra
Partner
Membership No. 105153

Udita Jhunjhunwala
Director
DIN : 00120951

Sunil Biyani
Director
DIN : 00006583

Place: Mumbai
Date: May 22, 2017

Vikas Kedia
Chief Financial Officer

Statement of Profit and Loss

for the year ended March 31, 2017 (CIN : L51900MH1981PLC024988)

(₹ in thousand)

Particulars	Notes	Year Ended 31st March,2017	Year Ended 31st March,2016
Revenue from Operations	12	417,481.82	428,968.76
Other Income	13	69,129.97	52,559.13
Total Income		**486,611.79**	**481,527.89**
Expenses			
Cost of Materials Consumed	14	9,533.77	26,183.31
Purchases of Stock In Trade	15	392,717.02	347,000.24
Employee Benefits Expense	16	7,002.08	20,053.62
Finance Costs	17	20,086.86	19,028.43
Depreciation and Amortization Expense	18	10,075.09	26,828.07
Impairment of Fixed Assets (Refer Note No. - 3 & 4)		105,009.35	-
Other Expenses	19	84,163.09	57,441.45
Total Expenses		**628,587.26**	**496,535.12**
Profit / (Loss) before exceptional items and tax		**(141,975.47)**	**(15,007.23)**
Add: Exceptional Items		-	-
Profit / (Loss) before tax		**(141,975.47)**	**(15,007.23)**
Tax expense :			
Current Tax		-	-
Deferred Tax		-	-
Total Tax Expenses		**-**	**-**
Profit / (Loss) for the year		**(141,975.47)**	**(15,007.23)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		(157.61)	1,087.37
Income tax relating to above		-	-
Other Comprehensive Income / (Loss) for the year, Net of Tax		**(157.61)**	**1,087.37**
Total comprehensive Income / (Loss) for the year		**(142,133.08)**	**(13,919.86)**
Earnings per equity share			
Basic and Diluted (face value of ₹ 10 each)		(9.07)	(0.96)
Significant Accounting Policies	2		

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our Report of even date
For S A R A & Associates
Chartered Accountants
Firm Regn No.120927W

For and on behalf of the Board of Directors

Alok Bairagra
Partner
Membership No. 105153

Udita Jhunjhunwala
Director
DIN : 00120951

Sunil Biyani
Director
DIN : 00006583

Place: Mumbai
Date: May 22, 2017

Vikas Kedia
Chief Financial Officer

Statement of Change in Equity

as at March 31, 2017 (CIN : L51900MH1981PLC024988)

(₹ in thousand)

Particulars	Equity Share Capital	Other Equity			Total Equity
		Share premium	General Reserve	Retained Earnings	
Balance as at 1st April, 2015	156,499.35	318,497.46	18,062.97	(488,780.58)	4,279.20
Changes in equity share capital during the year					
Profit / (Loss) for the year	-	-	-	(15,007.23)	(15,007.23)
Other comprehensive income for the year	-	-	-	1,087.37	1,087.37
Total Comprehensive income for the year	**156,499.35**	**318,497.46**	**18,062.97**	**(502,700.44)**	**(9,640.66)**
Balance at 31st March, 2016	**156,499.35**	**318,497.46**	**18,062.97**	**(502,700.44)**	**(9,640.66)**
Balance at 1st April, 2016	156,499.35	318,497.46	18,062.97	(502,700.44)	(9,640.66)
Changes in equity share capital during the year				-	-
Profit / (Loss) for the year	-	-	-	(141,975.47)	(141,975.47)
Other comprehensive income for the year	-	-	-	(157.61)	(157.61)
Total Comprehensive income for the year	**156,499.35**	**318,497.46**	**18,062.97**	**(644,833.52)**	**(151,773.74)**
Balance as at 31st March, 2017	**156,499.35**	**318,497.46**	**18,062.97**	**(644,833.52)**	**(151,773.74)**

The above statement of changes in Equity should be read in conjunction with the accompanying notes.

As per our Report of even date
For S A R A & Associates
Chartered Accountants
Firm Regn No.120927W

For and on behalf of the Board of Directors

Alok Bairagra
Partner
Membership No. 105153

Udita Jhunjhunwala
Director
DIN : 00120951

Sunil Biyani
Director
DIN : 00006583

Place: Mumbai
Date: May 22, 2017

Vikas Kedia
Chief Financial Officer

Cash Flow Statement

for the year ended March 31, 2017

(₹ in thousand)

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
A	**Cash Flow from operating activities**		
	Profit before income tax	(141,975.47)	(15,007.23)
	Adjustments for non cash and non operating items		
	Interest received	(1,499.32)	(1,786.37)
	Provisions for diminution in investments in Subsidiaries	-	(35,591.84)
	Loss on Disposal of investment in Subsidiaries	-	22,970.42
	Credit Balance Written Back	(55,930.28)	(29,898.12)
	Profit on Sales of Fixed Assets	(95.21)	(272.16)
	Depreciation and amortization expenses	10,075.09	26,828.07
	Finance costs	20,086.86	19,028.43
	Impairment of Fixed Assets	105,009.35	-
	(Gain) / Loss on Foreign Exchange Fluctuation	2,756.62	4,687.69
	Provision for Custom Duty Payable	65,336.37	-
	Provision/(write back) for doubtful debts and advances (net)	-	777.93
	Operating Cash Profit before Working Capital Changes	**3,764.01**	**(8,263.18)**
	Change in operating assets and liabilities		
	(Increase)/decrease in trade receivables	(157,518.49)	(1,201.74)
	(Increase)/decrease in loans and advances	(22.00)	7,803.07
	(Increase)/decrease in other current assets	(4,364.21)	11,779.68
	(Increase)/decrease in other financial assets	910.24	(1,417.46)
	(Increase)/decrease in inventories	(1,673.07)	2,426.28
	Increase/(decrease) in trade payables	143,588.22	(12,661.05)
	Increase/(decrease) in other financial liabilities	(238.74)	(7,795.15)
	Increase/(decrease) in provisions	24.63	(1,628.64)
	Increase/(decrease) in other liabilities	(3,579.05)	8,529.12
	Cash outflow from operations	**(19,108.46)**	**(2,429.07)**
	Income taxes paid	-	1,323.98
	Net cash outflow from operating activities	**(19,108.46)**	**(3,753.05)**
B	**Cash flow from investing activities:**		
	Sale proceeds of property, plant and equipment	20,807.52	1,601.06
	Sale proceed of Investments	-	12,621.42
	Purchase of Fixed Assets including Capital work in progress	-	(681.46)
	Interest received	1,499.32	1,786.37
	Net cash inflow from investing activities	**22,306.84**	**15,327.39**

Cash Flow Statement

for the year ended March 31, 2017

(₹ in thousand)

	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
C	**Cash flow from financing activities**		
	Proceeds from / (Repayment of) Borrowings	(4,161.44)	(14,054.80)
	Interest paid	(20,086.86)	(19,028.43)
	Net cash outflow from financing activities	**(24,248.30)**	**(33,083.23)**
	Net increase/(decrease) in cash and cash equivalents	(21,049.92)	(21,508.89)
	Cash and cash equivalents at the beginning of the financial year	1,848.72	3,683.05
	Cash and cash equivalents at the end of the year	**(19,201.20)**	**(17,825.84)**

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS -7) - Statement of Cash Flows
2. Cash and Cash Equivalent as per above comprises of the following

(₹ in Thousand)

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Cash and Cash Equivalents (Note 5 (f))	459.47	1,848.72
Bank Overdraft (Note 9 (b))	(19,660.67)	(19,674.56)
Balance as per statement of Cash Inflows	**(19,201.20)**	**(17,825.84)**

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our Report of even date
For S A R A & Associates
Chartered Accountants
Firm Regn No.120927W

For and on behalf of the Board of Directors

Alok Bairagra
Partner
Membership No. 105153

Udita Jhunjhunwala
Director
DIN : 00120951

Sunil Biyani
Director
DIN : 00006583

Place: Mumbai
Date: May 22, 2017

Vikas Kedia
Chief Financial Officer

SIGNIFICANT ACCOUNTING POLICES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1) CORPORATE INFORMATION

Galaxy Entertainment Corporation Limited (referred to as "GECL" or "the Company") was incorporated on August 13, 1981. It operates leisure and entertainment centers across the country.

As at the balance sheet date it has four centers offering a variety of facilities such as bowling, pool and video games, restaurant services, bakery, food court etc.

In addition to Leisure and Entertainment Services the company also deals in trading in fabric.

2) SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

(i) Compliance with Ind AS:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

a. defined benefit plans - plan assets measured at fair value,

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in preparation of financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognized in the period in which the results are materialized.

(c) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the property, plant and equipment which are ready for use as intended by the management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the property, plant and equipment will flow to the company and the cost of the property, plant and equipment can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred. Assets classified as held for sale are reported at the lower of the carrying value or the fair value less cost to sell.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The estimated useful lives of assets are as follows:

Asset Class	Useful Life
Plant & Machinery	15 Years
Furniture & Fixtures	10 Years
Computer	3 Years
Improvement to Licensed Premises	10 Years

The useful lives have been determined as specified by Schedule II to the Companies Act; 2013. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss, if any.

(d) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on straight line basis from the date they are available for use.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its Intangibles recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangibles

(e) Impairment of non-financial assets

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the assets is increased to its revised recoverable amount, provided that this amount doesn't exceed the carrying amount that would have been determined, had no impairment loss being recognized for the asset in prior years.

(f) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

a. Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b. Those measured at amortized cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt Instruments:

A subsequent measurement of debt instruments depends on the company's business model for managing the assets and the cash flow characteristics of the asset. The company classify its debts instruments in to following categories:

Amortised Cost: Assets that are held for collection of contractual cash flows represents solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flow present solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses).

Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Statements of Profit and Loss.

Equity Instrument:

The Company measures all equity investment at fair value except investment in subsidiaries, joint ventures and associates which are measured at cost less impairment if any. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

(iii) Impairment of financial asset: The Company assesses on a forward looking basis the expected credit losses associated with its assets. The Impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) De-recognition of financial assets

A financial asset is derecognized only when

a. The company has transferred the rights to receive cash flows from the financial asset or

b. Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

(g) Income recognition

(i) Interest income: Interest income from debt instruments is recognized using the effective interest rate method.

(ii) Dividends: Dividends are recognized in profit or loss only when the right to receive payment is established

(h) Inventories

Inventories representing restaurant supplies, consumables and redemption items are valued at cost determined on weighted average basis or net realizable value, whichever is lower.

Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

(i) **Sale of services:** The Company's revenues from leisure and entertainment services primarily include income from bowling, pool and video games and restaurant services. Revenues are recognized when the services are rendered and when no significant uncertainty as to measurement or collectibles exists.

Customers visiting the Company's leisure and entertainment centre and restaurants avail the facilities against payment in cash or by credit card. The Company also enables corporate entities to host private parties at its centers, for a negotiated price, which is billed to customers on completion of the event.

The company offers recharge card to the customers, against which services can be availed in future, to that extent revenue is deferred by the company and recognized as and when services are rendered.

(ii) **Sale of Goods:** sales are recognized at net of returns and trade discounts, taxes as applicable on dispatch of goods.

(j) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of the reporting period. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized as an item of Other Comprehensive Income in the statement of profit and loss.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

a. Defined benefit plans such as gratuity and

b. Defined contribution plans such as provident fund.

Gratuity obligations: The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans: Defined contribution plans such as provident fund etc are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(vi) Termination benefits

Termination benefits are recognized as and when incurred. However, the termination benefits which fall due for more than twelve months after the balance sheet date are discounted using the applicable discount rate.

(k) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(l) Foreign Currency Translation

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss. Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

(m) Lease – Operating

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

(n) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(o) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(p) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(q) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

(s) Provisions and Contingent Liabilities

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(t) Earnings per share

(i) Basic earnings per share

Basic earnings per share are calculated by dividing:

a) The profit attributable to owners of the company

b) By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

a) The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

b) The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(u) Recent accounting pronouncements:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are not applicable to the company.

Note 3 : Property, Plant and Equipment

(₹ in thousand)

Particulars	Improvement to Licensed Premises	Plant & Machinery	Furniture & Fixtures	Computer	Total
Year ended 31st March, 2016					
Gross Carrying Amount					
Deemed Cost as at 1st April, 2015 (Refer Note No. 27 & 36)	**102,803.88**	**161,903.73**	**7,503.40**	**485.53**	**272,696.54**
Additions	-	681.46	-	-	681.46
Disposals	-	2,900.18	-	-	2,900.18
Closing Gross Carrying Amount	**102,803.88**	**159,685.01**	**7,503.40**	**485.53**	**270,477.82**
Accumulated Depreciation					
Depreciation charge for the year	9,526.60	16,061.05	1,017.82	207.81	26,813.28
Deductions and Adjustments	-	(1,571.27)	-	-	(1,571.27)
Closing Accumulated Depreciation	**9,526.60**	**14,489.78**	**1,017.82**	**207.81**	**25,242.01**
Net Carrying Amount as at 31st March, 2016	**93,277.28**	**145,195.23**	**6,485.58**	**277.72**	**245,235.81**
Year ended 31st March, 2017					
Gross Carrying Amount	93,277.28	145,195.23	6,485.58	277.72	245,235.81
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Closing Gross Carrying Amount	**93,277.28**	**145,195.23**	**6,485.58**	**277.72**	**245,235.81**
Accumulated Depreciation					
Depreciation charge for the year	4,515.31	5,164.02	308.09	87.67	10,075.09
Impairment Loss	53,192.32	51,218.62	442.44	136.06	104,989.44
Deductions and Adjustments	-	16,438.23	4,248.11	22.91	20,709.25
Closing Accumulated Depreciation	**57,707.63**	**72,820.87**	**4,998.64**	**246.64**	**135,773.78**
Net Carrying Amount as at 31st March, 2017	**35,569.65**	**72,374.36**	**1,486.94**	**31.08**	**109,462.03**

Note:

i) All fixed assets of the Company are subjects to charges created in favour of Bank for term loan availed. Refer Note 27 for information on property, plant and equipment pledged as security by the Company.

ii) Impairment loss includes losses derived out of the furniture and fittings, plant and machinery and equipments of the units / outlets closed.

Note 4 : Other Intangible Assets

(₹ in thousand)

Particulars	Trademark	Trade License	Total
Year ended 31st March, 2016			
Gross Carrying Amount			
Deemed Cost as at 1st April, 2015 (Refer Note No. 36)	**39.75**	**155.60**	**195.35**
Additions	-	-	-
Disposals	-	-	-
Closing Gross Carrying Amount	**39.75**	**155.60**	**195.35**
Accumulated Amortisation			-
Amortisation charge for the year	4.07	10.71	14.78
Deductions and Adjustments	-	-	-
Closing Accumulated Amortisation	**4.07**	**10.71**	**14.78**
Net Carrying Amount as at 31st March, 2016	**35.68**	**144.89**	**180.57**
Year ended 31st March, 2017			
Gross Carrying Amount	35.68	144.89	180.57
Additions	-	-	-
Disposals	-	-	-
Closing Gross Carrying Amount	**35.68**	**144.89**	**180.57**
Accumulated Amortization	-	-	-
Amortization charge for the year	-	-	-
Deductions and Adjustments	-	144.89	144.89
Impairment Loss **	35.68	-	35.68
Closing Accumulated Amortization	**35.68**	**144.89**	**180.57**
Net Carrying Amount as at 31st March, 2017	**-**	**-**	**-**

** The carrying amount of the Trademarks has been reduced to its recoverable amount by recognition of an impairment loss in the Statement of Profit & Loss as a separate line item.

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Note 5 (a) : Non Current Investments			
Investment in subsidiaries at cost			
Investment in equity instruments (fully paid-up)			
Unquoted :			
Rain Fruits & More Pvt. Ltd. (01.04.2015 : 12,52,142)	-	-	35,491.84
Galaxy Rain Restaurant Pvt. Ltd. (01.04.2015 : 10,000)	-	-	100.00
Less : Prov for Diminution in Inv. in Subsidiaries	-	-	(35,591.84)
Total Non Current Investments	**-**	**-**	**-**
Total Non Current Investments			
Aggregate amount of unquoted investments			35,591.84
Aggregate amount of impairment in the value of investments			35,591.84
Note 5 (b) : Non Current Loan and Advances			
(Unsecured, considered doubtful)			
Loan and Advances	1,711.92	1,711.92	1,711.92
Less : Provision for Doubtful Loan and Advances	(1,711.92)	(1,711.92)	(1,711.92)
Total Non Current Loan and Advances	**-**	**-**	**-**

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Note 5 (c) : Current Loan and Advances			
(Unsecured, considered doubtful)			
Loans to related parties			20,797.71
Less : Provision for Doubtful Loan and Advances	-	-	(20,797.70)
Other			
Security Deposits	2,437.33	2,437.33	9,714.80
Less : Provision for Doubtful Deposits	-	-	(857.13)
(Unsecured, considered good unless otherwise stated)			
Other			
Advance against salary	22.00	-	38.72
Loans to other	-	-	1,344.00
Total Current Loan and Advances	**2,459.33**	**2,437.33**	**10,240.40**
Note 5 (d) : Other Non Current Financial Assets			
(Unsecured unless otherwise stated)			
Deposit with Bank (Under lien against Bank Guarantee)	18,318.95	17,691.44	17,809.11
Interest accrued on Bank Deposit	1,403.00	2,940.75	1,405.62
Total Other Non Current Financial Assets	**19,721.95**	**20,632.19**	**19,214.73**
Note 5 (e) : Trade Receivables			
(Unsecured and Considered good)			
Outstanding for a period exceeding six months from the date they are due for payment	9,468.66	8,896.95	6,184.04
Others	160,145.79	3,199.01	4,994.66
Less: Allowance for bad and doubtful debts	(1,212.39)	(1,212.39)	(718.94)
Total Trade receivables	**168,402.06**	**10,883.57**	**10,459.76**
Refer Note No. 30 for information about credit risk of trade receivable			
Note 5 (f) : Cash and Cash Equivalents			
Cash on hand	343.07	1,664.50	3,339.05
Balances with Banks			
In current accounts	116.40	184.22	344.00
Total Cash and Cash Equivalents	**459.47**	**1,848.72**	**3,683.05**
Note 6 (a) : Other Non Current Assets			
Balances with Government Authorities	5,878.21	6,189.04	9,756.77
Total Other Non Current Assets	**5,878.21**	**6,189.04**	**9,756.77**
Note 6 (b) : Other Current Assets			
Advances to Suppliers	2,110.61	391.31	5,699.52
Prepaid Expenses	3,145.08	189.34	1,769.10
Total Other Current Assets	**5,255.69**	**580.65**	**7,468.62**

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Note 7 : Inventories			
(Valued at cost or NRV, whichever is lower)			
Restaurants Supplies and Consumables	-	64.25	2,401.77
Redemption Stock	17.85	54.36	143.12
Fabric Stock	1,773.83	-	-
Total Inventories	**1,791.68**	**118.61**	**2,544.89**

Note 8 (a) : Equity Share Capital			
Equity Share capital			
Authorized			
20,000,000 [31st March, 2016: 20,000,000 and 1st April, 2015: 20,000,000] Equity Shares of ₹ 10 each	200,000.00	200,000.00	200,000.00
Issued, subscribed and fully paid up			
15,649,935 [31st March, 2016: 15,649,935 and 1st April, 2015: 15,649,935] Equity Shares of ₹ 10 each	156,499.35	156,499.35	156,499.35
Total Equity Share Capital Issued, Subscribed and Fully Paid Up	**156,499.35**	**156,499.35**	**156,499.35**

a) Reconciliation of number of shares

Equity Shares :			
Balance as at the beginning of the year	15,649,935	15,649,935	15,649,935
Add: Shares issued during the year	-	-	-
Balance as at the end of the year	**15,649,935**	**15,649,935**	**15,649,935**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

No. of Shares	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Future Enterprises Ltd. (Formerly known as Future Retail Ltd)	4,937,935	4,937,935	4,937,935
Bellona Hospitality Services Limited	3,686,491	3,686,491	3,686,491
Eclipse Trade Pvt. Ltd.	1,029,432	1,029,432	1,029,432
Merlin Enclaves Pvt. Ltd.	895,626	895,626	895,626
Holding in %			
Future Enterprises Ltd. (Formerly known as Future Retail Ltd)	31.55	31.55	31.55
Bellona Hospitality Services Limited	23.56	23.56	23.56
Eclipse Trade Pvt. Ltd.	6.58	6.58	6.58
Merlin Enclaves pvt. Ltd.	5.72	5.72	5.72

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Note 8 (b) : Other Equity			
Share Premium	318,497.46	318,497.46	318,497.46
General Reserve	18,062.97	18,062.97	18,062.97
Retained Earnings	(644,833.52)	(502,700.44)	(488,780.58)
	(308,273.09)	**(166,140.01)**	**(152,220.15)**
Share Premium			
Opening Balance	318,497.46	318,497.46	318,497.46
Change during the Year	-	-	-
Closing Balance	**318,497.46**	**318,497.46**	**318,497.46**
General Reserve			
Opening Balance	18,062.97	18,062.97	18,062.97
Change during the Year	-	-	-
Closing Balance	**18,062.97**	**18,062.97**	**18,062.97**
Retained Earnings			
Opening Balance	(502,700.44)	(488,780.58)	(488,780.58)
Net Profit / (Loss) during the year	(141,975.47)	(15,007.23)	-
Items of other comprehensive income recognized directly in retained earnings			
Remeasurements of post-employment benefit obligation, net of tax	(157.61)	1,087.37	-
Closing Balance	**(644,833.52)**	**(502,700.44)**	**(488,780.58)**

Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Act.

Note 9 (a) : Non Current Borrowings			
Secured			
Term Loans from Banks	52,636.45	89,256.52	115,812.37
Unsecured			
Loans from Corporates*	73,966.05	25,606.86	-
Total Long Term Borrowing	126,602.50	114,863.38	115,812.37
Less: Current maturities of Term Loan	40,024.75	36,620.07	20,868.35
Total Non Current Borrowings	**86,577.75**	**78,243.31**	**94,944.02**
Note 9 (b) : Current Borrowings			
Secured			
Current maturities of Term Loan	40,024.75	36,620.07	20,868.35
Bank Overdraft	19,660.67	19,674.56	17,115.09
Unsecured			
Loans from Others	24,283.28	4,009.28	-
Loans from Related Party	11,279.07	27,779.07	27,779.07
Total Current Borrowings	**95,247.77**	**88,082.98**	**65,762.51**

Secured borrowings and assets pledged as security

Interest Rate is between 12.25 % to 12.50% p.a. for Term Loan from Bank

Term loan from Bank secured against hypothecation charges on entire present and future movable fixed / current assets of the company, Corporate guarantee by Future Enterprises Ltd. And personal guarantee of one of the Promoters.

Unsecured borrowings

*Loan taken from Corporate are payable on end of the term carrying interest rate of 10% p.a.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in Note No. 27.

Refer Note No. 30 for information about liquidity risk of borrowings

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Note 9 (c) : Other Current Financial Liabilities			
Security deposits	-	20.00	7,013.84
Other Payables	-	218.74	1,020.05
Total Other Current Financial Liabilities	**-**	**238.74**	**8,033.89**
Note 9 (d) : Trade Payables			
Trade payables	202,935.65	106,125.66	135,135.23
Trade Payable - Micro, Small & Medium Enterprises	-	-	-
Amounts due to related parties	8,168.36	14,563.79	23,425.70
Total Trade Payables	**211,104.01**	**120,689.45**	**158,560.93**

(i) Based on the available information with the management, the Company does not owe any sum to suppliers who are registered as Micro, Small, Medium Enterprise as at March 31, 2017 in terms of the provisions of "The Micro, Small, Medium Enterprise Development Act, 2006".

Note 10 : Other Current Liabilities			
Statutory dues	2,544.17	524.61	1,451.06
Advance from customers	4,088.68	9,687.29	1,319.09
Total Other Current Liabilities	**6,632.85**	**10,211.90**	**2,770.15**
Note 11 (a) : Non Current Provisions			
Gratuity	206.57	184.19	1,223.68
Leave entitlement	81.67	57.08	412.32
Total Non Current Provisions	**288.24**	**241.27**	**1,636.00**
Note 11 (b) : Current Provisions			
Gratuity	2.45	20.47	135.97
Leave entitlement	14.70	19.03	137.44
Provision for Custom Duty Payable	65,336.37	-	-
Total Current Provisions	**65,353.52**	**39.50**	**273.41**

Information about provisions and significant estimates :

Provision for Custom Duty Payable

Provision is made for Custom Duty Payable. The Company has 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 by October 2015 or such other dates as may be permitted by DGFT.

Movements in provisions :

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Custom Duty Payable			
Opening Balance	-	-	-
Additional Provisions recognized	65,336.37	-	-
Closing Balance	**65,336.37**	**-**	**-**

Leave entitlement

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Gratuity

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or company scheme whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in thousand)

Particulars	Gratuity		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Opening defined benefit obligation	204.65	1,359.64	548.43
Current service cost	44.17	53.45	725.36
Interest expense/(income)	11.26	108.77	43.87
Total amount recognised in profit and loss	55.43	162.22	769.23
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	14.83	-	-
Experience (gains)/losses	61.82	(1,249.59)	544.05
Total amount recognised in other comprehensive income	76.65	(1,249.59)	544.05
Employer contributions	(127.71)	(67.62)	(502.07)
Benefit payments			
Closing defined benefit obligation	209.02	204.65	1,359.64
The net liability disclosed above relates to unfunded plans are as follows:			
Defined benefit obligation	209.02	204.65	1,359.64
Fair value of plan assets	-	-	-
Surplus /(Deficit)	209.02	204.65	1,359.64
Effect of assets ceiling	-	-	-
Net Defined Benefit Liability/(Assets)	209.02	204.65	1,359.64

Significant estimates: Actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	Gratuity		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Discount rate	7.50%	8.00%	8.00%
Salary growth rate	5.00%	5.00%	5.00%
Sensitivity analysis			
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:			
Discount rate			
a. Discount rate -100 basis point	239.26	234.25	1,556.29
b. Discount rate+100 basis point	176.51	172.82	1,148.14
Salary growth rate			
a. Rate -100 basis point	179.54	175.79	1,167.88
b. Rate+100 basis point	243.99	238.88	1,587.07

Note 12 : Revenue from Operations

(₹ in thousand)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Sale of Services		
Games	12,214.03	18,071.78
Restaurants	3,241.36	60,288.71
Event Management Income	9,011.29	-
Sale of Fabric	392,828.79	347,899.26
Other Operating Income	186.35	2,709.01
Total Revenue from Operations	**417,481.82**	**428,968.76**
Note 13 : Other income		
Interest on Fixed Deposit	1,499.32	1,719.35
Interest on Income Tax Refund	-	67.02
Fair Value of Financial Liabilities	11,605.16	7,981.06
Reversal of Provision for Diminution in Investment in Subsidiaries	-	35,591.84
Loss on Disposal of Investment in Subsidiaries	-	(22,970.42)
Credit Balance Written Back (Refer Note No. - 22)	55,930.28	29,898.12
Profit on Sale of Fixed Assets (Net)	95.21	272.16
Total Other income	**69,129.97**	**52,559.13**
Note 14 : Cost of materials consumed		
Raw materials consumed	1,723.96	26,183.31
Event Management Expenses	7,809.81	-
Total Cost of materials consumed	**9,533.77**	**26,183.31**
Note 15 : Purchases of Stock-in-Trade		
Purchases of Stock-in-Trade	392,717.02	347,000.24
Total Purchases of Stock-in-Trade	**392,717.02**	**347,000.24**

Note 16 : Employee benefits expense

(₹ in thousand)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Salaries and wages	6,453.34	18,710.29
Contribution to provident funds and other funds	316.04	1,193.66
Defined benefit plan expense	55.43	(1,087.37)
Leave salary expense	29.44	(4.37)
Workmen and Staff welfare expenses	147.83	154.04
Total Employee benefits expense	**7,002.08**	**18,966.25**
Note 17 : Finance costs		
Interest on Overdraft	1,876.55	2,365.28
Interest on Term Loan	9,495.74	13,604.28
Interest on Inter Corporate Deposit	8,708.73	3,004.17
Other Borrowing Cost	5.84	54.70
Total Finance costs	**20,086.86**	**19,028.43**
Note 18 : Depreciation and amortization expense		
Depreciation on Property, Plant and Equipment	10,075.09	12,040.07
Amortization on Intangible assets	-	14,788.00
Total Depreciation and amortization expense	**10,075.09**	**26,828.07**
Note 19 : Other expenses		
Power, Fuel, Light and Water	1,374.81	10,251.16
Communication Expenses	114.25	448.07
Rent	4,180.30	24,575.29
Repairs to Building	15.12	121.01
Repairs to Plant and Equipment	266.69	1,376.73
Repairs to Others	1,231.17	1,670.55
Insurance	300.29	689.42
Rates & taxes (a)	67,835.62	4,346.11
Advertising and sales promotion	37.00	86.51
Carriage and freight	241.71	261.34
Printing & Stationery	106.09	332.50
Audit Committee Fees	85.00	55.56
Director Sitting Fees	220.00	151.48
Professional & Consultancy Charges	1,280.55	1,692.02
Legal Fees	855.80	372.00
Postage & Courier Charges	37.17	183.52
Security Charges	12.50	510.67
Miscellaneous Expenses	623.45	1,135.37
Provision for doubtful debts and advances (Net)	-	777.93
Travelling and Local Conveyance Expenses	2,246.16	3,368.13
Net (Gain) / Loss on Foreign Currency transactions and translation	2,756.62	4,687.69
Payment to Statutory Auditors (b)	342.79	348.39
Total Other expenses	**84,163.09**	**57,441.45**
(a) Rates & Taxes		
Rate & Taxes	2,499.25	4,346.11
Provision for Custom Duty Payable (Refer Note - 11(b))	65,336.37	-
Total Rates & taxes	**67,835.62**	**4,346.11**

(₹ in thousand)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(b) Payment to Statutory Auditors		
For Audit Fees	145.00	145.00
For Tax Audit Fees	60.00	60.00
For Limited Review Fees	45.00	45.00
For Other Services	70.75	67.51
For Reimbursement of Expenses	22.04	30.88
Total Payment to Statutory Auditors	**342.79**	**348.39**

Note 20 : Capital and Other Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ "Nil" (Previous Year ₹ "Nil")

Note 21 : Contingent Liabilities not provided for :

(i) In respect of guarantees provided by Company's banker on behalf of the Company ₹11,138.46 thousands (Previous Year ₹ 11,138.46 thousands)

(ii) In respect of disputed tax demand not provided as following:

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Entertainment Tax Demand (Karnataka) (Inclusive of Interest & Penalty)	2,004.65	2,004.65	2,004.65
Sales Tax Demand:			
2003-2004 (Maharashtra)	1,668.32	1,668.32	1,668.32
2008-2009 (Maharashtra)	-	7,492.72	7,492.72
2011-2012 (West Bengal)	81.21	81.21	-
Income Tax:			
A.Y. 2009-2010	-	-	3,356.69
A.Y. 2011-2012	2.26	-	-
A.Y. 2012-2013	1,339.32	1,339.32	-
A.Y. 2013-2014	17.41	17.41	-

(iii) The Company has 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 by October 2015 or such other dates as may be permitted by DGFT. Outstanding as at balance sheet date is ₹ 65,396.37 thousands (Previous Year ₹ 65,396.37 thousands).

Note 22 : Winding Up Petition

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. However, an appeal has been filed against the said order by the creditor (Petitioner) which is pending for admission.

Note 23 : Going Concern Assumption

The company has incurred a loss in the current year ₹ 1,42,133.08 thousands (Previous Year ₹ 13,919.86 thousands) and the accumulated losses of the company as at March 31, 2017 is ₹ 6,44,833.52 thousands (Previous Year ₹ 5,02,700.44 thousands). The investor holding stake in the company has given letter of support to extend any financial support which may be required by the company.

The Company has also entered into new business and based on the projections, the company hopes to better the financial position in the coming financial years.

Note 24: Deferred Tax Asset/ (Liability):

On a conservative basis, the Company has not recognized any deferred tax asset on unabsorbed business losses/unabsorbed depreciation during the current year.

Note 25: Related Party Disclosure

In accordance with the Ind AS - 24 on "Related Party Disclosure" the relevant information for the year ended March 31, 2017 is as under

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships

Sr. No.	Name of the Related Party	Nature of Relationship
1	Future Enterprises Ltd. (Formerly known as Future Retail Ltd)	Enterprises where control exists through substantial equity interest
2	Splendor Fitness Pvt Ltd	Enterprises in which a director is a member / Director
3	Star Shopping Centers Pvt Ltd.	Enterprises in which a director is a member / Director
4	Vikas Kedia	Key Managerial Personnel

(ii) Transactions during the year with related parties :

(₹ in thousand)

Sr. No.	Nature of Transaction (Excluding Reimbursements)	Enterprises in which a director is a member / Director	Enterprises where control exists through substantial equity interest	Total
1	Net Loans and Advances Repaid	16,500.00 (-)	- (-)	16,500.00 (-)
2	Sundry Balances Written Back	- (-)	- (7,000.00)	- (7,000.00)
3	Electricity Expenses	- (-)	- (71.58)	- (71.58)
4	Common Area Maintenance Charges	2,117.76 (-)	- (-)	2,117.76 (-)
5	Revenue form Sales	104.06 (-)	- (-)	104.06 (-)
6	Trade Payables	10,476.80 (-)	- (-)	10,476.80 (-)

Key Managerial Personnel Compensation

(₹ in thousand)

Particulars	As at 31st March, 201-7	As at 31st March, 2016
Short-term employee benefits	689.82	662.19
Post-employment benefits	-	-
Long-term employee benefits	9.52	8.64
Termination benefits	-	-
Total	**699.34**	**670.83**

(iii) Balance as at 31st March, 2017

(₹ in thousand)

Sr. No.	Nature of Transaction (Excluding Reimbursements)	Enterprises in which a director is a member / Director	Enterprises where control exists through substantial equity interest	Total
1	Loans and Advances Taken	11,279.07 27,779.07	- -	11,279.07 27,779.07
2	Trade Receivables	5,043.41 (3,211.57)	8,168.36 8,168.36	13,211.77 4,956.79

Note : Related Party relationship is as identified by the Company and relied upon by the Auditors

Note 26: Disclosure in respect of Specified Bank Note (SBN)

(₹ in thousand)

S. No.	Particulars	Specified Bank Note (SBN)	Other Denomination Notes	Total
1	Closing Cash in Hand as on 8th November, 2016	594.50	254.02	848.52
2	Add : Permitted Receipts	-	1,370.44	1,370.44
3	Less : Permitted Payments	-	479.10	479.10
4	Less : Amounts Deposited in Bank	594.50	769.65	1,364.15
5	Closing Cash in Hand as on 30th December, 2016	-	375.71	375.71

For the purposes of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016

Note 27: Assets Pledged as Security

The carrying amounts of assets pledged as security for current and non - current borrowings are :

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Assets			
Inventories	1,791.68	118.61	2,544.89
Financial Assets			
Trade Receivables	168,402.06	10,883.57	10,459.76
Cash and Cash Equivalents	459.47	1,848.72	3,683.05
Loans and Advances	2,459.33	2,437.33	10,240.40
Other Current Assets	5,255.69	580.65	7,468.62
Total Current Assets	178,368.23	15,868.88	34,396.72
Non Current Assets classified as held for sale	-	-	-
Total Current Assets	**178,368.23**	**15,868.88**	**34,396.72**
Non Current Assets			
Property, Plant and Equipment	109,462.03	245,235.81	272,696.54
Other Intangible Assets	-	180.57	195.35
Other Non Current Financial Assets	19,721.95	20,632.19	19,214.73
Total Non Current Assets	**129,183.98**	**266,048.57**	**292,106.62**
Total Assets pledged as security	**307,552.21**	**281,917.45**	**326,503.34**

Note 28: Offsetting Financial Assets and Financial Liabilities

There are no offset for the recognised financial instruments as at 31st March, 2017, 31st March, 2016 and 1st April, 2015.

Note 29: Fair Value Measurements

29(a) : Financial Instruments by Category

(₹ in thousand)

Particulars	As at 31st March, 2017 Amortised cost	As at 31st March, 2016 Amortised cost	As at 1st April, 2015 Amortised cost
Financial Assets			
Loans and Advances	2,459.33	2,437.33	10,240.40
Trade receivables	168,402.06	10,883.57	10,459.76
Cash and Cash Equivalents	459.47	1,848.72	3,683.05
Other Financial Assets	19,721.95	20,632.19	19,214.73
Total Financial Assets	**191,042.81**	**35,801.81**	**43,597.94**

(₹ in thousand)

Particulars	As at 31st March, 2017 Amortised cost	As at 31st March, 2016 Amortised cost	As at 1st April, 2015 Amortised cost
Financial Liabilities			
Borrowings	181,825.52	166,326.29	160,706.53
Trade Payable	211,104.01	120,689.45	158,560.93
Other Financial Liabilities	-	238.74	8,033.89
Total Financial Liabilities	**392,929.53**	**287,254.48**	**327,301.35**

No Financial instruments are measured at Fair Value.

29(b): Assets and liabilities which are measured at amortised cost for which fair values are disclosed are calculated under Level 3 except other financial assets and borrowings other than bank borrowings which are at level 2.. During the year there are no financial instruments which are measured at Level 1.

(₹ in thousand)

Particular	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assets			
Loans and Advances	2,459.33	2,437.33	10,240.40
Trade receivables	168,402.06	10,883.57	10,459.76
Cash and Cash Equivalents	459.47	1,848.72	3,683.05
Other Financial Assets	19,721.95	20,632.19	19,214.73
Total Financial Assets	**191,042.81**	**35,801.81**	**43,597.94**
Financial Liabilities			
Borrowings	181,825.52	166,326.29	160,706.53
Trade Payable	211,104.01	120,689.45	158,560.93
Other Financial Liabilities	-	238.74	8,033.89
Total Financial Liabilities	**392,929.53**	**287,254.48**	**327,301.35**

The fair value of financial instruments referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

Level 1: This hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation processes :

For level 2 financial instruments the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

29(c) Fair value of financial assets and liabilities measured at amortised cost

(₹ in thousand)

Particular	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Loans and Advances	2,459.33	2,459.33	2,437.33	2,437.33	10,240.40	10,240.40
Trade receivables	168,402.06	168,402.06	10,883.57	10,883.57	10,459.76	10,459.76
Cash and Cash Equivalents	459.47	459.47	1,848.72	1,848.72	3,683.05	3,683.05
Other Financial Assets	19,721.95	19,296.95	20,632.19	20,207.19	19,214.73	18,789.73
Total Financial Assets	**191,042.81**	**190,617.81**	**35,801.81**	**35,376.81**	**43,597.94**	**43,172.94**

(₹ in thousand)

Particular	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities						
Borrowings	181,825.52	180,684.01	166,326.29	165,458.90	160,706.53	160,706.53
Trade Payable	211,104.01	211,104.01	120,689.45	120,689.45	158,560.93	158,560.93
Other Financial Liabilities	-	-	238.74	238.74	8,033.89	8,033.89
Total Financial Liabilities	**392,929.53**	**391,788.02**	**287,254.48**	**286,387.09**	**327,301.35**	**327,301.35**

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values largely due to short term maturities of the instruments.

The fair values of other financial assets and borrowings other than bank borrowings were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair value of the long-term borrowing from bank with floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the company's borrowing (since the date of inception of the loans). Further, the company has no long-term Borrowings with fixed rate of interest.

Note 30: Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk are reviewed regularly to reflect changes in market conditions and the Company's activities.

A. Market Risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

The company is not significantly exposed to foreign currency risk. Moreover, the company has no investments in equity shares thus the company is not exposed to price risk also.

(a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, management of the Company performs a corporate interest rate risk.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or 20 basis point decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Variable rate borrowings	181,825.52	166,326.29	160,706.53
Percentage of variable rate borrowings to total borrowings	100%	100%	100%
Total Borrowings	**181,826**	**166,326**	**160,707**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in thousand)

Particulars	Impact on profit after tax		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest rates – increase by 100 basis points*	1,818.26	1,663.26	1,607.07
Interest rates – decrease by 20 basis points*	363.65	332.65	321.41

*Holding all other variables constant

B. Credit Risks

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities primarily trade receivables and from its loans and advances and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management.

The Company measures the expected credit loss of trade receivables and loan & advances customers wise based on historical trend. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Movement in provisions of doubtful debts

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Opening provision	1,212.39	718.94	718.94
Add:- Additional provision made	-	777.93	-
Less:- Provision write off	-	-	-
Less:- Provision reversed	-	(284.48)	-
Closing provisions	**1,212.39**	**1,212.39**	**718.94**

Movement in provisions of doubtful Loans & Advance

(₹ in thousand)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Opening provision	1,711.92	2,569.05	2,569.05
Add:- Additional provision made	-	-	-
Less:- Provision write off	-	-	-
Less:- Provision reversed	-	(857.13)	-
Closing provisions	**1,711.92**	**1,711.92**	**2,569.05**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

C. Liquidity Risk:

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the company's credit rating and impair investor confidence.

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

Maturity patterns of liabilities:

(₹ in thousand)

Particulars	Less than 12 months	More than 12 months	Total
As at 31st March, 2017			
Trade payables	211,104.01	-	211,104.01
Borrowings	102,397.88	135,286.48	237,684.37
Other Non Financial liabilities	6,632.85		6,632.85
As at 31st March, 2016			
Trade payables	120,689.45	-	120,689.45
Borrowings	99,455.28	126,582.60	226,037.88
Other Financial liabilities	238.74	-	238.74
Other Non Financial liabilities	10,211.90	-	10,211.90
As at 1st April, 2015			
Trade payables	158,560.93	-	158,560.93
Borrowings	81,732.07	109,745.11	191,477.17
Other Financial liabilities	8,033.89	-	8,033.89
Other Non Financial liabilities	2,770.15	-	2,770.15

D. Capital Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders.

The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company does not distribute dividends to the shareholders.

Note 31: Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief finance officer of the Company. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in Ind AS - 108.

The Company has identified two reportable segments viz. Leisure and Entertainment Services and Trading. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting:

a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

(a) Description of segments and principal activities

(i) Leisure and Entertainment Services: Under this segment the company is offers variety of facilities such as bowling, pool and video games, restaurant services, bakery, food court etc.

(ii) Trading Merchandise: Under this segment the company deals in trading of merchandise.

(b) Segment Details

The company operates as a two segment. The segment revenue is measured in the same way as in the statement of profit or loss.

(₹ in thousand)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016	Year Ended 1st April, 2015
Segment Revenue			
Leisure and Entertainment Services	24,653.03	81,069.50	-
Trading Merchandise	392,828.79	347,899.26	-
Total Segment Revenue	**417,481.82**	**428,968.76**	**-**
Segment Result			
Leisure and Entertainment Services	(122,000.38)	3,122.18	-
Trading Merchandise	111.77	899.02	-
Total	(121,888.61)	4,021.20	-
Less: Other un-allocable expenditure net off un-allocable income	(20,086.86)	(19,028.43)	-
Total Profit Before Tax	**(141,975.47)**	**(15,007.23)**	**-**
Segment Assets			
Leisure and Entertainment Services	159,687.68	285,598.39	333,752.01
Trading Merchandise	153,742.74	2,508.10	2,508.10
Total Segment Assets	**313,430.42**	**288,106.49**	**336,260.11**
Segment Liabilities			
Leisure and Entertainment Services	300,283.87	289,535.17	323,768.93
Trading Merchandise	164,920.28	8,211.98	8,211.98
Total Segment Liabilities	**465,204.15**	**297,747.15**	**331,980.91**

The company is domiciled in India. All segment revenue are from external customers and segment assets located in India.

(c) Major Customer

There are three major external customer contributing more than 10% or more of company's total revenue each.

Note 32: Earnings per share

(₹ in thousand)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(a) Basic and diluted earnings per share		
Profit attributable to the equity holders of the company	(141,975.47)	(15,007.23)
Total basic earnings per share attributable to the equity holders of the company	**(141,975.47)**	**(15,007.23)**
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	15,649,935	15,649,935
Earning Per Share - Basic and diluted (Face value of ₹ 10 Per Share)	(9.07)	(0.96)

Note 33 : Balances of Trade Receivable and Payables are subject to confirmations and reconciliation.

Note 34: In the opinion of the Board, all assets other than fixed assets and non-current investments have value on realization in the ordinary course of business at least equal to the amount at which they are stated.

Note 35 : The figures for the previous financial year are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure

Note 36: First-time adoption of Ind AS

Transition to Ind AS

These are the first financial statements prepared in accordance with IND AS

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS Balance Sheet at 1st April 2015 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Set out below are the applicable Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Optional Exemptions availed

(i) Deemed cost :

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(B) Applicable mandatory exceptions:

(i) Estimates :

An entity's estimate in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B. Transition to Ind AS - Reconciliations

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year ended 31st, March 2016

(₹ in thousand)

Particulars	Notes to first time adoption	Year Ended 31st March, 2016
Profit under IGAAP		**(20,225.18)**
Deferment of revenue	(i)	510.37
Measurement of Term Loan at amortised cost	(ii)	(248.96)
Measurement of Other Borrowings at fair value	(iii)	5,680.24
Provision for Expected Credit Loss - Sundry Debtors	(iv)	(493.46)
Provision for Expected Credit Loss - Loan & Advances	(v)	857.13
Actuarial gain / (loss)on employee defined benefit funds recognized in other Comprehensive Income	(vi)	(1,087.37)
Net profit/loss as per Ind AS		**(15,007.23)**
Actuarial gain / (loss)on employee defined benefit funds recognized in other Comprehensive Income	(vi)	1,087.37
Profit under Ind AS		**(13,919.86)**

Reconciliation of Total Other Equity as at 31st March, 2016 and 1st April, 2015

(₹ in thousand)

Particulars	Notes to first time adoption	As at 31st March, 2016	As at 1st April, 2015
Opening Other Equity Balance (as per IGAAP)		**(168,416.61)**	**(148,191.43)**
Deferment of revenue	(i)	(787.29)	(1,297.66)
Measurement of Term Loan at amortised cost	(ii)	307.98	556.93
Measurement of Other Borrowings at fair value	(iii)	5,680.24	-
Provision for Expected Credit Loss - Sundry Debtors	(iv)	(1,212.40)	(718.94)
Provision for Expected Credit Loss - Loan & Advances	(v)	(1,711.92)	(2,569.05)
Closing Other Equity Balance (as per IND AS)		**(166,140.00)**	**(152,220.15)**

C. Notes to first time adoption:

(i) Deferment of Revenue:

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. As a result of this change, the profit for the year ended 31st March, 2016 increased by ₹ 510.37 thousands (1st April, 2015 ₹ 1,297.66 thousands). Consequently, the total equity as at 31st March, 2016 increased by ₹ 787.29 thousands (1st April, 2015 ₹ 1,297.66 thousands) and profit for the year ended 31st March, 2016 increased by ₹ 510.37 thousands.

(ii) Measurement of Term Loan at amortised cost:

Ind AS 109 requires transaction costs incurred towards origination of term loans to be deducted from the carrying amount of term loans on initial recognition. These costs are recognised in the profit or loss over the tenure of the term loans as part of the interest expense by applying the effective interest rate method.

Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, borrowings as at 31st March, 2016 have been reduced by ₹ 307.98 thousands (1st April, 2015 ₹ 556.93 thousands) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended 31st March, 2016 decreased by ₹ 248.96 thousands as a result of the additional interest expense.

(iii) Measurement of Other Borrowings at fair value:

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.

Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, borrowings as at 31st March, 2016 have been reduced by ₹ 5,680.24 thousands (1st April, 2015 ₹ Nil) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended 31st March, 2016 increased by ₹ 5,680.24 thousands as a result of the additional interest expense.

(iv) Provision for Expected Credit Loss - Sundry Debtors:

As per Ind AS 109, the company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts increased by ₹ 493.46 thousands as at 31st March, 2016 (1st April, 2015 ₹ 718.94 thousands). Consequently, the total equity as at 31st March, 2016 decreased by ₹ 1,212.40 thousands (1st April, 2015 ₹ 718.94 thousands) and profit for the year ended 31st March, 2016 decreased by ₹ 493.46 thousands.

(v) Provision for Expected Credit Loss - Loan & Advances:

As per Ind AS 109, the company is required to apply expected credit loss model for recognising the allowance for doubtful loans and advances. As a result, the allowance for doubtful loans and advances decreased by ₹ 857.13 thousands as at 31st March, 2016 (1st April, 2015 ₹ 2,569.05 thousands). Consequently, the total equity as at 31st March, 2016 decreased by ₹ 1,711.92 thousands (1st April, 2015 ₹ 2,569.05 thousands) and profit for the year ended 31st March, 2016 increased by ₹ 857.13 thousands.

(vi) Remeasurements of post-employment benefit obligations:

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31st March, 2016 increased by ₹ 1,087.37 thousands. There is no impact on the total equity as at 31st March, 2016.

(vii) Retained earnings:

Retained earnings as at 1st April, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

(viii) The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March 2016 as compared with the previous GAAP

As per our Report of even date
For S A R A & Associates
Chartered Accountants
Firm Regn No.120927W

For and on behalf of the Board of Directors

Alok Bairagra
Partner
Membership No. 105153

Udita Jhunjhunwala
Director
DIN : 00120951

Sunil Biyani
Director
DIN : 00006583

Place: Mumbai
Date: May 22, 2017

Vikas Kedia
Chief Financial Officer

GALAXY ENTERTAINMENT CORPORATION LIMITED

CIN: L51900MH1981PLC024988
Registered Office: 3rd Floor, Block A, Orchid City Centre Mall, 225, Belasis Road, Mumbai Central, Mumbai-400008
Tel No.: 022 - 6199 4487, Fax No.: 022 – 6199 5269 E-mail: investors@thegalaxycorp.com
Website: www.thegalaxycorp.com

FORM NO. MGT – 11

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered address: _____

E-mail Id: _____

Folio No. / Client ID: _____

DP ID: _____

I/We being the member(s) of _____ shares of the Galaxy Entertainment Corporation Limited hereby appoint:

1) Name:_____

Address:_____

E-mail Id: _____Signature:_____ or failing him;

2) Name:_____

Address:_____

E-mail Id: _____Signature:_____ or failing him;

3) Name:_____

Address:_____

E-mail Id: _____Signature:_____ or failing him;

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ behalf at the 35th Annual General Meeting of the Company to be held on Friday, 15th day of September 2017 at 3.00 p.m. at Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400018 and at any adjournment thereof in respect of resolutions, as indicated below:

Resolutions	Optional*	
	For	Against
Ordinary Business		
1. Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors for the year ended March 31, 2017.		
2. Appointment of Director in place of Mr. Swapnil Kothari (DIN: 05235636) who retires by rotation and being eligible offers himself for re-appointment.		
3. Ratification for appointment of Statutory Auditors.		

Signed this …… day of …… 2017.

Signature of shareholder(s): _____

Signature of Proxy holder(s): _____

AFFIX RE.1/-
REVENUE
STAMP

Note(s): Proxy form to be submitted at the Registered Office of the Company not less than 48 (forty eight) hours before the commencement of aforesaid Annual General Meeting.

For Resolutions, Explanatory Statements and Notes, please refer Notice of 35th Annual General Meeting of the Company.

* It is optional to put "X" in appropriate column against the Resolutions indicated in the box. If you leave the "For" or "Against" column blank against any or all Resolution (s), you proxy will be entitled to vote in the manner he / she thinks appropriate. It is optional to put X in appropriate column against the resolutions indicated in the box. If you

35th AGM - Route Map to the AGM Venue

galaxy

ENTERTAINMENT CORPORATION LIMITED

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