

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2012

Part I					
(Rs in lakhs)					
Statement of Unaudited Results for the Quarter Ended 30/06/2012					
Sr. No	Particulars	3 months ended 30-06-2012	Preceding 3 months ended 31-03-2012	Corresponding 3 months ended 30-06-2011	Year ended 31-03- 2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations				
	(a) Net sales/Income from operations	11,703	9,154	9,949	41,509
	(b) Other operating income	94	105	76	365
	Total income from operations (net) (a+b)	11,797	9,259	10,025	41,874
2	Expenses				
	(a) Direct Cost				
	i) Entertainment Tax	1,375	1,093	1,256	5,206
	ii) Exhibition Cost	3,156	2,670	2,722	11,995
	iii) Cost of Food & Beverages	688	497	565	2,226
	(b) Employee benefits expense	668	627	681	2,626
	(c) Property Rent, Conducting Fees & Common Facility Charges	1,726	1,720	1,652	6,769
	(d) Depreciation and amortisation expense	513	511	493	2,016
	(e) Other expenses	2,230	2,308	1,847	7,648
	Total expenses (a to e)	10,356	9,426	9,216	38,486
3	Profit/(Loss) from operations before other Income, finance costs and exceptional items (1-2)	1,441	(167)	809	3,388
4	Other income	50	110	151	604
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	1,491	(57)	960	3,992
6	Finance costs	580	448	483	1,759
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	911	(505)	477	2,233
8	Exceptional items	-	(973)	-	(973)
9	Profit / (Loss) from ordinary activities before tax	911	(1,478)	477	1,260
10	Tax expense				
	- Taxation for the period (Including Deferred Tax)	362	(312)	167	386
	- Taxation in respect of earlier years	-	(154)	-	(154)
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	549	(1,012)	310	1,028
12	Extraordinary Items	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	549	(1,012)	310	1,028
14	Paid-up equity share capital (Face Value Rs. 10 per share)	6,156	6,156	6,154	6,156
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				26,674
16	Earnings Per Share (of Rs. 10/- each)				
	Basic	0.89	(1.64)	0.50	1.67
	Diluted	0.89	(1.64)	0.50	1.67

PART II					
Select Information for the Quarter Ended 30/06/2012					
Sr. No	Particulars	3 months ended 30-06-2012	Preceding 3 months ended 31-03-2012	Corresponding 3 months ended 30-06-2011	Year ended 31-03- 2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	20692995	20692995	20750997	20692995
	- Percentage of shareholding	33.43%	33.43%	33.53%	33.43%
2	Promoters and Promoter Group Shareholding				
	a) Pledged/Encumbered				
	- Number of shares	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL
	b) Non-encumbered				
	- Number of Shares	41202553	41202553	41144551	41202553
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	66.57%	66.57%	66.47%	66.57%

	Particulars	3 months ended 30/06/2012
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	1
	Disposed of during the quarter	1
	Remaining unresolved at the end of the quarter	NIL

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED 30TH JUNE 2012.

Rs in lakhs					
Sr. No	Particulars	3 months ended 30-06-2012	Preceding 3 months ended 31-03-2012	Corresponding 3 months ended 30-06-2011	Year ended 31-03- 2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
[I]	Segment Revenue				
i	Multiplexes	11,825	9,336	10,026	42,032
ii	Others	-	-	-	-
iii	Un-allocable and Corporate	22	33	150	446
	Total Segment Revenue (external)	11,847	9,369	10,176	42,478
[II]	Segment Result				
i	Multiplexes	1,477	(1,063)	810	2,595
ii	Others	(8)	(2)	-	(24)
	Total Segment Result	1,469	(1,065)	810	2,571
	Add: Un-allocable Income	22	35	150	448
	Less: Finance cost	(580)	(448)	(483)	(1759)
	Total Profit Before Tax	911	(1,478)	477	1,260
[iii]	Segment Capital Employed (Segment Assets- Segment Liabilities)				
I	Multiplexes	37,961	37,173	42,758	37,173
ii	Others	134	141	25	141
iii	Un-allocable and corporate	(4,717)	(4,485)	(10,671)	(4,485)
	Total	33,378	32,829	32,112	32,829

- Notes**
- The above results, reviewed by the Audit Committee, were approved at the meeting of the Board of Directors held on 27th July, 2012. The statutory auditors of the Company have carried out Limited Review of the above results.
 - The figures for the quarter ended 31st March, 2012 are the balancing figures between the audited figures in respect of the full financial year ended 31st March, 2012 and the published year to date figures up to period ended 31st December, 2011.
 - Corresponding figures for previous period/year have been regrouped / recast wherever necessary to correspond to the presentation in the current period/year.
 - The Entertainment Tax exemption in respect of some of the Multiplexes of the Company has been accounted on the basis of eligibility criteria as laid down in the respective Schemes but is subject to final Orders yet to be received from respective authorities. Accordingly the Company has not charged Rs 106 lakhs to the Profit and Loss Account for the quarter ended 30th June, 2012 being the Entertainment Tax of such Multiplexes. Corresponding figures for the previous quarter ended 30th June, 2011, and for the year ended 31st March, 2012, are Rs 102 lakhs and Rs 413 lakhs respectively. Cumulative amount as on 30th June, 2012 is Rs. 3113 lakhs
 - As per the amendment made by the Finance Act 2010, renting of immovable property is defined as a taxable service with retrospective effect from 1 June, 2007 and accordingly, in the annual accounts for the year ended 31st March, 2010, the Company had provided for service tax in respect of rent on immovable properties for the year ended 31st March, 2009 and 31st March, 2010.

During the year ended 31st March, 2011, this levy was challenged by the Company by filing Writ Petitions with various High Courts and some of the High Courts had granted a stay against the levy of service tax in respect of immovable properties of the Company situated within their respective jurisdictions. Based on legal advice obtained by the Company, no provision of service tax in respect of immovable properties was made for the year ended 31st March, 2011. Further, the amount provided in the accounts during the year ended 31st March, 2010 towards such service tax was reversed during the year ended 31st March, 2011.

During the year ended 31st March, 2012, this levy has been upheld by several High Courts. The Company has preferred a Special Leave Petition before the Hon'ble Supreme Court which is pending and the Company has made the payments as directed by the Hon'ble Supreme Court. In these circumstances, the Company has provided for service tax on renting of immovable properties. Accordingly an amount of Rs. 152 lakhs being the charge for the period ended 30th June, 2012 and Rs 525 lakhs for the year ended 31st March, 2012 is included in 'Other Expenditure' and amount of Rs. 973 lakhs being the charge for the period upto 31st March, 2011 is shown as an exceptional item in the year ended 31st March, 2012.
 - In the appellate proceedings before the Commissioner of Income-tax (Appeals) and Income Tax Appellate Tribunal, Ahmedabad Bench, the Company's contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted. Provision for current tax is made on the same basis for such properties.

Provision for current taxation is for Minimum Alternate Tax (MAT) payable on book profit. MAT paid by the Company is entitled to be carried forward and utilized in subsequent years. In the opinion of management, on the basis of projections, estimates of future taxable income and the period available for utilization of MAT credit, the Company would have normal tax liability within the specified period to avail such MAT credit. Consequently, the Company has recognized Rs 233 lakhs towards MAT credit entitlement for the quarter ended 30th June, 2012. Corresponding figures for the previous quarter ended 30th June, 2011, and for the year ended 31st March, 2012, are Rs 123 lakhs and Rs 412 lakhs respectively. Cumulative amount as on 30th June, 2012 is Rs. 2236 lakhs.
 - The remuneration paid to the Manager for the period from 1st April 2010 to 31st March, 2011 was in excess of the limits of section 198 and 387 read with Schedule XIII to the Companies Act, 1956 and required approval of the Central Government. The Company had made representations against the rejection of the applications made by the Company and also taking necessary steps in this regards. The Manager has been re-appointed for the period from 1st October, 2011 to 31st March, 2013. The Company has made the necessary application to the Central Government for approval of the remuneration and the same is pending.
 - In the meeting held on 15th June, 2012, the Board of Directors of the Company has given in-principle approval to the proposed merger of its subsidiary Fame India Limited, and subsidiaries of Fame India Limited (viz. Fame Motion Pictures Ltd., Big Pictures Hospitality Services Pvt. Ltd. and Headstrong Films Pvt. Ltd.) with Inox Leisure Limited. The necessary steps for preparing and finalizing the proposed scheme of merger are being taken.

**On behalf of the Board of Directors
For INOX Leisure Limited**

**Deepak Asher
Director**

**Place : Vadodara
Date : 27th July, 2012**