

NOTICE is hereby given that the 31st Annual General Meeting of Galaxy Entertainment Corporation Limited will be held on Friday, 27th day of September 2013 at 1.00 p.m at Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai-400 018 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Accounts for the year ended 31st March 2013 and Balance Sheet as on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sunil Biyani who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To Consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

"RESOLVED THAT Mr. Swapnil Kothari who was appointed as an Additional Director of the Company with effect from February 07, 2013 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a shareholder proposing the candidature of Mr. Swapnil Kothari for office of Director, be and is hereby appointed as a Director of the Company."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 386, 387 and all other applicable provisions, if any, of the Companies Act, 1956 (the "Act") read with Schedule XIII to the said Act (including any modification or statutory re-enactment thereof), consent of the members be and is hereby accorded for appointment of Mr. Suman Lahiri as a Manager of the Company for a period of 3 years with effect from 1st August, 2013 on a consolidated remuneration including allowances not exceeding Rs.35,00,000/- per annum (including variable bonus based on the performance of the said Manager), with the powers to the Board of Directors (hereinafter referred to as the 'Board' which term shall be deemed to include any duly authorised Committee thereof) to vary or increase the remuneration and allowances payable or to be provided to Mr. Suman Lahiri including monetary value thereof as specified herein to the extent the Board may consider appropriate or as may be permitted or authorised in accordance with the provisions of the Act for the time being in force, provided, however, that the remuneration payable to Mr. Suman Lahiri shall be within such limits, if any, as may be set out in the Act including Schedule XIII to the Act or any amendments thereof or any modification thereto or statutory re-enactment(s) thereof and/ or any rules or regulations framed thereunder from time to time.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of the Manager, the Company does not earn any profits or earns inadequate profit as contemplated under the provisions of Schedule XIII to the Companies Act, 1956, the Company may pay to the Manager the above remuneration as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the aforesaid terms and conditions, to the extent as may be considered appropriate and necessary by the Board of Directors in mutual consultation with Mr. Suman Lahiri, Manager and further authorized to take all such actions and do all such as may be considered necessary, desirable and expedient to for giving effect to this resolution."

By order of the Board

Place: Mumbai
Dated: August 14, 2013

Sunil Biyani
Director

Registered Office:

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

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours (forty-eight hours) before the time fixed for holding the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 24th September 2013 to Friday, 27th September 2013 (both days inclusive).
4. The Annual Reports and Attendance slips will not be distributed at the Annual General Meeting. Shareholders are requested to bring the same along with them.
5. Members are requested to send all communications relating to shares to our Registrar & Share Transfer Agent (R & T Agent) at the following address:

TSR Darashaw Limited

6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road,
Mahalaxmi, Mumbai – 400 011
Tel No: 022- 6656 8484
Fax No: 022- 6656 8494
Email: sshellar@tsrdarashaw.com

6. The explanatory statement U/s. 173 (2) of the Companies Act, 1956 is enclosed herewith.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**ITEM 3:**

Mr. Swapnil Kothari has been appointed as an additional director of the Company pursuant to section 260 of the Companies Act, 1956 on 7th February, 2013 and would hold office till the date of the ensuing Annual General Meeting. Pursuant to section 257 of the Companies Act, 1956 the Company has received a notice from a member signifying his intention to propose the candidature of Mr. Swapnil Kothari for the office of Director. The Board of Directors recommend passing of the resolution set out in item No. 4 of the accompanying Notice.

None of the Directors of the Company are deemed to be concerned or interested in the Resolution.

Brief resume of Mr. Swapnil Kothari is given in an Annexure I to this notice along with other directors who are proposed to be appointed/re-appointed as a Director of the Company at the Annual General Meeting.

ITEM 4:

Pursuant to Section 269 of the Companies Act, 1956 all Companies with paid up capital of Rs. 5 Crores or more are required to have a managerial personnel. Further your Company is in the process of exploring and tapping new business opportunities. Mr. Suman Lahiri has a vast experience in food and beverage at the Hotel Management Industries. Considering the same, the Board of Directors at its meeting held on 14th August, 2013 after considering the recommendations made by the remuneration committee, considered and approved the appointment of Mr. Suman Lahiri as a Manager of the Company for a period of 3 years with effect from 1st August, 2013 on the terms and conditions as enumerated in the resolution set out in the Notice of Annual General Meeting.

Following information to the extent applicable is given pursuant to the requirements of amended Schedule XIII of the Companies Act, 1956.

A) General Information:**1) Nature of Industry:**

In India, the entertainment, lifestyle, media sector and food courts are poised to scale greater heights in terms of growth. The ready availability of all necessary infrastructure i.e capital, management resources, technology, macro-economic policies have placed the sector on a sound footing to meet market demand in a business environment that is approaching maturity, transparency and global quality benchmarks.

The distinct feature of this emerging growth pattern is the market segmentation. The latest designs are geared towards entertainment, relaxation and leisurely dining. Food courts play the role of anchor tenant in a mall. Along with complimenting businesses such as books, games, fine dining restaurants and movies, they provide good recreational space to the customers. Food courts are like a multi-brand outlet offering best from respective categories. It provides a platform for the brands to compliment rather than compete with each other as each offers a unique product.

2) Financial Performance during last 2 years:

Particulars	2012-13	2011-12
Total Income	281,387,368	173,652,308
Profit/ (Loss) before Depreciation and Tax (PBDT)	95,209,157	(26,177,525)
Profit/ (Loss) before tax	45,815,648	(80,442,842)
Profit/ (Loss) after tax	45,815,648	(80,442,842)

- 3)** During the year under review, the Company has not made any exports of goods. Further no foreign investments have been received by the Company. The Company has not entered into any foreign collaboration.

B) Information about Mr. Suman Lahiri:**i) Background Details:**

Mr. Suman Lahiri is a professional and has over 19 years of experience in the Food & Beverages at the Hotel Industry, Operations at Cinema Exhibition and Real Estate Asset Management. His education bestowed him a Diploma in Hotel Management Catering Technology & Applied Nutrition from IHM Kolkata and subsequently a MBA in Operations Management from National Institute of Management, Mumbai.

ii) Past Remuneration:

Prior to his appointment as a Manager, Mr. Suman Lahiri was associated with the Company as Chief Operating Officer. His remuneration is commensurate with the remuneration paid to him earlier.

iii) Job Profile and his suitability, Recognition and Awards:

Before being a part of GECL he had successful stints with Hilton Group of Hotels, ITC Group of Hotels, Intercontinental Group of Hotels, Inox Leisure Limited, Adlabs Films Limited, Kshitij Property Solutions and IL&FS Milestone Realty Pvt Ltd. With his extensive knowledge on the Food and Beverage Industry, the Company expects to gain substantial under his supervision as a Manager.

iv) Proposed Remuneration:

As detailed in the set out in the Notice convening Annual General Meeting.

v) Comparative remuneration profile with respect to the Industry, Size of the Company, Profile of the position and person:

As regards the comparative remuneration profile respect to industry, size of the Company, profile of the position and person, it is not feasible for the Company to furnish such details in view of the Company's own distinctive remuneration policy based on its short term and long term objectives and role perceived and played by employee at all levels.

vi) Pecuniary Relationship:

Mr. Suman Lahiri has no pecuniary relationship directly or indirectly with the Company except as a Manager of the Company.

C) Other Information:**i) Reasons for Loss or Inadequate Profits:**

The entertainment and leisure industry is still in the nascent stage in India. Various concepts from western Country are in process of being adopted. However, with fast changing patterns in the living style, the concepts visualized may become outdated within short span of time. In view of the same, any delay in implementation of business decisions may delay the execution of the projects. In addition, there is a intense competition in the F&B Industry, extremely complicated licensing norms, governmental taxes and charges can be crippling, and when passed on to customers can result in fewer visits. Also the general economic conditions includes high interest rates, unreal rentals, inflation etc. As a result of the said factors, the profits earned by the Company may not be adequate as regards the remuneration payable pursuant to provisions of Section 198 read with Schedule XIII of the Companies Act, 1956

ii) Steps taken or proposed to be taken for improvements:

The Company has taken several measures to reduce the administrative costs. In addition, various steps have been taken to curb the past losses.

The future for the industry in the organised sector is very positive, but also fraught with challenges as 70% of the market is currently dominated by unorganized players. The organized segment has witnessed double-digit growth across formats, especially quick service restaurants driven by international chains, and causal and fine dining outlets dominated by Indian and private equity majors. We will widen the range of formats we exist in within the organised food industry and plan to grow with industry developments. The Company has from time to time broad based its Board of Directors with induction of highly qualified and experienced persons.

iii) Expected increase in productivity and profits in measurable Item:

Performance of entertainment, leisure sector and F&B sector is inter related with many other factors and parameters. Hence to quote, expected increase in productivity and profits in measurable terms is not practical.

None of the directors shall be deemed to be concerned or interested in the above resolution.

This resolution is proposed to seek your consent under section 386 read with section 269 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956, including Schedule XIII to the said Act.

By order of the Board

Place: Mumbai
Dated: August 14, 2013

Sunil Biyani
Director

Annexure I**Brief resume of Directors Proposed to be Appointed / Re-appointed****(1) Mr. Sunil Biyani**

Mr. Sunil Biyani, aged 44 years has over two decades of experience in textile and retail sectors. He is also on the board of various Future group Companies. He has a wide knowledge in the business of property, mall management and food & beverages.

Mr. Sunil Biyani is also a director in following companies:

(A) Public Limited Companies

Sr. No.	Name of the Company	Sr. No.	Name of the Company
1.	The PIL Industries Limited	2.	Apollo Design Apparel Parks Limited

(B) Private Limited Companies

Sr. No.	Name of the Company	Sr. No.	Name of the Company
1	Parvat View Properties Pvt. Ltd.	2	Bartraya Mall Development Company Pvt. Ltd.
3	Splendor Fitness Pvt. Ltd.	4	Eclipse Infrastructure Pvt. Ltd.
5	Star Shopping Centers Pvt. Ltd.	6	Laila Hotels and Resorts Pvt. Ltd.
7	Neeharika Infrastructure Pvt. Ltd.	8	UMBER Properties Pvt. Ltd.
9	MBS Jems and Jewels Pvt. Ltd.	10	MBS Silver Pvt. Ltd.
11	MBS Gold Pvt. Ltd.		

Mr. Sunil Biyani holds membership in Audit Committee of PIL Industries Limited. He does not hold any shares in the Company as on 31st March 2013.

(2) Mr. Swapnil Kothari

Mr. Swapnil Kothari, aged 42 years has done his L.L.M (International & Comparative Law) from Georgetown in May 1995. He is an international corporate lawyer practicing in the areas of Banking Law, Property Law, Project Finance, Joint Ventures and Mergers & Acquisitions including some litigation/arbitration, IT-related matters and high-profile NRI investments.

To summarise his background, he has worked with **Slaughter And May, London** as a Visiting Lawyer for six months. Thereafter, he has worked with Jones Day as a regular U.S. corporate associate in their **Cleveland** (partly New Delhi) office for two years. Both **Slaughter And May** and **Jones Day** are premier international law firms with Fortune 500 companies and other major international conglomerates as its clients – Barclays Bank PLC, ABN AMRO, Detroit Edison, Harman International, JP Morgan Securities Asia, Keycorp, Telecom Italia, Toyota to name a few.

Pursuant to that, he has worked with **Amarchand & Mangaldas, Bombay ("Amarchands")** as a corporate associate, and worked with them for two years. At Amarchands, he has worked primarily on infrastructure projects, which involved significant interaction again with international clients such as International Finance Corporation and domestic companies such as ICICI and the Jindal Group. After working with Fried, Frank, Harris, Shriver & Jacobson, a major Wall Street firm in New York as a regular corporate associate for some time, he has returned to India and started his own corporate practice in Bombay in 2001.

He is admitted as an Advocate in Bombay, India and as a Solicitor in England and Wales.

Mr. Swapnil holds Directorships in following Companies:

Sr. No.	Name of the Company
1.	Treasure World Developers Private Limited
2.	Entertainment World Developers Limited

Mr. Swapnil Kothari does not hold membership/chairmanship in committees of any other Company. He does not hold any shares in the Company as on 31st March 2013.