

**TRANSCRIPT OF THE PROCEEDINGS OF THE 21<sup>ST</sup> ANNUAL GENERAL MEETING OF THE COMPANY HELD ON WEDNESDAY, 23<sup>RD</sup> SEPTEMBER, 2020 AT 11.00 A.M. IST THROUGH VIDEO CONFERENCING (VC) / OTHER AUDIO VISUAL MEANS (OAVM)**

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**DIRECTOR:**

**MR. DEEPAK ASHER**  
*Chairman of the Meeting*

**MR. SIDDHARTH JAIN**  
*Director*

**MR. HAIGREVE KHAITAN**  
*Independent Director*

**MS. GIRIJA BALAKRISHNAN**  
*Independent Director*

**MANAGEMENT:**

**MR. ALOK TANDON**  
*Chief Executive Officer*

**MR. KAILASH B. GUPTA**  
*Chief Financial Officer*

**MR. PARTHASARATHY IYENGAR**  
*Company Secretary*

**AUDITORS:**

**MR. ADITYA TALAVLIKAR**  
*Partner of M/s. Kulkarni & Company, Independent Auditors*

**MR. SATYANARAIN SAMDANI**  
*Partner of M/s. Samdani Shah & Kabra, Secretarial Auditors*

**MODERATOR:**

**MS. SHIVANI,**  
*Central Depository Services Limited (CDSL)*

**AND SHAREHOLDERS**

**Welcome address –**

**Mr. Parthasarathy Iyengar:**

I welcome all shareholders to the 21<sup>st</sup> Annual General Meeting of the Company.

It is now 11.00 A.M., the time for the Meeting to commence.

I welcome you all to the 21<sup>st</sup> Annual General Meeting of the Company. This Meeting is being held through Audio / Video Conferencing Services via CISCO Webex System and is hosted by Central Depository Services (India) Limited (CDSL) in terms of an arrangement entered into by the Company with CDSL, due to the COVID-19 pandemic. This is in compliance with the circulars issued by the Ministry of Corporate Affairs and SEBI.

The Registers required as per the Companies Act, 2013 are open for inspection electronically. Members seeking to inspect such documents can send an email to [investors@inoxmovies.com](mailto:investors@inoxmovies.com).

Pursuant Article 105 of the Articles of Association of the Company, the Directors present at the Meeting have elected Mr. Deepak Asher, Director of the Company to be the Chairman of the Meeting.

Now, I would like to familiarise you regarding your participation and conduct of the AGM. The facility of joining the AGM through Audio / Video Conferencing is being made available for Members on first come first served basis. All Members who have joined this AGM are by default placed on mute by the Host to avoid any disturbance arising from background noise and to ensure smooth conduct of the Meeting. In respect of Speaker Shareholders who have requested to speak at this AGM seven days in advance, as mentioned in the Notice of the AGM, the Chairman will announce the names of such Speaker Shareholders one by one. The Speaker Shareholders thereafter, will be unmuted by the Host so that he/she can express his/her views. The Speaker Shareholders are requested to click the Video ON Button. If the Shareholder is not able to join through Video for any reason, then the Shareholder can speak through Audio mode. We request the Speaker Shareholder to use ear phones so that he / she is clearly audible, minimise background noise, ensure that Wi-Fi is not connected to any other devices, no other background applications are running and there is proper lighting to have good video and audio experience. In case we find that there is connectivity problem at Speaker Shareholder's end, we would ask the next Speaker Shareholder to join. Once the connectivity improves, the Speaker Shareholder will be called again to speak once the other registered Speaker Shareholders complete their turn. In the interest of an efficient conduct of this Meeting, we would like to request Speaker Shareholders to kindly limit their intervention to 3 minutes. During this AGM if any Shareholder faces any technical issue he or she may contact the helpline numbers mentioned in the Notice of the AGM. E-voting for the Resolutions proposed will be kept open for 15 minutes at the end of the Meeting and announcement for the same will be made by the Chairman.

Thank you very much. I now request Mr. Deepak Asher, Chairman of the Meeting, to conduct further proceedings of this AGM.

**Mr. Deepak Asher:**

Thank you Partha. Thank you very much for the honour and privilege bestowed upon me.

I welcome you all to this 21<sup>st</sup> Annual General Meeting of the Company, and the first Annual General Meeting of the Company to be held through Audio / Video Conferencing.

The requisite quorum under Section 103 of the Companies Act, 2013 is present and the Meeting is called to order.

I would now like to introduce my colleagues on the Board who have joined this Meeting from their respective locations, starting with:

**Mr. Siddharth Jain**

He is the Non-executive Director, Chairman of the Stakeholders' Relationship Committee, Member of Compensation, Nomination and Remuneration Committee, Member of Business Responsibility Committee, Member of Risk Management Committee, Member of Committee of Board of Directors for Operations.

**Mr. Haigreve Khaitan**

He is an Independent Director, Chairman of the Audit Committee, Chairman of the Compensation, Nomination and Remuneration Committee, Member of Corporate Social Responsibility Committee and Member of Committee of Board of Directors for Operations.

## **Ms. Girija Balakrishnan**

She is an Independent Director and Member of the Stakeholders Relationship Committee.

Other Directors have informed us that they are unable to attend this AGM due to other prior commitments as explained by them to the Company. In addition to the Directors we have Mr. Alok Tandon, Chief Executive Officer, Mr. Kailash Gupta, Chief Financial Officer and Mr. Parthasarathy Iyengar, Company Secretary also present and attending this Meeting through video conferencing.

Mr. Aditya Talavlikar, Partner of M/s. Kulkarni & Company, Independent Auditors of the Company and Mr. Satyanarain Samdani, Partner of M/s. Samdani Shah & Kabra, Secretarial Auditors are also present at the Meeting through video conferencing.

I thank all the Shareholders for joining this Meeting through video conference and I hope all of you are safe and in good health. Due to the continuing COVID-19 pandemic, we are holding this AGM through Video Conferencing for the first time. This is in compliance with the directions of the Ministry of Corporate Affairs. A live streaming of this Meeting is also being webcast on CDSL website. The Company has taken the requisite steps to enable Members to participate and vote on the items being considered at this AGM.

The Company has received four letters along with the Board Resolutions from Corporate Shareholders appointing and authorising representatives under Section 113 of the Companies Act, 2013, in respect of 5,35,45,350 (Five Crore Thirty-Five Lakhs Forty-Five Thousand Three Hundred and Fifty) Equity Shares representing 52.06 % of the Paid Up Equity Share Capital of the Company.

Since, this AGM is held through video conference pursuant to applicable circulars of the Ministry of Corporate Affairs and SEBI, physical attendance of the Members has been dispensed with. Accordingly, the facility of appointing Proxy is not applicable for this Meeting. Members who have not voted earlier through remote e-Voting can cast their vote in the course of the Meeting through e-Voting.

The Notice convening this Annual General Meeting and a copy of the Annual Report for the Financial Year 2019-20 has already been circulated electronically within the statutory period to all Members of the Company, whose email IDs are registered with the Company / Depository Participant(s). With the permission of the Members, I shall take Notice of 21<sup>st</sup> Annual General Meeting of the Company & Board's Report which are circulated to Members of the Company as read. The Auditor's Report on Standalone and Consolidated Financial statements for the Financial Year ended 31<sup>st</sup> March, 2020 and the Secretarial Audit Report for the Financial Year 31<sup>st</sup> March, 2020 do not contain any qualification, reservation, adverse remark or disclaimer, and accordingly these reports are not required to be read out in terms of requirement of Section 145 of the Companies Act, 2013.

Now, with your permission I will begin formal address to the Shareholders through which we will share with you our thoughts about the industry and your company's performance.

## **Start of Chairman's Speech – Mr. Deepak Asher**

The Global economy has witnessed fairly robust growth during Calendar Year 2019, clocking a growth rate of 2.9%, in real terms. India too, has shown strong growth, with a GDP growth rate of 4.2%, based on the World Economic Outlook Update released in June 2020 by the IMF.

With the tailwind of this strong economic growth, the Indian film industry has also maintained its vigorous momentum. The size of the Indian film industry grew from Rs. 17,500 crores in 2018 to Rs. 19,000 crores in 2019, a growth of almost 10%. The number of films released increased from 1,776 to 1,833 during the same period. Films that did business of more than Rs. 100 crores, increased from 13 in 2018 to 17 in 2019, and those that did business of more than Rs. 200 crores, doubled from 3 in 2018 to 6 in 2019. This growth was witnessed across the entire spectrum of genre and language – be it Hindi, regional or Hollywood content.

The multiplex industry also participated in this momentum of growth, with the number of multiplex screens growing by around 9%, from 2,950 to 3,200. Indian theatrical revenues increased, by a more robust 13%, from Rs. 10,200 crores to Rs. 11,500 crores.

INOX has been at the forefront of spearheading this growth. We increased our presence, in FY2020, from 67 cities to 68 cities. We opened 58 new screens in FY2020, bringing our total property tally to 147, screen tally to 626 and seat count to 1,44,467.

Our footfalls increased from 625 lakhs in FY2019, to 660 lakhs in FY2020, ATP improved from Rs. 197 to Rs. 200, Spent per head improved from Rs. 74 to Rs 80. With continued improvements in advertising and other operating incomes as well, our total revenues from operations stood at Rs. 1,915 crores for FY2020, 12% higher than in FY2019, EBITDA improved from Rs. 324 crores to Rs. 347 crores, and PAT improved from Rs. 133 crores to Rs. 141 crores. I may mention here, that these figures effectively represent operations of 11 – 11.5 months, since all our properties were required to shut down at different points of time during March, 2020.

The current financial year, however, is likely to be quite different. The Cinema Exhibition sector has been amongst the worst hit sectors. We were amongst the first to shut down, and will probably be amongst the last to be permitted to re-open. While we do understand the imperatives of lockdowns, social distancing and safety of our patrons and the population at large, the Cinema Exhibition sector has had to bear the maximum economic brunt of this pandemic, amongst all commercial activities that we are aware of.

The economic impact of being shut down for more than 6 months now, is unprecedented. There are virtually no revenues flowing into the system, and the film industry is losing around Rs. 1,500 crores of revenue per month. Business as usual overheads of multiplexes are in the tune of Rs. 1.75 crores per screen per annum, and INOX itself had overheads of around Rs. 80 crores per month before the outbreak of Covid-19. It would have been virtually impossible to survive, if INOX did not have the strength that it has of its Balance Sheet, and the various cost cutting measures it has adopted to stay afloat. Over the past several months, INOX has been successful in bringing our fixed overheads down from Rs. 80 crores per month, to almost Rs. 12 crores per month, due to the focused and stringent cost cutting measures we have identified and implemented.

We are in constant touch with all our stakeholders, including distributors, landlords, vendors and lenders, and they have expressed a willingness to support us during these difficult times for which are extremely grateful.

We are hopeful, that we will be allowed to commence operations soon. We have devised very stringent SOPs, incorporating the best-in-class safety measures at par with global standards, to ensure a safe and hygienic environment for our patrons, to be implemented as soon as we open. These include intensive use of smart technology, to enable physical contact-less experience for our patrons, extensive sanitization drills and disinfection processes, managing show timings to ensure pacing out of entry, exit and intermission timings for different shows, and a host of other measures. We hope that these and several other measures that we are implementing, will help us win the trust and confidence of our patrons.

Several consumer surveys have shown that patrons are waiting to throng back to seeing movies on the big screen. According to an Ormax Media Report, 82% of respondents missed watching movies in a cinema theatre, and 69% of respondents said they will want to see movies in cinema theatres not just for the big scale films, but even for the medium and small films too. According to a BookMyShow survey, 54% Indians are eager to step out to catch their favourite films in a cinema theatre within 15-90 days of their commencing operations. We have no doubt that the larger than life out of home entertainment experience that only a cinema can provide, can never be replaced by small screens of portable devices or even television sets. We look forward to the day when we can welcome our patrons back to the unique experience only INOX can provide, with unprecedented safety and hygiene measures that we are implementing so our patrons can once again “Live the Movie”.

#### **End of Chairman’s Speech:**

I now request the Company Secretary to explain the sequence of the Meeting and the process of e-voting on the resolutions before and during this AGM.

**Mr. Parthasarathy Iyengar:**

Thank you sir. I would like to mention that as per the Companies Act, 2013 and SEBI Listing Regulations, 2015 which mandates the Company to provide for electronic Voting to its Members; the Company has provided to its Members the facility to cast their vote through the remote electronic system administered by the CDSL. The facility of e-Voting at this AGM is also provided to the attendee Members who have not voted through remote e-voting facility. Members may go to the e-voting page of CDSL and cast their vote while at the same time be part of the proceedings of this AGM. M/s. Samdani Shah & Kabra, Practicing Company Secretary has been appointed as scrutinizer to scrutinize the votes cast at the Meeting and through remote e-Voting. Since, the AGM is being held through Audio / Video Conference and the Resolutions mentioned in the Notice convening this AGM have been already put to vote through remote e-Voting there will be no proposing or seconding of the resolutions. Thank you very much. I hand it over back to the Chairman please.

**Mr. Deepak Asher:**

Thank you Partha. Now I will take questions / observations / comments from the Speaker Shareholders who have registered themselves as a speaker. In order to ensure the efficiency of conduct of virtual meeting, I request to members to limit their speech around 3 minutes please.

**Question and answers session:**

Firstly I invite Mr. Santosh Kumar Saraf.

**Moderator:**

Sir, this Member is not present.

**Mr. Deepak Asher:**

Okay, in that case, we can move to the next registered speaker shareholder Mr. Hiten Bhatt.

**Moderator:**

Mr. Hiten Bhatt, you can speak now. You are unmuted.

**Mr. Hiten Bhatt:**

Can you hear me? Hello...

**Mr. Deepak Asher:**

Now we can. Yes. Please Mr. Hiten Bhatt.

**Mr. Hiten Bhatt:**

Sir, can you hear me? There is a lot of disturbances. Am I audible?

**Moderator:**

Yes, Mr. Hiten, we can hear you. Please ask your question.

**Mr. Hiten Bhatt:**

Yeah. What I would like to know is in continuation of what Asher sahab told is that are there any specific steps which we have taken to tackle when we open the multiplexes when we are allowed to open for the COVID pandemic? so that we can build confidence of the patrons to come back to multiplexes.

We will take all the questions together and will reply one by one.

Next speaker shareholder please.

**Moderator:**

Mr. Kamlesh, please ask your question. You are unmuted.

**Mr. Kamlesh:**

Hello...

**Moderator:**

Mr. Kamlesh, we can hear you. Please ask your question.

**Mr. Kamlesh:**

Yeah sure sir. Sir, my question is what is the time horizon in which we expect the business to recover to pre COVID levels considering the current situation and whatever talks are going on with MIA and what are the steps which we can you know do differently to get this level?

**Mr. Deepak Asher:**

Next speaker shareholder is Mr. Bimal Kumar Agarwal. If Mr. Bimal Kumar Agarwal is present please ask your question.

**Moderator:**

Mr. Bimal Kumar you can ask your question. You are unmuted.

Mr. Bimal Agarwal please speak.

Mr. Bimal Kumar you are unmuted please speak.

Sir, I think he is not speaking. Can we move to the next speaker please?

**Mr. Deepak Asher:**

Yes. The next registered speaker shareholder is Mr. Phanendhar Reddy Kusuma

**Moderator:**

Mr. Reddy you are unmuted. Please speak and ask your question.

**Mr. Reddy:**

Yeah Sir actually, I have applied after the date actually so that I didn't prepare any questions. I just thought actually just a one question actually. Because the unprecedented time the theatres were not running properly so the people were not going outside and they are scared to go theatres actually. And Sir, you just share your views about the Open theatres. There is a news about open theatres actually were planning for PVR so it could be good idea where people will show some interest. If the requirement is good and some security is good and all these things people will love to go there. It's just thought sir. That's it. If you would like to share your views then please share it sir. Thank you sir. I missed the start introduction due to internet connection so... thank you sir.

**Mr. Deepak Asher:**

Okay. So thanks very much. We had just 5 registered speaker shareholders and we have taken note of their intervention. I think the drift we have getting from most of the questions raised is their concern when do you expect to open ? What are the steps to be taken after you are open in order to assure the customers, the patrons of their safety and how soon you will think to you will get back to our normal operations ?. I think these three are the gist of the most of the concerns expressed. To the some extent I have already alluded to these questions and our response to these in my industry speech. To be honest with you we don't have a very clear answer when we would expected to open, we hope that we will be opened pretty soon. Since, I think now almost all sectors of the economy except Cinemas are allowed to be opened. I think it should be now reasonable to expect that cinemas also should be allowed to open pretty soon. But, as I said this is a regulatory matter this is something government to allow we are awaiting eagerly for that to be announced. We are prepared very stringent and as I mentioned the best in class almost comparable to global standards, safety precautions that we intend to take, when we are allowed to reopen our operations and it will be to elaborate to go through all the steps that we have taken but it is almost 25 to 30 page SOP that we have prepared in order to ensure that our customers are completely safe when they come in and there are absolutely no concerns as far as any catching infections within the cinema theatre is concerned. All patrons will be required to wear mask when they enter to Cinemas, there will be temperature checks done as and when they enter. We will also be keeping some PPE kits at the Cinema theatres available for sale in case somebody turns up without the requisite masks or gloves or sanitizers. There will be a lot of focus on technology – the digital way of life. We are introducing all-in-one SMS system. This SMS comes with 4 different links, a link one which allows you to check-in with your QR code, a link which will show you the auditorium's seat, chart, so that you can find your seat without needing ushers to assist you over there. A link that will also provides you access to the F&B menu so you can place your orders and get your food delivered without moving from your seat and also a link where you can download your e-ticket as well. So we are trying to ensure that there would be virtually no physical contact when you are in Cinemas in order to reduce the risk. We are also going to conduct very very expensive sanitizational drills, disinfection processes at the right places in fair amount of frequency, there would be pedal operator sanitizers in the Cinemas at important locations across all the Cinemas. As I mentioned show casing will be done in such way and the show time will be scheduled such that multiple shows do not have entry time, exit time, intermission times simultaneously. So I mean these are the some brief measures that we are taking but we are doing a lot more than just this in order to ensure safety & hygiene. We hope based on the market surveys that are taken place we understand the lot of patrons are waiting to Cinemas to open and we hope that the psychological barrier that might have been caused by the pandemic is lifted pretty soon and the safety & hygiene measures that we are undertaking will give them the trust & confidence to start coming to movies as the date earlier. So, I mean that broadly is my response to the some of the questions asked and a mention was made on open theatres, am not sure I am followed exactly what was intended, whether it was for open theatre or probably something else. But we will probably get it touch to the shareholder separately to understand what exactly his point and consider that appropriately. So moving on now we have covered the interventions from members. I would like to move on to the resolutions.

Five Resolutions are proposed to be passed at this AGM. Out of these, the first two businesses are ordinary businesses to be passed as ordinary resolutions, the next three i.e. Item Nos. 3 to 5 of the Notice are special businesses, Item No. 3 is required to be passed by way of ordinary resolution and Item No. 4 and 5 are required to be passed by way of special resolution.

**First Resolution** is in respect of adoption of Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020, and the reports of the Board of Directors and the Auditors thereon.

**Second Resolution** is in respect of re-appointment of Mr. Siddharth Jain as a Director of the Company.

**Third Resolution** is in respect of appointment of Mr. Vishesh Chandiok as an Independent Director of the Company.

**Fourth Resolution** is respect of shifting of Registered Office of the Company from the "State of Gujarat" to the "State of Maharashtra".

**Fifth Resolution** is in respect of authorisation for issuance of Equity Shares / Other Securities up to Rs. 250 Crores.

In compliance with the provisions of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has provided e-voting facility to all its Members through the e-voting platform of CDSL in respect of all the Resolutions proposed to be passed at this Annual General Meeting (AGM) either as an Ordinary Business (Item Nos. 1 to 2) or as a Special Business (Item Nos. 3 to 5). The e-voting period in respect of all the Resolutions proposed to be passed at this AGM commenced on Sunday, 20<sup>th</sup> September, 2020 at 09.00 am and closed on Tuesday, 22<sup>nd</sup> September, 2020 at 5.00 pm.

Now, I authorize Mr. Parthasarathy Iyengar, Company Secretary to conduct the voting procedure in presence of Mr. Satyanarain Samdani and conclude the Meeting. The E-Voting facility will remain open for the next 15 minutes to enable Members to cast their vote. The results of the e-Voting at AGM and together with results of remote e-Voting shall be available on the website of the Company, website of CDSL and websites of both BSE and NSE within 48 hours from the conclusion of this Meeting.

I truly appreciate the dedicated efforts of all our employees who have played a key role in building this Company to the strength it has reached, and their efforts in addressing the current situation under these testing times. I also take this opportunity to thank all my colleagues on the Board for their continued support and guidance. And lastly, I would like to thank all the Shareholders of the Company for taking the initiative to join this Meeting through Video Conferencing and for the support you have provided to the Company over the past years. I trust we can count on your continued support in the future as well.

Thank you everyone once again, please stay safe and healthy.

Thank you.

-----THANK YOU-----