LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder of Galaxy Entertainment Corporation Limited. If you require any clarifications about the action to be taken, you should consult your stockbroker or investment consultant or the Manager/Registrar to the Offer. In case you have sold your Shares, please hand over this Letter of Offer, the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the Stock Exchange through whom the said sale was effected.

CASH OFFER AT Rs. 51/- (RUPEES FIFTY ONE) PER FULLY PAID-UP EQUITY SHARE OF Rs. 10 (RUPEES TEN ONLY)

Pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof

TO ACQUIRE

25,42,400 fully Paid-up Equity Shares of face value Rs. 10/- each, representing 20% of total voting equity share capital (being 1,27,12,000 Shares) as at the end of 15 days after the Open Offer closure

OF

Galaxy Entertainment Corporation Limited (Target Company)

having its registered office at

17, C&D, Phoenix Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013. • Tel: +91 22 24914000 • Fax : +91 22 24901849

BY

Pantaloon Retail (India) Limited (Acquirer)

having its registered office at

Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Mumbai – 400060. • Tel: +91 22 56442200 • Fax : +91 22 56442201

ATTENTION

1. The Acquirer has subscribed to, and Galaxy has issued and allotted on a preferential basis an aggregate of 20,00,000 Shares of the Target Company at a price of Rs. 44/- (Rupees Forty Four only) per share. On completion of the Preferential Issue, Pantaloon will hold 15.73% of the Post Issue Voting Capital of the Target Company.
2. Pantaloon Retail (India) Limited has obtained the approval of the shareholders of Galaxy Entertainment Corporation Limited under Section 81 (1A) of the Companies Act vide EGM held on March 15, 2005 and Listing Approval from the Stock Exchange (BSE) vide letter dated May 31, 2005 bearing ref. no. 2005/0531-29 Pantaloon has outstanding loan agreements from Banks and financial Institutions where Lenders consent for making such investments is required. Pantaloon has obtained the required consents. Besides this, as on the date of the Public Announcement, no other statutory approval is required to acquire the equity shares tendered pursuant to this offer.
3. In case of delay in receipt of any statutory approvals, SEBI has power to grant extension of time to Pantaloon for payment of consideration to the shareholders subject to Pantaloon agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by Pantaloon in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations, which inter alia involves forfeiture of the escrow account, will also be applicable.
4. Shareholders who have accepted the Offer by tendering the requisite documents in terms of this Letter of Offer shall have the option to withdraw acceptance tendered bv them up to Wednesday, March 1, 2006. i.e. three (3) working days prior to the date of closure of the Offer.
5. If there is any upward revision in the Offer Price by the Acquirer prior to or on the last date for revising the Offer Price viz., Thursday, February 23, 2006, the Acquirer would pay such revised price for all the Shares validly tendered at any time during the Offer and accepted under the Offer, or if the Offer is withdrawn, you will be informed by way of another public announcement in the same newspapers where the Public Announcement had appeared.
6. **"If there is competitive bid :**

· **The public offers under all the subsisting bids shall close. on the same date.**

· **As the offer price can not be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly".**

As on date there has been no competitive bid.

7. The Public Announcement and this Letter of Offer, Form of Acceptance and Form of Withdrawal would also be available on SEBI's website (www.sebi.gov.in) from the Offer opening date viz. Wednesday, February 15, 2006.
8. The Form of Acceptance and Form of Withdrawal are enclosed with this Letter of Offer.

MANAGER TO THE OFFER	**REGISTRAR TO THE OFFER**
Edelweiss Ideas create, values protect **EDELWEISS CAPITAL LIMITED** Express Towers, 14th Floor, Nariman Point, Mumbai – 400021. Tel: +91 22 2286 4400 • Fax: +91 22 22882119 Contact Person: Mr. Abhijit Das / Mr. Rahul Shah Email: abhijit.das@edelcap.com / rahul.shah@edelcap.com	INTIME SPECTRUM REGISTRY LIMITED **INTIME SPECTRUM REGISTRY LTD.** C-13, Pannalal Silk Mills Compound, Bhandup (West), Mumbai - 400078. Tel: +91 22 2596 0320 • Fax : +91 22 2596 0329 Contact Person: Mr. Nikunj Daftary Email: nikunj@intimespectrum.com
OFFER OPENS ON : WEDNESDAY FEBRUARY 15, 2006	**OFFER CLOSES ON: MONDAY MARCH 6, 2006**

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Original Schedule	Revised Schedule
Public Announcement Date	Wednesday February 23, 2005	Wednesday February 23, 2005
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer will be posted)	Friday March 18, 2005	Friday March 18, 2005
Last date for a competitive bid	Wednesday March 16, 2005	Wednesday March 16, 2005
Date by which Letter of Offer will be dispatched to shareholders	Tuesday April 5, 2005	Saturday February 11, 2006
Offer Opening Date	Thursday April 14, 2005	Wednesday February 15, 2006
Last date for revising the Offer Price / Number of Shares	Monday April 25, 2005	Thursday February 23, 2006
Last date for withdrawal by shareholders	Friday April 29, 2005	Wednesday March 1, 2006
Offer Closing Date	Wednesday May 04, 2005	Monday March 6, 2006
Last date by which the acceptance / rejection would be intimated and corresponding payment for the acquired shares and / or the share certificate for the rejected shares will be dispatched.	Thursday May 19, 2005	Tuesday March 21, 2006

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RISK FACTORS

a) In the event that either :

(i) A regulatory approval is not received in a timely manner, or

(ii) There is any litigation leading to stay on the Offer, or

(iii) SEBI instructs the Acquirer not to proceed with the Offer,

Then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of Galaxy whose Shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed.

b) The Shares tendered in the Offer will lie to the credit of a designated escrow account, till the completion of the Offer formalities. Accordingly, the Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

c) The Acquirer makes no assurance with respect to the financial performance of Galaxy or any of its subsidiaries. The Acquirer makes no assurance with respect to its future investment/divestment decisions relating to its proposed shareholding in Galaxy save and except the undertakings provided in this Letter of Offer.

The risk factors set forth above pertain to the Offer and not in relation to the present or future business or operations of Galaxy or its subsidiaries or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of Galaxy are advised to consult their stockbroker or investment consultant, if any, for further risks with respect to their participation in the Offer.

DEFINITIONS

Acquirer	Pantaloon Retail (India) Limited, also referred to herein as Pantaloon
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
DP	Depository Participant
Edelweiss	Edelweiss Capital Limited
Eligible Person(s) for the Offer	All the remaining shareholders (except Acquirer) whose names appear in the register of shareholders on the specified date i.e. Friday, March 18, 2005 and also those persons (except the Acquirers) who own the shares at any time prior to the closure of the Offer, but are not registered shareholder(s).
FII	Foreign Institutional Investors
Form of Acceptance	Form of Acceptance cum Acknowledgement
Letter of Offer	Offer Document
Manager/ Manager to the Offer	Edelweiss Capital Limited
NRI	Non Resident Indians
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Ltd
OCB	Overseas Corporate Bodies
Offer	Open offer for acquisition of 25,42,400 fully paid-up equity shares of face value of Rs. 10/- each, representing 20% of Post Issue Voting Capital of Galaxy at a price of Rs. 51/- per fully paid-up equity share
Offer Price	Rs. 51/- (Rupees Fifty One only) per fully paid-up equity share of Rs. 10/-
PAC	Person acting in concert
Post Issue Voting Capital	Voting share capital after the Preferential Issue consisting of 1,27,12,000 shares, which shall also be the total voting capital as at the end of 15 days after the Open Offer closure
Preferential Issue	Issuance and allotment of 20,00,000 Shares by Galaxy on a preferential allotment basis to Pantaloon at a price of Rs. 44/- (Rupees Forty Four only) per Share
Public Announcement/ PA	Public Announcement of the Offer made by the Acquirer on February 23, 2005
RBI	Reserve Bank of India
Registrar/ Registrar to Offer	Intime Spectrum Registry Limited
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
Share(s)	Fully paid-up equity shares of face value of Rs. 10/- each of Galaxy
Specified Date	March 18, 2005
Subscription Agreement	Subscription Agreement between Galaxy Entertainment Corporation Limited and Pantaloon Retail (India) Limited
Target Company	Galaxy Entertainment Corporation Limited, also referred to herein as Galaxy

DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF GALAXY ENTERTAINMENT CORPORATION LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER(S) IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER EDELWEISS CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 9, 2005 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 1997 AND SUBSEQUENT AMENDEMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER(S) FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER."

I. DETAILS OF THE OFFER

1.1. Background

a) The Open Offer by Pantaloon is for substantial acquisition of shares under Regulation 10 & 12 of the SEBI (SAST) Regulations.

b) Pantaloon has subscribed and Galaxy has issued and allotted on a preferential basis an aggregate of 20,00,000 Shares of Galaxy at a price of Rs. 44/- (Rupees Forty Four only) per share (the "Issue" or "Preferential Issue"). Post Issue, the voting equity share capital of the Company will comprise 1,27,12,000 shares (the "Post Issue Voting Capital") and Pantaloon will hold 15.73% of the Post Issue Voting Capital. Accordingly, pursuant to the SEBI (SAST) Regulations, Pantaloon is making an offer to the public shareholders of Galaxy to acquire 25,42,400 Equity shares representing in aggregate 20% of the Post Issue Voting Capital at a price of Rs. 51/- per share, payable in cash and subject to the terms and conditions mentioned hereinafter (the "Open Offer").

c) On February 18, 2005 ("Board Meeting Date"), the Board of Directors of Galaxy approved the Issue and, in terms of Regulations 81(1A) of the Companies Act, 1956, called for an Extraordinary General Meeting (held on March 15, 2005) to obtain approval of shareholders and to authorize the Board to allot the shares as required under Regulations 23(1)(b) of SEBI (SAST) Regulations.

d) On March 4, 2005, Pantaloon Retail (India) Limited has entered into a Subscription Agreement with Galaxy Entertainment Corporation Limited.

e) The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act.

1.2. The Offer

a) The Public Announcement was made on February 23, 2005 in the following newspapers, in accordance with Regulation 15 of the SEBI (SAST) Regulations:

Publication	**Editions**
Financial Express + Jansatta	Financial Express - Bangalore, Mumbai, Kolkata, Chandigarh, Kochi, New Delhi, Hyderabad, Chennai. Jansatta – Kolkata, New Delhi
Navbharat (Hindi)	Mumbai
Mumbai Tarun Bharat (Marathi)	Mumbai

(The Public Announcement is also available at the SEBI website www.sebi.gov.in)

b) Pantaloon is making an offer to the public shareholders of Galaxy to acquire 25,42,400 Equity shares representing in aggregate 20% of the Post Issue Voting Capital at a price of Rs. 51/- per share (as explained in Chapter IV), payable in cash and subject to the conditions mentioned in Chapter V of this Letter of Offer.

c) There are no PACs in terms of Regulation 2(1) (e) of the SEBI (SAST) Regulations in relation to this Offer.

d) The Offer is not conditional on any minimum level of acceptance by the shareholders.

e) Galaxy does not have any partly paid up shares, hence there shall be no differential pricing.

f) The Acquirer has not acquired any further shares of Galaxy after the date of the Public Announcement and upto the date of this Letter of Offer.

g) There have been no competitive bids as on date of this Letter of Offer.

1.3. Object of the Offer and Acquirer's Future Plans for Galaxy

a) Galaxy is currently engaged in the business of leisure and entertainment, running restaurants, bowling alley and various games. The existing promoters are presently in control of the operations of the Company.

b) Pantaloon is a leading manufacturer-retailer in the country with 17 Pantaloon stores and 22 Big Bazaar Stores, 31 Food Bazaars, 2 aLL stores, 2 Fashion Stations, 1 MeLa and 3 Central stores operational across the country.

c) Pantaloon today has evolved from a manufacturing entity to a completely integrated player controlling the entire value chain. By entering into multiple formats - departmental stores and hypermarkets – Pantaloon has effectively blended the multiple strategies and thereby has been successful in capturing a high share of the customer's basket.

d) The leisure and entertainment business of Galaxy is complementary to the business of Pantaloon and vice-versa. Galaxy and Pantaloon have therefore agreed to combine their business models so as to unleash the business potential of Galaxy through the blending strategy of Pantaloon.

e) However, in order to achieve growth through expansion and meet increasing competition, Galaxy would require adequate funds. For this purpose, Galaxy has allotted and Pantaloon has subscribed to the equity shares constituting to 15.73% of the total post issue paid up voting capital of Galaxy at an aggregate of Rs. 8,80,00,000/- (Rupees Eight Crore and Eighty Lacs Only) and also has been termed as Promoters of Galaxy post allotment of such equity shares. The existing Promoter Bellona Finvest Limited shall continue to act as promoter.

f) In future, Pantaloon proposes to extend the business synergies to its stores located across the country. Further, this would also be Pantaloon's foray into standalone restaurants and hospitality business .

II. BACKGROUND OF THE ACQUIRER

2.1. Pantaloon (Retail) India Limited ("Pantaloon" or "Acquirer")

a) Pantaloon is a public company under the Companies Act, 1956 having its registered & corporate office at Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Mumbai – 400060. Tel: +91 22 56442200 Fax: +91 22 56442201.

b) On March 4, 2005, Pantaloon Retail (India) Limited has entered into a Subscription Agreement with Galaxy Entertainment Corporation Limited. The salient features of the Subscription Agreement are as follows :

Conditions Precedent

i) Execution of the Definitive Agreements

Pantaloon and Galaxy shall execute the Share Subscription Agreement and such other documents to consummate the transaction in the form and substance satisfactory to Pantaloon.

ii) No material adverse change

There shall not have occurred any material adverse change in the condition of Galaxy or its business or in its operating environment at or as on the completion date (as defined in the Subscription Agreement)

iii) Consents

All consents, waivers, resolutions, permissions, etc. of the shareholders of Galaxy, Board of Directors of Galaxy, Governmental authorities and other third parties that are required in connection with the execution and delivery of the agreement, and the consummation of the transactions/obligations contemplated hereby and thereby including, without limitation:

a) a resolution of Galaxy's Board of Directors approving the investment by Pantaloon and issue and allotment of such number of shares agreed to be subscribed by Pantaloon on the completion date, and approving the agreement and authorizing representatives of Galaxy to sign the agreement on behalf of Galaxy;

b) a resolution of the Board of Directors of Galaxy authorizing representatives of Galaxy to execute such other documents as may be necessary for the consummation of the transaction; and

iv) Above information / documents shall be duly obtained and effective in a form and content satisfactory to Pantaloon. Certified copies of all such permissions, resolutions and authorizations along with all supporting notices shall have been provided to Pantaloon, and Galaxy shall have also certified that appropriate notices in this regard have been given to all persons entitled to receive such notices.

Representation and Warranties of Galaxy

i) Galaxy hereby represents, warrants, assures, declares, confirms, covenants and undertakes what has been stated and/or contained the agreement, and where any Representation and Warranties contained in the agreement is expressly qualified by reference to knowledge, information and belief of Galaxy confirms that it has made such due and diligent inquiry as to the matters that are the subject of such Representations and Warranties that are reasonable under the circumstances.

ii) Any Representation and Warranties contained in the agreement or in any such certificate or writing shall be deemed to be material and to have been relied upon by Pantaloon, notwithstanding any investigation, due diligence or inspection made by or on behalf of Pantaloon and shall not be affected in any respect by any such investigations, due diligence or inspection.

iii) Each of the Representations and Warranties shall be deemed to have been repeated implicitly by Galaxy as being true as at the closing date.

iv) In the event of it becoming apparent on or before the completion date that Galaxy is in breach of any of the Representation and Warranties or any other term of the agreement, Pantaloon may (without any liability on its part) rescind the agreement by notice in writing to Galaxy.

Representations, Warranties and Covenants of Pantaloon

Pantaloon hereby represents and warrants to Galaxy as at the date of the agreement in terms set out hereinafter that;

i) it is a company duly incorporated, validly existing and in good standing under the laws of India, with full corporate power to carry on its business;

ii) it has full corporate power, capacity and authority to enter into and execute the agreement to perform any and all of its obligations hereunder, and the execution and delivery of the agreement has been duly authorised by the board of directors of Pantaloon. Pantaloon further represents and warrants that the agreement constitutes legal, valid and binding obligation of Pantaloon enforceable against them in accordance with the terms hereof. The Person executing the agreement on behalf of Pantaloon is authorised to do so in that behalf.

iii) the agreement is valid and legally binding upon Pantaloon and enforceable against it in accordance with its terms and neither the execution of the agreement by Pantaloon nor the performance by it would violate or contravene or constitute a default or require any prior consent or approval of any of the provisions of the memorandum and articles of association of Pantaloon or any deed or agreement to which it is party or by which it is bound;

iv) Pantaloon is not restricted by any judgment, injunction, order, decree or award from the execution, delivery and performance of the agreement and all the instruments and agreements required hereunder.

v) that no notice to, filing with, authorisation of, exemption by, or consent of, any Person, entity or public or governmental authority is required for the consummation of the transactions envisaged in the agreement.

Galaxy agrees that it will indemnify and keep indemnified the Pantaloon from and against any loss arising out of or in connection with any breach of the warranties. Galaxy acknowledges that Pantaloon has entered into the agreement in reliance upon the Representations and Warranties in the agreement.

Termination

i) The agreement may be terminated at any time, by any Party, upto the closing date, in the event that any Party hereto, shall have failed to perform any of its respective obligations under the agreement and such failure shall have continued for a period of fifteen (15) days after receipt of written notice thereof specifying in detail the failure(s) to perform, at the election of the non-defaulting Party. If such default is not remedied within fifteen (15) days, the other Party shall have the right to terminate the agreement by a written notice;

ii) Pantaloon shall be entitled to terminate the agreement at any time upon the occurrence of the following events:

a) automatically, upon the dissolution or liquidation of Galaxy or its re-organization under any bankruptcy, insolvency or the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, prior to the Closing Date;

b) upon breach of any of the Representation and Warranties given by Galaxy,

c) Galaxy ceases or threatens to cease to carry on all or a substantial part of its business.

iii) No termination of the agreement shall release any Party from any liability to any other Party, which at the time of such termination has already accrued, nor affect in any way the survival of any right or obligation of any Party, which is expressly stated elsewhere in the agreement to survive expiration or termination hereof.

Arbitration

i) Any and all disputes or differences between the Parties arising out of or in connection with the agreement shall, so far as it is possible, be settled amicably between the Parties.

ii) If after 30 days of consultation, the Parties have failed to reach an amicable settlement, any and all such disputes or differences shall be submitted to arbitration at the request of either Party upon written notice to that effect to the other Party and such arbitration shall be conducted in accordance with the Indian Arbitration and Conciliation Act, 1996 (the “Arbitration Act”) by an panel consisting of three (3) arbitrators.

iii) While submitting the dispute or difference to arbitration, the Party so submitting shall, in its notice, specify the name of one arbitrator appointed by it. Within 30 days of the receipt of notice, the other Party shall appoint an arbitrator. The third arbitrator (who will act as the chairman) shall be nominated by the two arbitrators appointed as aforesaid or, failing such nomination within 30 days of the appointment of the second arbitrator, shall be appointed in accordance with the Arbitration Act.

iv) The language of the arbitration shall be English. The venue of the arbitration shall be Mumbai, India.

v) The arbitration shall be concluded within 120 days of the date of reference of the dispute to Arbitration, and the Arbitrators award shall be substantiated in writing. The court of arbitration shall also decide on the costs of the arbitration proceedings.

vi) The Parties agree that the award of the arbitrators shall be final and binding upon the Parties, and that none of the Parties shall be entitled to commence or maintain any action in a court of law upon any matter in dispute arising from or in relation to this Agreement, except for the enforcement of an arbitral award granted pursuant to this Clause.

c) Pantaloon was incorporated on October 12, 1987 under the name of Manz Wear Private Limited. It was converted into a public limited company on September 20, 1991. In 1992, it successfully launched the “Pantaloon” brand of Trousers, Shirts, Denims & other readymade garments. On September 25, 1992, the name was changed to Pantaloon Fashions (India) Limited and completed its maiden public offering. On July 7, 1999, the name was changed to Pantaloon Retail (India) Limited.

d) Pantaloon is a leading manufacturer-retailer in the country with 17 Pantaloon stores and 22 Big Bazaar Stores, 31 Food Bazaars, 2 aLL stores, 2 Fashion Stations, 1 MeLa and 3 Central stores operational across the country.

e) Pantaloon has developed expertise in developing retailing concepts, formats, retail malls, and categories. Pantaloon has a network of retail outlets across India and has developed expertise in developing, managing and operating in multiple product categories, brands, private labels, markets and customer segments By entering into multiple formats - departmental stores and hypermarkets, Pantaloon has effectively blended the multiple strategies and thereby has been successful in capturing a high share of the customer’s basket.

f) Mr. Kishore Biyani, Mr. Gopikishan Biyani and Mr. Rakesh Biyani are promoter directors of Pantaloon.

g) Pantaloon’s equity shares are listed on The Stock Exchange Mumbai (BSE), National Stock Exchange (NSE), Delhi Stock Exchange and Ahmedabad Stock Exchange. The closing price of Pantaloon ordinary equity shares was Rs. 1679 on BSE and Rs. 1687 on NSE with a market capitalization of Rs. 4514.56 crore on BSE and Rs. 4535.40 crore on NSE as on February 3, 2006.

h) The Acquirer has complied with the applicable provisions of Chapter II of the SEBI Takeover Regulations within the time specified in the Regulations except the delay in disclosures for the period between 1997 – 2003 under Regulation 6(4) & 8(3) of the SEBI (SAST) Regulations which were regularized under SEBI Regularisation Scheme 2002 in March 2003.

i) Shareholding Pattern of Pantaloon as on the date of Public Announcement is as under :

Category				No. of Shares held	Percentage of Shareholding
A	**Promoters**				
	1	Promoters			
		Indian Promoters		8,518,284	40.48
		Foreign Promoters		-	-
	2	Persons acting in concert		-	-
		Total Promoters		**8,518,284**	**40.48**
B	**Non-Promoters Holding**				
	3	**Institutional Investors (FII/Mutual Funds/FIs/Banks)**			
	a	Mutual Funds		723,396	3.44
	b	Banks, Financial Institutions, Insurance Companies			
		(Central/State Govt. Institutions/non-Government Inst)		33,863	0.16
	c.	FIIs		6,392,516	30.38
		Total Institutional Investors		**7,149,775**	**33.97**
	4	**Public**			
		a	Private Corporate Bodies	1,805,685	8.58
		b	Indian Public	3,426,645	16.28
		c.	NRIs/OCBs	119,649	0.57
		d.	Any other - Clearing Members	24,363	0.12
			Total Public	**5,376,342**	**25.55**
			Total Paid up capital	**21,044,401**	**100.00**

Note :

- *The paid up equity share capital comprises 2,10,44,401 equity shares of Rs. 10 each.*
- *There are no partly paid up shares as on the date of this Public Announcement. The shareholders of Pantaloon had approved the issue 408,165 warrants with an option to acquire, for every warrant, one fully paid equity share at a price of Rs. 735/- per share within a period of 18 months from the date of the issue. The warrantholders have exercised their option to convert warrants into equity shares and the Board of Directors at its meeting held on October 28, 2005 allotted 408,165 equity shares to the warrantholder.*

Shareholding Pattern of Pantaloon as on December 31, 2005 is as under :

Category			No. of Shares held	Percentage of Shareholding
A	**Promoter's Holding**			
	1	Promoters		
		Indian Promoters	9,879,784	44.09
		Foreign Promoters	-	-
	2	Persons acting in concert	-	-
		Sub-Total	**9,879,784**	**44.09**
B	**Non-Promoters Holding**			
	3	**Institutional Investors**		
		a Mutual Funds	723,319	3.23
		b Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ non-Government Inst)	32,291	0.14
		c. FIIs	6,578,387	29.36
		Sub-Total	**7,333,997**	**32.73**
4	**Others**			
	a	Private Corporate Bodies	1,674,268	7.47
	b	Indian Public	3,396,158	15.16
	c.	NRIs/OCBs	115,450	0.52
	d.	Any other - Clearing Members	6,244	0.03
		Sub-Total	**5,192,120**	**23.17**
		GRAND TOTAL	**22,405,901**	**100.00**

Note: *The righs issue of Pantaloon closed on January 31, 2006 wherein 44,81,180 equity shares of Rs. 10 each at a premium of Rs. 490 per equity share are expected to be issued to the equity shareholders on rights basis in the ratio of one equity share for every five equity shares held on the record date i.e. December 22, 2005.*

j) The board of directors of Pantaloon comprised 10 (ten) directors as on the date of the Public Announcement. Their details are as under :

Name	**Designation & Appointment Date as Director**	**Qualification & Experience**	**Residential Address**
Shri Kishore Biyani	Managing Director 01/06/1991	He is 43 years old and holds a Post Graduate Diploma in Marketing Management. He is the driving force behind the concept of Big Bazar discount stores & the Central Malls. He has over 25 years of relevant experience in the field of manufacturing and marketing of ready-made garments. He is at the helm of affairs, guiding the group to its present status in the industry and also setting high performance standards.	406, Jeevan Vihar, 5, Manav Mandir Road, Mumbai - 400006.

Shri Gopikishan Biyani	Wholetime Director 01/06/1991	He is 59 years old and looks after the manufacturing operations. He has more than two decades of experience in the Textile business.	309, Jeevan Vihar, 5, Manav Mandir Road, Mumbai - 400006.
Shri Rakesh Biyani	Wholetime Director 27/07/1992	He is 32 years old and is actively involved in Category Management, Central Malls, Retail stores operations, Information Technology & Exports.	308, Jeevan Vihar, 5, Manav Mandir Road, Mumbai - 400006.
Shri Anil Harish	Director 24/08/2004	He is 50 years old and is the partner of D.M. Harish & Co., Advocates & Solicitors. He has completed LLM from University of Miami, U.S.A. & specialises in Income Tax & FEMA & property matters. He is on the Board of number of reputed Public Limited Companies like Hotel Leela Ventures Ltd., Mahindra Gesco Developers Ltd., Unitech Ltd., IndusInd Bank Ltd., Hinduja TMT Ltd., etc	13, CCI Chambers, Dinshaw Wacha Road, Churchgate, Mumbai – 400020.
Shri Shailesh Haribhakti	Director 01/06/1999	He is 58 years old and is an FCA, a graduate Cost Accountant, a Certified Internal Auditor, Certified Fraud Examiner and Certified Financial Planner. He is the Managing Partner of Haribhakti & Co., Chartered Accountants. He was the President of the Indian Merchant Chambers during the year 2003-04. He is on the Board of several Public Limited Companies, including Indian Petrochemicals Corporation Ltd., Ambuja Cement Eastern Ltd., IDBI Capital Market Services Ltd, Walchand Capital Ltd. Birla Global Finance Ltd. & Mahindra Gesco Developers Ltd.	7, Firdos, 4th Floor, Bulabhai Desai Road, Mumbai - 400026
Dr. Darlie Koshy	Director 27/07/1999	He is 49 years old and is an MBA and holds a Ph.D from IIT, Delhi. He has over 24 years of experience in the textiles and the garment industry. He is the Executive Director of National Institute of Design, Ahmedabad and has played a key role in setting NIFT Centres in Delhi, Chennai and Bangalore. He has been working and continues to be a part of the committees constituted under the Ministry of Textiles, Government of India. He is a renowned consultant in textile and garment industry specialising in strategic international marketing and apparel retail management. He is on the Boards of Cottage Industries Corporation, Fashion Design Council of India, Footwear Design Development Institute, All India Handicrafts Board etc.	NID Campus, Paldi, Ahmedabad – 380007.

Shri S. Doreswamy	Director 29/09/2000	He is 67 years old and has a vast experience in banking and finance. He retired as Chairman & Managing Director of Central Bank of India. He is also on the Board of Ceat Ltd. Deposit Insurance & Credit Guarantee Corporation, Can Fin Homes Ltd.	Juhu Shalimar Bldg.3rd flr. Flat 33, ulmohar Cross Road, N No.10, JVPD Scheme, Mumbai - 400049.
Smt Anju Poddar	Professional Director 29/09/2000	She is 54 years old and holds a degree in Bachelor of Engineering from University of Oklahoma. She has varied interest in textile and weaving, jewellery designing, contemporary modern art and counselling. She is also a Director in Maharshi Commerce Ltd., Samay books Ltd., & Continental Projects Ltd. the National Institute of Fashion Technology, Hyderabad. She is also a Joint-Secretary of Craft Council of Hyderabad chapter.	Plot No.104, Prashasan Nagar Road No.72, Jubilee Hills, Hyderabad - 500033.
Smt Bala Deshpande	Nominee Director – ICICI Venture 09/08/2001	She is 38 years old and is Nominee of ICICI Venture Funds Management Company Ltd. A master in Economics, she is a Management Graduate from the University of Mumbai. She has multi-industry exposure and has worked with leading FMCG Companies like Bestfoods, Cadburys Ltd. and ICI. She was also nominated to the Women Leadership forum held in Bestfoods, New York. She is Nominee Director of ICICI Venture Funds Co. Ltd. in Bill Junction Payments Ltd., and a Director in Travel Jini.Com Ltd., Shopper's Shop Ltd., Cafe Network Ltd. & Welspun India Ltd.	ICICI Venture Funds Management Co. Ltd., Stanrose House, Ground Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025
Shri Ved Prakash Arya	Director – Operations & COO 27/04/2004	He is 35 years old and He has done his Bachelor of Engineering and his MBA from IIM (Ahmedabad) after which he went to France on a one year research scholarship in International Marketing. He started his career with Hathway Investments Ltd., and has worked for ASIANET and H&R Johnson in various capacities. His previous assignment was with Globus as Chief Executive Officer.	701 A Wing, Gladoli, Yari Road, Versova, Andheri (West), Mumbai - 400061

k) Shri Kishore Biyani, Managing Director of Pantaloon Retail (India) limited, is also on the Board of Galaxy Entertainment Corporation Limited. He has, as per Regulation 22(9) of the SEBI (SAST) Regulations, agreed to recuse himself and not participate in any matter(s) concerning or 'relating' to the offer including any preparatory steps leading to the offer.

l) None of the Directors of Pantaloon have acquired any shares of Galaxy during the preceding 12 months.

m) Key financials of Pantaloon :

(Rs. Lacs)

	12 months ended June 30, 2002	**12 months ended June 30, 2003**	**12 months ended June 30, 2004**	**12 months ended June 30, 2005**	**6 months ended December 31, 2005**
	Audited	***Audited***	***Audited***	***Audited***	***(*)***
Income from Operations	28529	44483	65831	108401	83722
Other Income	67	79	133	427	77
Total Income	28596	44562	65964	108828	83799
Total Expenditure	(26298)	(40744)	(60329)	(99744)	(77096)
Profit Before Depreciation Interest and Tax	2298	3818	5635	9084	6703
Depreciation	(422)	(635)	(879)	(1333)	(835)
Interest	(1124)	(1767)	(2315)	(2439)	(1366)
Profit Before Tax	753	1416	2441	5312	4502
Extraordinary Items	(1)	(78)	(7)	(3)	-
Provision for Tax	(50)	(198)	(456)	(1454)	(1293)
Profit After Tax	703	1141	1978	3855	3209

(Rs. Lacs)

	12 months ended June 30, 2002	**12 months ended June 30, 2003**	**12 months ended June 30, 2004**	**12 months ended June 30, 2005**	**6 months ended December 31, 2005**
	Audited	***Audited***	***Audited***	***Audited***	***(*)***
Source of funds					
Networth	5400	6768	9489	21853	28061
Paid up share capital	1732	1818	1914	2200	2241
Reserves and Surplus (excluding revaluation reserves)	3668	4950	7575	19653	25820
Secured loans	10953	14132	21529	25617	43568
Unsecured loans	30	423	2135	3004	-
Deferred Tax Liability	179	292	603	1304	2001
Total	**16562**	**21615**	**33756**	**51778**	**73630**
Uses of funds					
Net fixed assets	7457	11063	17483	22953	29524
Investments	507	526	526	3192	3801
Net current assets	8536	9973	15707	25605	40245
Total miscellaneous expenditure not written off	63	53	40	28	60
Total	**16562**	**21615**	**33756**	**51778**	**73630**

Other Financial Data	12 months ended June 30, 2002 Audited	12 months ended June 30, 2003 Audited	12 months ended June 30, 2004 Audited	12 months ended June 30, 2005 Audited
Dividend (%)	0.00	10.00	15.00	25.00
Earning Per Share (Rs.)	5.02	6.45	10.53	18.89
Return on Networth (%)	15.85	18.92	24.47	24.42
Book Value Per Share (Rs.)	30.82	36.93	49.37	100.58

(Source: Annual Report & Company Data)

Note: The above financials have been adjusted as per the requirements of SEBI (SAST) Regulations.

(*) The unaudited financial statement for the six months ended December 31, 2005 are subject to limited review by the Statutory Auditors M/s NGS & Co. (formerly M/s S. M. Kabra & Co.) vide their letter dated January 27, 2006.

n) Comparison of results for 12 months ended June 30, 2005 with results for 12 months ended June 30, 2004:

i) During the year under review, Pantaloon's retail space has increased from 11 lacs square feet to 22 lacs square feet.

ii) Pantaloon also started Big Bazaar, Gold bazaar, Food Bazaar at various locations.

iii) This resulted in an increase in the sales from Rs. 65831 lacs to Rs. 108401 lacs, an increase of 65% and increase in profit before interest, depreciation and tax from Rs. 5635 lacs to Rs. 9084 lacs.

o) Contingent Liabilities not provided for :

For 12 months ended June 30, 2005

i) Bill Discounting Rs.185 Lacs (2004: Rs. 400 Lacs)

ii) Unimpaired guarantee & letters of credit outstanding Rs.1543 Lacs (2004: Rs. 749 Lacs)

iii) Income tax claim under dispute Rs. Nil (2004: Rs. 0.26 Lacs)

iv) Claims against the company not acknowledged as debts : Rs.5 Lacs (2004: Rs. 5 Lacs)

p) Significant Accounting policies of Pantaloon as per the audited financial statements for the Financial Year ended June 30, 2005 :

1.1 Basis of Accounting :

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.2 Fixed Assets and Depreciation

Fixed assets are stated at cost , less accumulated depreciation . Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is provided on Straight Line Method as per the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on the amount capitalized on account of foreign exchange fluctuation is provided prospectively over the residual life of the assets.

1.21 Leased Fixed Assets

Lease payments under operating lease recognised as expense as per the tenure of the lease agreements. Assets taken on finance lease (including that prior to 1st April 2001) are capitalized and finance charges are charged to Profit & Loss account on accrual basis.

1.3 Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset up to the date the assets are ready for their intended use or sale. Other expenses are recognized as an expense in the period in which they are incurred.

1.4 Investments :

Long-term investments are stated at cost. Provision for diminution is being made if necessary to recognise a decline, other than temporary in the value thereof. Current Investments are stated at the lower of cost and market / fair value.

1.5 Inventories :

Inventories are valued as follows :

a) Stores spare parts, Packing material, and Branding Material: at cost

b) Raw material & Stitching material : at cost

c) Work in Progress and Finished goods lying in the factory: At the lower of cost or net realizable value

d) Finished goods lying at the stores: At the retail price less mark up

In case of finished goods cost includes material cost and direct production overheads.

1.6 Transactions in Foreign Currency :

Foreign currency transactions are accounted at the rates prevailing on the date of transaction. Year-end current assets and liabilities are translated at the exchange rate ruling on the date of the Balance Sheet.

Exchange differences on settlement / conversion are adjusted to:

Cost of fixed assets, if the foreign currency transaction relates to fixed assets.

Profit and Loss Account, in other cases.

Wherever forward contracts are entered into, the exchange differences are dealt with in the Profit and Loss Account over the period of the contracts.

1.7 Revenue Recognition :

Sale of Goods accounted on delivery to customers net of returns and discounts, but includes amounts recovered towards sales tax. Export sales is accounted as revenue on the basis of Bill of Lading. Interest income is recognized on accrual basis. Dividend income is accounted for when the right to receive is established. Claims are accounted only when there is reasonable certainty of its ultimate collection.

1.8 Capital Issue Expenditure and Preliminary Expenditure :

Capital Issue Expenditure and Preliminary Expenditure are amortized over a period of ten years and the difference between the amount incurred and charged to Profit & Loss Account is shown as Miscellaneous Expenditure to the extent not written off or adjusted.

1.9 Advance License / Duty Credit in Pass Book :

The advance license benefits and Duty Credit in Pass Book have been recognized as income of the year on the basis of actual exports.

1.10 Retirement Benefits :

In respect of benefits like Gratuity and Leave encashment, the provision is accrued and provided for on the basis actuarial valuation made at the end of every financial year

1.11 Taxation :

a) The deferred tax for timing differences between the book and tax profits for the period is accounted for using the tax rates and laws that have been substantially enacted as on the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

b) Provision for current income tax of Rs. 728 lacs has been made for Assessment year 2005-2006.The profits relating to the period 1st April 2005 to 30th June 2005 along with further working results for the period of 9 months from 1st July, 2005 to 31st March, 2006 would be assessable to tax in the Assessment Year 2006-2007 and hence provision for current taxation, if any, in respect of the said profits will be made in next year's accounts

1.12 Premium on Prepayment of Term Loans :

Premium paid on prepayment of Term Loans is amortized over the unexpired tenure of the said Term Loan.

1.13 Provisions, Contingent Liabilities and Assets :

Provisions are recognized when the company has a present obligation as a result of past events and it is more likely than not that an outflow of resource will be required to settle the obligation and the amount has been reliably estimated.

1.14 Impairment of Assets :

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. For the purpose of assessing impairment, assets are grouped at the lowest level of cash generating units.

q) Corporate Governance :

i) The board of directors of Pantaloon comprises ten members, of whom six are independent non-executive directors. The board is headed by an executive chairman. More than one third of the board of directors comprises independent directors. The board functions either as a full board or through committees. Policy formulation, setting up of goals and evaluation of performance through control functions vest with the board, while the committees oversee operational issues.

ii) The statutory auditors of Pantaloon, vide their letter dated September 24, 2004 have certified that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreement with the stock exchanges on which the Shares of Pantaloon are listed.

r) Pending litigations of Pantaloon are as under :

i) Case lodged by Akshay Thakker in the Consumer Forum, Bandra for recovery of loss of lap top and other data wherein amount claimed is Rs. 5,01,400/- with interest @18% per annum w.e.f. September 6, 2003 till date of payment.

s) Companies promoted by the Acquirer - Pantaloon Retail Technologies Ltd.

i) Date of incorporation – July 1, 1999

ii) Nature of business – Software development

iii) Key Financials are as under :

(Rs. Lacs)

	12 months ended June 30, 2002	12 months ended June 30, 2003	12 months ended June 30, 2004
	Audited	***Audited***	***Audited***
Total Income	38	41	52
PAT	(81)	(5)	(23)
EPS	NA	NA	NA
Paid up equity Share Capital	500	500	500
Reserves & Surplus	(111)	(116)	(139)
Net Asset Value	7.8	7.7	7.2

Note: In view of its large scale expansion plans, the Acquirer decided on outsourcing the IT services earlier proposed to be taken up by Pantaloon Retail Technologies Ltd. Accordingly, the Acquirer divested Pantaloon Retail Technologies Ltd. in June 2005.

t) Mr. Shiraj Dej (Company Secretary) is responsible for corporate governance at Pantaloon. Mr. Shiraj Dej can be contacted at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Mumbai – 400060 Tel: +91 22 56442200 Fax: +91 22 56442201 Email: shiraj.dej@ho.pantaloon.com.

u) There has been no acquisition / merger / demerger / spin off during the last three years other than as stated herein.

v) Pantaloon does not hold any securities of Galaxy save and except the proposed allotment of shares under the Preferential Issue as detailed in this Letter of Offer. Pantaloon did not acquire any securities of Galaxy in the past 12 months.

w) The acquirer or its respective directors have not acquired any equity shares in Galaxy at a price above the offer price of Rs. 51 (Rupees Fifty One Only) per share, including by way of allotment in public or rights issue or by way of preferential allotment by Galaxy during the 26-week period prior to the date of this Offer save and except the allotment as mentioned in this Letter of Offer.

x) The Acquirer does not have any plans to dispose off or otherwise encumber any assets of Galaxy in the next two (2) years, except in the ordinary course of business of Galaxy and except to the extent required for the purpose of restructuring and/or rationalisation of assets, investments and liabilities or otherwise of Galaxy.

y) Other than in the ordinary course of business, the Acquirer undertakes that it shall not sell, dispose of or otherwise encumber any substantial asset of Galaxy except with the prior approval of shareholders of Galaxy.

III. BACKGROUND OF TARGET COMPANY

a) Galaxy is a company registered as a Public limited company under the Companies Act, 1956. Galaxy has its registered office at 17, C&D, Phoenix Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013 Tel: +91 22 24914000 Fax: +91 22 24901849 and corporate office at A602, Prathamesh, Raghuvanshi Mills Compound, Lower Parel, Mumbai – 400013. Tel: +91 22 56376141/42 Fax: +91 22 56376145

b) Galaxy was originally incorporated under the erstwhile name Sifa Trading Company Limited under Registration No. 11-24988 on August 13, 1981. It obtained the Certificate of Commencement of Business on April 16, 1982 and made its maiden issue to the public through prospectus in February 23, 1984. On April 25, 2000, the name was changed to Galaxy Entertainment Corporation Limited vide fresh certificate of Incorporation consequent to change of name of the Company issued by the Registrar of Companies, Mumbai, Maharastra.

c) Galaxy, India's premier professionally managed leisure and entertainment organization, is currently engaged in the business of leisure and entertainment, running restaurants, bowling alley and various games.

d) The Bowling Company consists of a bowling concourse and video game arcade spread across an area of 30,000 sq. ft. and is South Asia's largest state-of –the-art premium family entertainment centre. It offers multiple, novel and unique leisure and entertainment options in an international setting with quality services in a secure environment. The bowling company receives over half a million footfalls annually. Besides it also has restaurants like Café Grease which is a self service café and offers a variety of fun foods. Galaxy has recently made its first venture outside Mumbai with the opening of the F-123 leisure & entertainment center at Indore, Madhya Pradesh. Spread across 18,000 sq. feet, F-123 houses 4 bowling lanes, a bumper car arena, a video game arcade and a café.

e) The company also owns the Sports Bar which is a bistro with a focus on sports and sport world. Complimented with an unrivalled sports ambience, it features a giant screen as well as regular television sets screening sports events, pool tables and memorabilia of world famous sports personalities.

f) Galaxy has acquired Ceezee Foods Private Limited, which was running restaurant business at Regal Theatre, Colaba, Mumbai. Subsequent to the takeover, Galaxy has renamed the company as Galaxylifestyle Restaurants Pvt. Ltd. and revamped the aforesaid restaurant into a Sports Bar on similar lines of its existing one at Lower Parel, Mumbai. It also owns the Brew Bar which is a premium Beer Lounge and the Rain Bar + Eatery which is famous for its adventurous cocktails and exotic menu.

g) Galaxy has following facilities :

Facilities	Location
a) The Bowling company b) The Sports Bar c) The Brew Bar	17, C&D, Phoenix Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013.
d) The Sports Bar	Regal Cinema Building, Shahid Bhagat Singh Road, Colaba, Mumbai – 400005.
e) F-123	M.G. Road, Indore, Madhya Pradesh

h) The total paid-up capital of Galaxy as on the date of Public Announcement is 1,07,12,000 equity shares of Rs. 10 each and post preferential allotment of 20,00,000 equity shares to Pantaloon, would stand increased to 1,27,12,000 equity shares of Rs. 10 each.

i) The equity shares of Galaxy are listed on The Stock Exchange Mumbai (BSE). The closing price of Galaxy equity shares on February 3, 2006 was Rs. 178 with a market capitalization of Rs. 225.79 crore.

j) The share capital structure of Galaxy as on the date of Public Announcement is as follows :

Particulars	No. of Shares / voting rights	% of Post Issue Equity Capital
Fully paid-up equity shares prior to Preferential Issue	1,07,12,000	84.27%
New shares proposed to be issued under the Preferential Issue	20,00,000	15.73%
Post Preferential Issue	1,27,12,000	100%
Total Paid-up Equity Shares	1,27,12,000	100%
Total Voting Rights	1,27,12,000	100%

k) Build up of share capital of Galaxy since incorporation, and status of compliance with the applicable provisions of SEBI (SAST) Regulations and other applicable regulations under the SEBI Act 1992, and other statutory requirements, are as follows :

Date of allotment	No of shares issued	% of total voting rights	Cumulative paid up capital	Mode of allotment	Identity of allottees (promoters/ ex-promoters /others)	Status of compliance
September 9, 1981	70	-	70	Subscriber to Memorandum	-	-
March 1, 1984	199930	99.97	200000	Public Issue	-	-
April 18, 2000	7400000	97.37	7600000	Preferential issue	New promoters (consequent to change in management) and others	Exemption taken under erstwhile Regulation 3(1)(c) of SEBI (SAST) Regulations
May 31, 2000	2347000	23.60	9947000	Preferential issue	Others	Not applicable
July 12, 2000	765000	7.14	10712000	Preferential issue	Promoter and others	Not applicable

l) Presently, the trading in the shares of Galaxy has not been suspended by BSE and listing Approvals have not been denied for any shares allotted by Galaxy in the past.

m) There are no outstanding convertible instruments issued by Galaxy.

n) Galaxy has complied with the applicable provisions of Chapter II of the SEBI Takeover Regulations within the time specified in the Regulations except the delay in disclosures for the period between 1997 – 2003 under Regulation 6(4) & 8(3) of the SEBI (SAST) Regulations which were regularized under SEBI Regularisation Scheme 2002 in March 2003.

o) Galaxy is in compliance with the listing agreements of the BSE and as on the date of the Public Announcement, no punitive action has been initiated against Galaxy by the stock exchanges where its shares are listed.

p) The Board of Directors of Galaxy as on the date of the Public Announcement was as under :

Name	Appointment Date & Designation	Qualification & Experience	Residential Address
Mr. Atul Ruia	Chairman 31/05/2000	He is graduated in Chemical Engineering from the University of Pennsylvania and in Business Management from Wharton School of Finance. He is actively involved in the development of Retail Mall, Multiplex, Restaurants and various entertainment centers within Phoenix Mills Complex.	Ruia House, 19, Mt. Pleasant Road, Malabar Hill, Mumbai – 400 006
Mr. Bharat Ruia	Director 31/05/2000	He is 54 years old and is a Management specialist. He played a leading role in the resurrection of Phoenix Mills. He ably managed Phoenix Mills through its worst days. He looks after the working and progress of Mills and is also involved in the development of retail malls, multiplexes, restaurants and various entertainment centres within the phoenix mills premises.	Ruia House, 19, Mt. Pleasant Road, Malabar Hill, Mumbai – 400 006

Mr. Rajneesh Agarwal	Director 15/11/2000	He is a Chartered Accountant and has been associated with conducting audits / internal audits of various renowned bodies corporate. Besides, he is an expert in the fields of international tax heavens, setting up overseas corporate bodies and wholly owned subsidiaries. He has also been actively involved in providing consultancy for Direct Taxes, Non-Resident and International taxation and related laws.	Suite 6C, 56, Gariahat Road, Kolkata – 700019
Mr. Tuhin Parikh	Director 06/05/2004	He has completed MBA from IIM, Ahmedabad and has been involved in the financial services sector for the last 10 years. He was employed with ITC for the period 1995-97 in their financial services division. From 1997 - 2000 he was an employee of Chatterjee Management Services Pvt. Ltd and was part of their Public Equities and Private Equity business in Mumbai. Since 2000 he has been employed with Chatterjee Management Company, New York and is involved with Private Equity and Real Estate Investments.	1C, Takshshila Apartments, Tagore Road, Santacruz (West), Mumbai – 400 054.
Mr. Kishore Biyani	Director 29/01/2004	He is 43 years old and holds a Post Graduate Diploma in Marketing Management. He has over 25 years of relevant experience in the field of manufacturing and marketing of ready-made garments.	406, Jeevan Vihar, Manav Mandir Road, Mumbai – 400 006.

Note : *Mr. Tuhin Parikh has resigned from the Board of Directors of Galaxy with effect from April 8, 2005. Mr. Sanjay Seksaria & Ms. Udita Jhunjunwala have been inducted on the Board of Directors of Galaxy and their profile is given below.*

Name	Appointment Date & Designation	Qualification & Experience	Residential Address
Mr. Sanjay Seksaria	Director 30/07/2005	He is 44 years old. Post graduation, he started a video production studio in the name of Image Video Pvt. Ltd. He has been involved in various aspects of film & entertainment business including handling the entire production of a Hollywood movie titled 'Monsoon'.	31, Maheshwar Niketan, 7th floor, G Deshmukh Marg, Peddar Road, Mumbai – 400 026.
Ms. Udita Jhunjunwala	Director 31/12/2005	She has done Masters from the University of London. She has made a career in the media in India. After working with the multinational media company MTV, as part of the team to launch MTV in India, she moved into journalism. A successful innings with Mumbai's leading evening newspaper Mid-Day followed where she was responsible for conceptualizing, launching and editing The LIST, a daily entertainment newspaper. She is now an entertainment editor with Hindustan Times.	6A, Bhagwat Niwas, PeddarRoad, Mumbai – 400 026

q) Shri Kishore Biyani, Managing Director of Pantaloon, is on the Board of Directors of the Target Company.

r) Details of Acquisitions / Merger / Demerger / Spin Off during the last 3 years is as follows :

- Galaxy acquired Ceezee Foods Private Limited, which offers the “Sports Bar” restaurant at Colaba, and is a wholly owned subsidiary of Galaxy. Galaxy has subsequently renamed it as Galaxylifestyle Restaurants Pvt. Ltd.
- Galaxy has sold / transferred the “Rain Bar & Eatery” at Juhu to Galaxylifestyle Restaurants Pvt. Ltd.

s) Brief Financial details of Galaxy :

(Rs. Lacs)

	12 months ended March 31, 2002	**12 months ended March 31, 2003**	**12 months ended March 31, 2004**	**12 months ended March 31, 2005**	**9 months ended December 31, 2005**
	Audited	***Audited***	***Audited***	***Audited***	***(*)***
Income from Operations	439	818	2092	1299	918
Other Income	349	227	215	150	359
Total Income	789	1046	2 307	1449	1277
Total Expenditure	(563)	(819)	(2045)	(1260)	(900)
Profit Before Depreciation Interest and Tax	226	227	262	189	377
Depreciation	(196)	(115)	(126)	(122)	(78)
Interest	-	-	-	-	-
Profit Before Tax	30	112	136	67	299
Exceptional Items	-	-	47	-	(20)
Provision for Tax	-	(8)	(7)	-	(7)
Profit After Tax	30	104	177	67	272

(Rs. Lacs)

	12 months ended March 31, 2002	**12 months ended March 31, 2003**	**12 months ended March 31, 2004**	**12 months ended March 31, 2005**	**9 months ended December 31, 2005**
	Audited	***Audited***	***Audited***	***Audited***	***(*)***
Source of funds					
Networth	2835	2939	3116	4063	4335
Paid up share capital	1071	1071	1071	1271	1271
Reserves and Surplus (excluding revaluation reserves)	1764	1868	2045	2792	3064
Secured loans	-	-	-	-	-
Unsecured loans	-	-	-	-	-
Total	**2835**	**2939**	**3116**	**4063**	**4335**
Uses of funds					
Net fixed assets	656	616	766	683	732
Investments	2034	1778	2001	2584	3045
Net current assets	145	545	348	796	557
Total miscellaneous expenditure not written off	-	-		-	-
Total	**2835**	**2939**	**3116**	**4063**	**4335**

Other Financial Data	**12 months ended March 31, 2002**	**12 months ended March 31, 2003**	**12 months ended March 31, 2004**	**12 months ended March 31, 2005**
	Audited	***Audited***	***Audited***	***Audited***
Dividend (%)	-	-	-	-
Earning Per Share (Rs.)	0.28	0.97	1.65	0.63
Return on Networth (%)	1.06	3.54	5.67	1.65
Book Value Per Share (Rs.)	26.47	27.44	30.96	31.97

(Source: Annual Report & Company Data)

(*) The unaudited financial statements for the nine months ended December 31, 2005, are subject to limited review by the statutory auditor M/s RSM & Co vide their letter dated January 31, 2006.

t) Comparison of results for 12 months to March 31, 2005 compared to results for 12 months to March 31, 2004:

i) Turnover decreased from Rs. 2092 lacs to Rs. 1299 lacs

ii) Net profit decreased from Rs. 177 lacs to Rs. 67 lacs

u) As on March 31, 2005, Galaxy has contingent liability towards disputed amount on business conducting charges for its Andheri unit amounting to Rs. 29 lacs

v) The shareholding and voting pattern of Galaxy as on the Date of Letter of Offer prior to and following the Preferential Issue and Offer, is as under :

Shareholder's category	Shareholder & voting rights prior to the agreement / acquisition and offer		Shares / voting rights agreed to be acquired which triggered off the Regulations		Shares / voting rights to be acquired in open offer (Assuming full acceptances)		Shareholding / voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A+B+C) = D	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter group								
a. Parties to agreement, if any	-	-	-	-	-	-	-	-
b. Promoters other than (a) above								
Bellona Finvest Ltd. and PACs	4358649	40.69	-	-	-	-	4358649	34.29
Chatterjee Management Services Pvt Ltd and PACs*	3170000	29.59	-	-	-	-	-	-
Total 1(a+b)	**7528649**	**70.28**	**Nil**	**Nil**	**Nil**	**Nil**	**4358649**	**34.29**
(2) Acquirers a. Main Acquirer	-	-	2000000	15.73	2542400	20.00	4542400	35.73
b. PACs	-	-	-	-	-	-	-	-
Total 2(a+b)	**-**	**-**	**2000000**	**15.73**	**2542400**	**20.00**	**4542400**	**35.73**
(3) Parties to agreement other than(1) (a) & (2)	-	-	-	-	-	-	-	-
(4) Public (other than parties to agreement, acquirers & PACs)								
1. FIs/MFs/FIIs/ Banks, SFIs								
Winstar India Investment Company Ltd. (PCC-Winstar Value Cell)	870500	8.13	- -	- -	- -	- -		
Winstar India Investment Company Ltd. (PCC – Winstar Leveraged Cell)	200000	1.87	- -	- -	- -	- -	3810951	29.98
GMO Emerging Markets Fund	203900	1.90						
2. Others*	1908951	17.82						
Total (4)(1+2)	**3183351**	**29.72**	**-**	**-**	**-**	**-**	**3810951**	**29.98**
GRAND TOTAL (1+2+3+4)	**10712000**	**100.00**	**2000000**	**15.73**	**2542400**	**20.00**	**12712000**	**100.00**

** Galaxy has intimated to BSE vide its letter dated February 18, 2005 that consequent to the preferential allotment Pantaloon has agreed to be termed as a new promoter of the company and that Chatterjee Management Services Limited along with Persons Acting in Concert would cease to be a Promoter of Galaxy. Consequently, Pantaloon would hold 15.73% of the Post Issue Voting Capital of Galaxy and the non promoter shareholding of Galaxy would then be 49.98% of the total Post Issue Voting Capital. The public shareholding, assuming full acceptance in the Offer, would be 29.98% of total Post Issue Voting Capital.*

Note: Total Number of shareholders in "Public Category" is 3046 as on February 03, 2006.

x) The Acquirer has not purchased any shares of Galaxy since the date of the Public Announcement.

y) The details of the changes in shareholding of the Promoter Group as and when such changes happened are as follows :

- The build-up of the shareholding of existing promoters is as under :

Name of the Party	Allotted on Preferential allotment basis	As on 31-Mar-04	As on Date of Draft Letter of Offer	As on 31-Dec-05
Bellona Finvest Limited	28,16,800	3,430,902	34,10,902	3,411,003
Persons acting in concert				
Atul Ruia	50,000	50,000	50,000	50,000
Bharat Ruia	50,000	276,859	276,859	175488
Ashok Apparels Pvt. Ltd.	-	47,500	47,500	47,500
Ashbee Investments & Finance	-	350,000	350,000	350,000
Senior Holdings Private Limited	-	97,237	97,237	97,237
Nandita Ruia	-	356,151	126,151	135,401
Total (A)	**2,916,800**	**4,608,649**	**4,358,649**	**4,266,629**
Chatterjee Management Services	816,800	816,800	816,800	-
Persons acting in concert				
Merlin Resources Private Limited	750,000	1,353,200	1,103,200	-
Eclipse Trades Private Limited	250,000	250,000	250,000	-
Danke Dealers Private Limited	250,000	250,000	250,000	-
Banco Busines Private Limited	250,000	250,000	250,000	-
Merlin Enclaves Private Limited	250,000	250,000	250,000	-
Coppola Holdings Private Limited	250,000	250,000	250,000	-
Total (B)	**2,816,800**	**3,420,000**	**3,170,000**	**-**
Pantaloon Retail (India) Ltd.	**-**	**-**	**-**	**2,000,000**
Grand total (A+B)	**5,733,600**	**8,028,649**	**7,528,649**	**6,266,629**

Note :

(1) The Preferential allotments were made on April 18, 2000 and July 12, 2000

(2) No fresh capital has been issued subsequent to the preferential allotment on July 12, 2000.

(3) Consequent to the EGM held on March 15, 2005, Chatterjee Management Services Ltd. has ceased to be the promoters of Galaxy and consequent to the issue & allotment on February 18, 2005, Pantaloon Retail (India) Ltd. has been inducted as one of the promoters of Galaxy.

- The total Promoter Group shareholding in Galaxy, as on the date of Public Announcement, is 77,98,649 shares representing 72.80% of the total equity share capital as mentioned below :

Shareholder	No. of Shares	% of total Equity capital
Promoter Group		
Promoter (A)		
Bellona Finvest Limited	34,30,902	32.03%
Persons acting in concert with Promoter (A)		
Atul Ruia	50,000	0.47%
Bharat Ruia	2,76,859	2.58%
Ashok Apparels Private Limited	47,500	0.44%
Senior Holdings Private Limited	97,237	0.91%
Nandita Ruia	1,26,151	1.18%
Ashbee Investments & Finance Pvt. Ltd.	3,50,000	3.27%
Total (A)	**43,78,649**	**40.87%**
Promoter (B)		
Chatterjee Management Services Pvt. Ltd.	816,800	7.63%
Persons acting in concert with Promoter (B)		0.00%
Merlin Resources Pvt. Ltd.	13,53,200	12.63%
Eclipse Trades Private Limited	2,50,000	2.33%
Danke Dealers Private Limited	2,50,000	2.33%
Banco Business Private Limited	2,50,000	2.33%
Merlin Enclaves Private Limited	2,50,000	2.33%
Coppola Holdings Private Limited	2,50,000	2.33%
Total B	**34,20,000**	**31.93%**
TOTAL (A+B)	**77,98,649**	**72.80%**

z) Corporate Governance :

i) The board of directors of Galaxy comprises six members, five of which are non-executive directors. The board is headed by a non executive chairman. More than one third of the board of directors comprises independent directors. The board functions either as a full board or through committees. Policy formulation, setting up of goals and evaluation of performance through control functions vest with the board, while the committees oversee operational issues.

ii) The statutory auditors of Galaxy, vide their letter dated July 30, 2005 have certified that Galaxy has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreement with the stock exchanges on which the Shares of Galaxy are listed.

aa) Pending Litigations are as under :

i) Case filed in the Ld. Addl. Chief Metropolitan Magistrate, Esplanade, Mumbai u/s 138 of the Negotiable Instruments Act, 1881 against M/s Chandra Sudhir Films Private Limited for dishonour of cheques for a sum of Rs. 11 Lacs.

ii) An employee Anthony Fernandes has filed a case in the labour court to stay his unfair dismissal by Galaxy and the court has refused the said stay. The case is not expected to have a material repercussion on the company.

ab) Galaxy has not received any directions from SEBI u/s 11B of the SEBI Act, prohibiting them from dealing in securities or under any of the regulations made under the SEBI Act.

ac) The compliance officer of Galaxy is Ms. Falguni Mehta. She can be reached at A602, Prathamesh, Raghuvanshi Mills Compound, Lower Parel, Mumbai – 400013. Tel. : +91 22 56376141 Fax : +91 22 56376145 Email: falguni@galaxyentt.com.

IV. OFFER PRICE AND FINANCIAL ARRANGEMENTS

5.1. Justification of Offer Price

a) The Shares of Galaxy are listed on the BSE. Based on the information available, the Shares of Galaxy are infrequently traded on the BSE (Source: BSE website, www.bseindia.com) within the meaning of explanation (i) of Regulation 20 (5) of the SEBI (SAST) Regulations.

b) The annualised trading turnover in the shares of Galaxy on the Stock Exchange (BSE) based on trading volume during August 2004 to January 2005 (six calendar months preceding the month in which the PA is made) is as given below :

Stock Exchange	**Total No. of Shares traded during the six calendar months prior to the month in which the Public announcement is made**	**Total No. of listed shares**	**Annualised Trading turnover (as a % of the total shares listed)**
BSE	2,09,509	107,12,000	3.91

c) The Offer price of Rs. 51 (Rupees Fifty One Only) per equity share is justified in terms of Regulation 20(5) of SEBI (SAST) Regulations in view of the following :

Particulars	**Price (Rs.)**
Negotiated Price Under The Agreement Referred To In Sub Regulation (1) Of Regulation 14 Of The SEBI (SAST) Regulations	Not Applicable
The highest Price to be paid by Pantaloon or persons acting in concert with him for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the 26 week period prior to the date of announcement	44

The financial parameters based on the audited financials for the year ended March 31, 2004 for Galaxy (based on standalone accounts) are :

Return on Net Worth	5.67%
Book Value per share	Rs. 29.09
Earning Per Share	Rs. 1.65
Price Earning Multiple (At the Offer Price of Rs 51 per share)	30.91

d) P/E multiple of 30.91 (based on the Offer Price) and Industry P/E multiple of 30.10 *(Source: Capital Market dated January 31 – February 13 2005. Industry: Entertainment / Electronic Media Software).*

e) Considering the above parameters under Regulation 20(5), applicable to infrequently traded equity shares, the Offer Price of Rs. 51 (Rupees Fifty One Only) per share is justified.

f) If the Acquirer acquires Shares after the date of the Public Announcement up to seven (7) working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

5.2. Financial Arrangements

a) The total funding requirement for the acquisition of up to 25,42,400 shares held by shareholders in Galaxy at a price of Rs. 51/- (Rupees Fifty One only) per share is Rs. 12,96,62,400 (Rupees Twelve Crores Ninety Six Lacs Sixty Two Thousand Four Hundred only). Pantaloon has, vide its letter dated February 22, 2005 confirmed that adequate financial resources will be made available to fulfill its financial obligations arising out of the Offer. Pantaloon has agreed to make available the requisite funds to meet the obligations under Regulation 29 of SEBI (SAST) Regulations.

b) In accordance with Regulation 28 of the SEBI (SAST) Regulations, Pantaloon has, vide the letter stated above, created an Escrow Account in excess of the total amount being Rs. 12,96,62,400 (Rupees Twelve Crores Ninety Six Lacs Sixty Two Thousand Four Hundred only) comprising -

i) Cash Deposit of Rs. 12,96,625 (Rupees Twelve Lacs Ninety Six Thousand Six Hundred Twenty five only) with Bank of India, Mumbai Corporate Banking Branch MG Road, Fort, Mumbai – 400023 empowering Edelweiss, the Manager to the Offer, to instruct the bank to issue a bankers cheque or a demand draft for the amount lying in the escrow account.

ii) Bank Guarantee by Bank of India, Mumbai Corporate Banking Branch MG Road, Fort, Mumbai – 400023, of Rs 12,96,62,400 in favour of Edelweiss and is valid for a period commencing from the date of this the Public Announcement until February 21, 2006. The company has made an application for renewal for a period of 90 days from February 22, 2006 and the same will be renewed prior to the Offer Opening Date and disclosed in the Letter of Offer dispatched to the shareholders on the Specified Date.

c) The Acquirer proposes to use its own funds to fulfill the obligations under the Offer.

d) M/s NGS & Co. having its office at B/8, Pravasi Industrial Estate, Vishweshwar Nagar Road, Goregaon (East), Mumbai – 400063 Tel: +91 22 28766446 Fax: +91 22 28760882 and membership number 104172 vide their letter dated February 3, 2006 has certified the adequacy of financial resources of the Acquirer to fulfill all the obligations under the Offer.

e) The Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

V. TERMS AND CONDITIONS OF OFFER

6.1. Statutory Approvals required for the Offer

a) Pantaloon Retail (India) Limited has obtained the approval of the shareholders of Galaxy Entertainment Corporation Limited under Section 81 (1A) of the Companies Act vide EGM held on March 15, 2005 and Listing Approval from the Stock Exchange (BSE) vide letter dated May 31, 2005 bearing ref. no. 2005/0531-29

b) Pantaloon has outstanding loan agreements from Banks and financial Institutions where Lenders consent for making such investments is required. Pantaloon has obtained the required consents.

c) In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of wilful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.

6.2. Other terms

a) This offer is made to all the Eligible Persons whose names appeared in the register of shareholders and to the beneficial owners of the Shares of Galaxy, whose names appear as beneficiaries on the records of the NSDL or CDSL (collectively the "Depositories") on March 18, 2005, and also to those persons (except the acquirers) who own the shares any time prior to the closure of the offer, but are not the registered shareholder(s). Accordingly the Letter of Offer, together with the Form of Acceptance, will be mailed to the abovementioned eligible shareholders of Galaxy.

b) The acquirer will accept any locked – in shares tendered by eligible shareholders, the same can be transferred to the acquirer and the residual lock-in period shall continue in the hands of the acquirer. Edelweiss shall ensure that here shall be no discrimination in the acceptance of locked-in and non locked-in shares. Presently, Galaxy does not have any locked-in equity shares.

c) The acceptance of the Offer made by the Acquirer is entirely at the discretion of the shareholders of Galaxy. The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of Galaxy are advised to adequately safeguard their interest in this regard. Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

VI. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

a) Shareholders of Galaxy who wish to avail of this Offer are free to offer their shareholding in whole or in part.

b) Holders of Shares in physical form who wish to tender their Shares will be required to send the Form of Acceptance, original share certificate(s) and valid transfer deed(s) duly signed to the Registrar to the Offer - Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compound, Bhandup (West), Mumbai - 400078, Tel: +91 22 25960320, Fax: +91 22 25960329, either by hand delivery on weekdays or by registered post, on or before the closure of the Offer, i.e., no later than 1700 hours on March 6, 2006 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance. Shareholders are advised to ensure that the Form of Acceptance and other documents are complete in all respects, otherwise the same is liable to be rejected. For Shares held in physical form :

Registered Shareholders should enclose :

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- Original share certificate(s).
- Valid share transfer forms duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Galaxy and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this Letter of Offer.

c) The Registrar to the Offer, M/s Intime Spectrum Registry Ltd has opened a special depository account with NSDL called, “ISRL - a/c Galaxy Entertainment - Open Offer Escrow Account” (the “Special Depositary Account”). The DP name is IL&FS Depository Services Limited, DP ID is IN300095 and Client ID is 11188837. Shareholders of Galaxy having their beneficiary account with the CDSL must use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favour of the Special Depository Account with the NSDL.

d) Beneficial owners (holders of Shares in dematerialized form) who wish to tender their Shares will be required to send their Form of Acceptance along with a photocopy of the delivery instruction in “Off-market” mode, or counterfoil of the delivery instructions in “Off-market” mode, duly acknowledged by the Depository Participant (“DP”), in favour of the Special Depository Account to the Registrar to the Offer - Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compound, Bhandup (West), Mumbai - 400 078, Telephone number: +91 22 25960320, Fax number: +91 22 25960329, either by hand delivery on weekdays or by registered post, on or before the closure of the Offer, i.e., no later than 1700 hours on March 6, 2006, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance. The credit for the delivered Shares should be received in the Special Depository Account on or before closure of the Offer, i.e., no later than 1700 hours on March 6, 2006 . The Form of Acceptance of such Shares in dematerialised form, not credited in favour of the Special Depository Account before the closure of the Offer, will be rejected.

Beneficial owners should enclose :

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, as per the records of the DP.
- Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP.
- For each delivery instruction, the beneficial owner should submit separate Form of Acceptance.

e) Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating acceptance of the Offer with name, address, number of Shares held, number of Shares offered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deed(s) and the original contract note issued by the broker through whom they acquired their Shares. Alternatively, the Letter of Offer and Form of Acceptance will be available on SEBI’s website (www.sebi.gov.in), from the date of opening of the Offer. Eligible persons can download the Form of Acceptance from the SEBI website and apply using the same. No indemnity is required from the unregistered owners.

Unregistered owners should enclose :

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein.
- Original share certificate(s).
- Original broker contract note.
- Valid share transfer form(s) as received from the market.
- **The details of buyer should be left blank failing which the same will be invalid under the Offer.** The details of Pantaloon as buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

f) The share certificate(s), share transfer form(s) and the Form of Acceptance along with other should be sent only to the Registrar to the Offer and not to the Manager to the Offer, Acquirer or Galaxy.

g) In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer on a plain paper stating acceptance of the Offer along with documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, i.e., no later than 1700 hours on March 6, 2006.

Persons holding Shares in physical form are required to state the following details: name; address; number of Shares held; distinctive number; folio number, number of Shares offered.

Persons holding Shares in dematerialized form are required to state the following details: name; address; number of Shares held; number of Shares offered; DP name; DP ID; beneficiary account number and a photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP, in favour of the Special Depository Account.

Eligible shareholders can also write to the Manager to the Offer requesting for the Letter of Offer and Form of Acceptance and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e., no later than 1700 hours on March 6, 2006 . Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer. Alternatively, the Letter of Offer and Form of Acceptance will be available on SEBI’s website (www.sebi.gov.in), from the date of opening of the Offer. Eligible persons can download the Form of Acceptance from the SEBI website and apply using the same.

h) If the aggregate of the valid responses to the Offer exceeds the Offer size of 25,42,400 Shares of Galaxy (representing 20% of the Post Issue Voting Capital of Galaxy), then the Acquirer shall accept the Shares received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations.

i) The Shares of Galaxy are compulsorily traded in dematerialized form and hence minimum acceptance will be 1 (one) Share.

j) In case of delay in receipt of any statutory approvals, SEBI has power to grant extension of time to Pantaloon for payment of consideration to the shareholders subject to Pantaloon agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by Pantaloon in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations, which inter alia involves forfeiture of the escrow account, will also be applicable.

k) Unaccepted or withdrawn share certificate(s), transfer form(s) and other documents, if any, will be returned by registered post at the shareholders’/unregistered owners’ sole risk to the sole/first named shareholder/unregistered owner. Unaccepted or withdrawn Shares held in demat form will be credited back to the beneficial owners’ depositary account with the respective depositary participant as per the details furnished by the beneficial owner in the Form of Acceptance.

l) The Manager / Registrar to the Offer will hold in trust the Share(s)/Share certificate(s), Shares lying in credit of the Special Depository Account, Form of Acceptance, if any, and the transfer form(s) on behalf of the shareholders/ unregistered owner(s) of Galaxy, who have accepted the Offer, till the cheques / drafts for the consideration and/ or the unaccepted Shares/share certificates are despatched / returned.

m) Shareholders who have sent their Shares for dematerialization need to ensure that the process of getting Shares dematerialized is completed well in time so that the credit in the Special Depository Account is received on or before the date of closure of the Offer, i.e., no later than 1700 hours on March 6, 2006 , else their application would be rejected.

n) In terms of Regulation 22 (5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptance tendered by them in the Offer may do so up to three (3) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centres mentioned in point (z) mentioned below as per the mode of delivery indicated therein on or before Wednesday, March 1, 2006.

o) The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed with this Letter of Offer.

i) Shareholders should enclose the following with the Withdrawal application :

For shares held in demat form :

Beneficial owners should enclose

- o Duly signed and completed Form of Withdrawal.
- o Acknowledgement slip in original / copy of the submitted Form of Acceptance in case delivered by Registered A.D.
- o Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP.

For shares held in physical form :

Registered Shareholders should enclose :

- o Duly signed and completed Form of Withdrawal.
- o Acknowledgement slip in original/ copy of the submitted Form of Acceptance in case delivered by Registered A.D.
- o In case of partial withdrawal, valid share transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Galaxy and duly witnessed at the appropriate place.

Unregistered owners should enclose :

- o Duly signed and completed Form of Withdrawal.
- o Acknowledgement slip in original/ copy of the submitted Form of Acceptance in case delivered by Registered A.D.
- o In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details
  - ▪ In case of physical shares: name; address; distinctive numbers; folio number; number of shares tendered and
  - ▪ In case of shares in dematerialised form: name; address; number of shares offered; DP name; DP ID; beneficiary account number and a photocopy of the delivery instruction in “Offmarket” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP, in favour of the Special Depository Account.

ii) The withdrawal of shares will be available only for the share certificates/ shares that have been received by the Registrar to the Offer/ Special Depository Account.

iii) The intimation of returned shares to the Shareholders will be at the address as per the records of Galaxy or the Depositories as the case may be.

iv) The Form of Withdrawal should be sent only to the Registrar to the Offer.

v) In case of partial withdrawal of shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from Galaxy.

vi) Partial withdrawal of tendered shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.

vii) Shareholders holding shares in dematerialized form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

p) In case of non-receipt of the Letter of Offer, the eligible persons can exercise the withdrawal option by making an application on plain paper to the Registrar to the Offer. Alternatively, the Letter of Offer and Form of Withdrawal will be available on SEBI's website (www.sebi.gov.in), from the date of opening of the Offer. Eligible persons can download the Form of Withdrawal from the SEBI website and apply using the same.

q) Shareholders should enclose the following with the application

- In case of physical Shares: name; address; distinctive numbers; folio number; number of Shares tendered and
- In case of Shares in dematerialised form: name; address; number of Shares offered; DP name; DP ID; beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the Special Depository Account.

r) The withdrawal of Shares will be available only for the share certificates/ Shares that have been received by the Registrar to the Offer/ Special Depository Account.

s) The intimation of returned Shares to the Shareholders will be at the address as per the records of Galaxy or the Depositories as the case may be.

t) The Form of Withdrawal should be sent only to the Registrar to the Offer.

u) In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from Galaxy.

v) Partial withdrawal of tendered Shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.

w) While tendering Shares under the Offer, non-resident Indians ("NRIs")/overseas corporate bodies ("OCBs")/ foreign shareholders will be required to submit the previous approvals from the RBI (specific or general) that they would have obtained for acquiring Shares of Galaxy. In case the previous approvals from the RBI are not submitted, the Acquirer reserves the right to reject such Shares tendered.

x) While tendering Shares under the Offer, NRI/OCBs/foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such NRI/OCB/ foreign shareholder.

y) In addition to the address mentioned in point (b) above, the shareholders of Galaxy who wish to avail of and accept the Offer can also deliver the Form of Acceptance along with all the relevant documents at any of the collection centres mentioned below in accordance with the procedure as set out in this Letter of Offer. All the centres mentioned herein below would be open as follows :

Address	Contact Person	Delivery Mode	Phone No	Email
Intime Spectrum Registry Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai – 400078.	Vishwas Attavar	Hand Delivery	+91 22 2596 0320 (9 lines)	vishwasa@intimespectrum.com
Intime Spectrum Registry Limited 203 Davar House, 197/199 D.N. Road, Fort, Mumbai – 400001.	Vivek Limaye	Hand Delivery	+91 22 22694127	vivek@intimespectrum.com

z) Shareholders who cannot hand deliver their documents at the collection centres referred above, may send the same by registered post, at their own risk and cost, to the Registrar to the Offer at their address given below:

Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compound, Bhandup (West), Mumbai - 400 078, Telephone number: 022 25960320, Fax number: 022 25960329

aa) Payment of consideration will be made by crossed account payee cheque / demand draft and sent by registered post, to those shareholders/unregistered owners and at their own risk, whose Shares/Share certificates and other documents are found in order and accepted by the Acquirer. In case of joint registered holders, cheques / demand drafts will be drawn in the name of the sole/first named holder/ unregistered owner and will be sent to him/her. It is desirable that shareholders provide bank details in the Form of Acceptance, so that the same can be incorporated in the cheque / demand draft.

VII. DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Galaxy at the Mumbai office of the Manager to the Offer, Edelweiss Capital Limited, from 10.30 a.m. to 1.00 p.m. on any day, except Saturdays, Sundays and Holidays, until the Offer closes :

a) Memorandum & Articles of Association of the Pantaloon

b) Memorandum & Articles of Association of Galaxy

c) Audited financial statements of Pantaloon for the financial periods ended June 30, 2002, June 30, 2003, June 30, 2004, June 30, 2005 and unaudited financial statement (subject to limited review by the statutory auditor) for the 6 months ended December 31, 2005.

d) Audited financial statements of Galaxy for the financial periods ended March 31, 2002, March 31, 2003, March 31, 2004, March 31, 2005 and unaudited financial statement (subject to limited review by the statutory auditor) for the 9 months ended December 31, 2005.

e) A C.A's certificate certifying the adequacy of financial resources with acquirers to fulfill the open offer obligations.

f) A letter from the Bank confirming the amount kept in the escrow account and a lien in favour of Manager to the Offer.

g) A copy of relevant documents, if any, which triggered the open offer. (Certified copy of notice convening EGM on March 15, 2005, Minutes of Board Meeting of Galaxy & Pantaloon, Letter sent by Galaxy to BSE dated February 18, 2005).

h) A copy of the agreement entered into with Depository participant for opening a special depository account for the purpose of the offer.

i) Any other relevant document(s) (Undertakings / Board Meeting Minutes / Signed Copy Final Draft Letter of Offer by Directors / CA Certification of Half Yearly Accounts)

j) Published copy of Public Announcement made on February 23, 2005

k) Letter from Pantaloon dated February 22, 2005 confirming that adequate financial resources will be made available to fulfill its financial obligations arising out of the Offer.

l) Letter of SEBI dated February 2, 2006 in terms of Proviso to Regulation 18(2) conveying comments on the Draft Letter of Offe.

m) Subsription agreement between Pantaloon and Galaxy dated March 04, 2005.

VIII DECLARATION BY ACQUIRER

1. Pantaloon accepts responsibility for the information contained in this Letter of Offer and for ensuring compliance and fulfillment of their obligations under the SEBI (SAST) Regulations.
2. The person signing the Draft Letter of Offer is duly and legally authorized by Pantaloon.

KISHORE BIYANI
Managing Director
Pantaloon Retail (India) Limited

Place : Mumbai
Date : February 06, 2006

Encl:
1. Form of Acceptance
2. Form of Withdrawal

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Intime Spectrum Registry Ltd. at any of the collection centres as mentioned in the Letter of Offer)

From : -

Folio No. / DP ID No. / Client ID No.

Name ____

Full Address : ____

____

Offer Opens on	February 15, 2006, Wednesday
Last Date for Withdrawal of Application	March 01, 2006, Wednesday
Offer Closes on	March 06, 2006, Monday

Tel No : _______________ **Fax No :**_______________ **E-mail :** _______________

To,

INTIME SPECTRUM REGISTRY LIMITED,
C-13, Pannalal Silk Mills Compound,
LBS. Marg, Bhandup (West),
Mumbai - 400 078.

Dear Sir,

Sub: Open Offer for acquisition of equity shares of Galaxy Entertainment Corporation Limited ("Galaxy" or "Target Company") by Pantaloon Retail (India) Limited ("Pantaloon" or "the Acquirer").

I/We refer to the letter of offer dated ________, 2006 for acquiring the equity shares held by me/us in Galaxy Entertainment Corporation Limited.

I/We, the undersigned have read the letter of offer and understood its contents including the terms and conditions as mentioned therein.

SHARES IN PHYSICAL FORM

I/We, hold the following shares in the physical form, accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below :

Ledger Folio No. _______________ No. of Share Certificate ____________ No of Share ___________

Sr. No.	Certificate No.	Distinctive Nos.		No. of Shares
		From	To	
		Total number of shares		

(In case of insufficient space, please use additional sheet and authenticate the same)

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the offer till the time the acquirers gives the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the acquirers will pay the purchase consideration only after verification of the documents and signatures.

- TEAR HERE -

Folio No. / DP ID / Client ID _____________________ Sr. No. ______________________

ACKNOWLEDGEMENT SLIP

(Unit : Galaxy Entertainment Corporation Limited)

C/o. : Pannalal Sik Mills Compund, LBS Marg, Bhandup (West), Mumbai – 400 078.

Received from Mr./Ms./M/s ____ Form of Acceptance cum Acknowledgement #___________________________Number of Share Certificates for ____ Equity Shares / # Copy of the Delivery Instructions to (DP) for ________________________ Equity Shares.

Date of Receipt Signature of Official	Stamp of collection centre

I/We hold the following equity shares in dematerialised form and tendered the equity shares in the Offer and had done an off-market transaction for crediting the Shares to the "Intime Spectrum Registry Limited – "ISRL - a/c Galaxy Entertainment - Open Offer Escrow Account" (the "Special Depositary Account") as per the following particulars :

DP Name – IL&FS Depository Services Limited   Client ID – 11188837   DP ID – IN300095.

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP. The particulars of the account from which my/our equity shares have been tendered are as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Equity Shares	No. of Equity Shares withdrawn

I/We note and understand that the Shares would lie in the Special Depository Escrow Account until the time the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer.

I/We confirm that the equity shares of Galaxy which are being tendered herewith by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorise the Acquirers to accept the shares so offered which they may decide to accept in consultation with the merchant banker and in terms of the Letter of Offer and I/We further authorise the Acquirers to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorise the Acquirers or their Merchant Banker to send by Registered Post / Courier the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned below.

The Permanent Account Number (PAN/GIR No.) allotted under the Income Tax Act, 1961 is as under

	First/Sole Holder	Joint Holder 1	Joint Holder 2
PAN/GIR No.			

So as to avoid fraudulent encashment in transit, the shareholder(s) may provide details of Bank Account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank		**Account No.**	**Saving/Current/NRE/NRO/ Others (Please tick)**
Address of Branch			

Yours faithfully,

Signed & Delivered by	Full Names (s) & Address	Signature	Verified and Attested (by DP in case of Demat Shares and by Bank in case of Physical Shares)
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note : In case of joint holdings all must sign. A Corporation must affix its common seal necessary Board resolution should be attached.

Place :

Date :

- TEAR HERE -

Note : All the future correspondence,

if any, should be addressed to the following address :

INTIME SPECTRUM REGISTRY LIMITED

(Unit : Galaxy Entertainment Corporation Limited)

C-13, Pannalal Silk Mills Compound, LBS Marg,

Bhandup (W), Mumbai – 400 078

Tel No.: +91-22-2596 0320. Fax No.: +91-22-2596 0329

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Offer Opens on	February 15, 2006, Wednesday
Last Date for Withdrawal of Application	March 01, 2006, Wednesday
Offer Closes on	March 06, 2006, Monday

From
Folio No. /DP ID No. / Client ID No.
Name : ____
Full Address : ____
Tel No : ____________ **Fax No :**_______________ **E-mail :** ___________

To,
Intime Spectrum Registry Limited,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (W), Mumbai – 400 078.

Dear Sir,

Sub: Open Offer for acquisition of equity shares of Galaxy Entertainment Corporation Limited (“Galaxy” or “Target Company”) by Pantaloon Retail (India) Limited (“Pantaloon” or “the Acquirer”).

I/We refer to the letter of offer dated ________, 2006 for acquiring the equity shares held by me/us in Galaxy Entertainment Corporation Limited.

I/We have read the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorise the Acquirers to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirers/Manager to the Offer/ Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at any of the collection centers mentioned in the Letter of Offer on or before the last date of withdrawal.

I/We note that the Acquirers/Manager to the Offer / Registrar to the Offer shall not be liable for any postal delay/loss in transit for the equity shares held in physical form and also for the non-receipt of equity shares held in the dematerialised form in the DP account due to inaccurate/incomplete particulars/instructions.

I/We also note and understand that the Acquirers will return the original share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents, signatures etc. and beneficiary position data as available from the Depository from time to time, respectively.

The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

No. of Share Certificate(s) ________________ No. of Equity Shares ________________

Sr. No	Ledger Folio No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
			From	To	
	Tendered				
1.					
2.					
3.					
	Total				
	Withdrawn				
1.					
2.					
3.					
	Total				

(In case of insufficient space, please use an additional sheet and authenticate the same)

- **TEAR HERE** -

Folio No. / DP ID / Client ID ____________________ Sr. No. ____________________

ACKNOWLEDGEMENT SLIP

(Unit : Galaxy Entertainment Corporation Limited)
C/o. : Pannalal Sik Mills Compund, LBS Marg, Bhandup (West), Mumbai – 400 078.

Received from Mr./Ms./M/s ____ Form of Withdrawal

Total Number of Certificate (s) enclosed _________________ Certificate Numbers ____________

Total Number of Share(s) enclosed ____

Signature of Official and Date of Receipt	Stamp of collection centre

I/We hold the following equity shares in dematerialised form and tendered the equity shares in the Offer and had done an off-market transaction for crediting the Shares to the "Intime Spectrum Registry Limited – "ISRL - a/c Galaxy Entertainment - Open Offer Escrow Account" (the "Special Depositary Account") as per the following particulars :

DP Name – IL&FS Depository Services Limited Client ID – 11188837 DP ID – IN300095.

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP. The particulars of the account from which my/our equity shares have been tendered are as detailed below :

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Equity Shares	No. of Equity Shares withdrawn

I/We note that the equity shares will be credited back only to that Depository Account, from which the equity shares have been tendered and necessary standing instructions have been issued in this regard.

In case of dematerialised equity shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

I/We confirm that the particulars given above are true and correct.

Yours faithfully,

Address of First / Sole Shareholder

____

____

____

____

Tel No : _______________ Fax No :_______________: E-mail : _______________

Yours faithfully

Signed & delivered by	FULL NAME(S)	SIGNATURE(S)	Verified and Attested by DP (in case of demat Shares) and by Bank in case of physical Shares)
First/Sole Shareholder			
Second Shareholder			
Third Shareholder			

NOTE : In case of joint holdings all must sign. In case of body corporate, stamp of the company should be affixed and necessary Board resolution should be attached.

Place :   Date :

- **TEAR HERE** -

Note : All the future correspondence,

if any, should be addressed to the following address :

INTIME SPECTRUM REGISTRY LIMITED

(Unit : Galaxy Entertainment Corporation Limited)

C-13, Pannalal Silk Mills Compound, LBS Marg,

Bhandup (W), Mumbai – 400 078

Tel No.: +91-22-2596 0320. Fax No.: +91-22-2596 0329