

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30<sup>TH</sup> SEPTEMBER, 2014

Part I							(Rs in lakhs)	
Statement of Unaudited Results for the Quarter and Half Year Ended 30-09-2014								
							CONSOLIDATED (see note no.5)	
							STANDALONE	
	Particulars	Quarter ended			Half year ended		Year ended	
		30-09-2014	30-06-2014	30-09-2013	30-09-2014	30-09-2013	31-03-2014	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income from operations							
	(a) Net sales/Income from operations	23823	22368	22788	46191	44756	82731	25386
	(b) Other operating income	1196	869	898	2065	1870	4152	1208
	Total income from operations (a+b)	25019	23237	23686	48256	46626	86883	26594
2	Expenses							
	(a) Direct Cost							
	i) Entertainment tax	3016	2857	2970	5873	5865	10607	3200
	ii) Exhibition cost	6310	5840	6220	12150	12265	22349	6781
	iii) Cost of food and beverages	1221	1225	1329	2446	2680	4664	1337
	(b) Employee benefits expense	1477	1369	1172	2846	2335	4957	1615
	(c) Property rent, conducting fees and common facility charges	4056	3864	3428	7920	6700	13722	4385
	(d) Depreciation and amortisation expense – see note no. 7	1826	1809	1283	3635	2492	5069	1921
	(e) Other expenses	5333	5146	4530	10479	8906	18388	5617
	Total expenses (a) to (e)	23239	22110	20932	45349	41243	79756	24856
3	Profit from operations before Other income, Finance costs and Exceptional items (1-2)	1780	1127	2754	2907	5383	7127	1738
4	Other income	132	83	50	215	133	894	74
5	Profit from ordinary activities before Finance costs and Exceptional items (3+4)	1912	1210	2804	3122	5516	8021	1812
6	Finance costs	1135	645	743	1780	1481	2763	1140
7	Profit from ordinary activities after Finance costs but before Exceptional items (5-6)	777	565	2061	1342	4035	5258	672
8	Exceptional items (Refer Note 8)	0	(50)	0	(50)	0	(39)	0
9	Profit from ordinary activities before tax	777	515	2061	1292	4035	5219	672
10	Tax expense							
	- Taxation for the year/period	154	57	590	211	1142	1515	149
	- Taxation in respect of earlier years	0	0	0	0	0	11	0
11	Net Profit from ordinary activities after tax (9-10)	623	458	1471	1081	2893	3693	523
12	Extra ordinary items	0	0	0	0	0	0	0
13	Net Profit for the period (11-12)	623	458	1471	1081	2893	3693	523
14	Earnings Before Interest, Tax, Depreciation & Amortization and Exceptional Items (EBITDAE)	3738	3019	4087	6757	8008	13090	3733
15	Paid-up equity share capital (Face Value Rs. 10 per share)	9616	9616	9612	9616	9612	9614	9616
16	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year						29475	
17	Earnings Per Share (of Rs. 10 each) – not annualized							
	(a) Basic	0.73	0.60	1.93	1.27	3.80	4.85	0.61
	(b) Diluted	0.73	0.60	1.93	1.27	3.80	4.85	0.61

PART II

Select Information for the quarter and half year ended 30 September, 2014

A	PARTICULARS OF SHAREHOLDING						
Sl. No	Particulars	Quarter ended			Half year ended		Year ended
		30-09-2014	30-06-2014	30-09-2013	30-09-2014	30-09-2013	31-03-2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Public shareholding						
	- Number of shares	49483826	49483826	49483826	49483826	49483826	49483826
	- Percentage of shareholding	51.30%	51.30%	51.30%	51.30%	51.30%	51.30%
2	Promoters and Promoter Group Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	NIL
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	Nil	Nil	Nil	Nil	Nil	NIL
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	NIL
	b) Non-encumbered						
	- Number of Shares	46973928	46973928	46973928	46973928	46973928	46973928
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	48.70%	48.70%	48.70%	48.70%	48.70%	48.70%

Note: Public shareholding includes:

A	PARTICULARS OF SHAREHOLDING						
Sl. No	Particulars	Quarter ended			Half year ended		Year ended
		30-09-2014	30-06-2014	30-09-2013	30-09-2014	30-09-2013	31-03-2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Shares held by Inox Benefit Trust exclusively for the benefit of Inox Leisure Limited (see note no. 2 below)	10769485	19931570	19931570	10769485	19931570	19931570
2	Shares held by ESOP Trust not yet allotted to employees	295001	295001	333157	295001	333157	311580

	Particulars	3 months ended 30-09-2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	NIL
	Disposed of during the quarter	NIL
	Remaining unresolved at the end of the quarter	NIL

UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER 2014.

					(Rs in lakhs)	
					STANDALONE	CONSOLIDATED (see note no.5)
Particulars					30-09-2014 (Unaudited)	31-03-2014 (Audited)
A) EQUITY AND LIABILITIES						
1	Shareholders' funds					
	(a) Share capital				9616	9615
	(b) Reserves and surplus				54129	44444
	(c) Interest in Inox Benefit Trust ( Refer Note 2)				(8088)	(14969)
	Sub-total – Shareholders' funds				55657	39090
2	Non-current liabilities					
	(a) Long-term borrowings				21534	21483
	(b) Deferred tax liabilities (net)				2386	2901
	(c) Other long-term liabilities				736	2401
	(d) Long-term provisions				475	413
	Sub-total – Non-current liabilities				25131	27198
3	Current liabilities					
	(a) Short-term borrowings				24514	888
	(b) Trade payables				6796	7205
	(c) Other current liabilities				9615	9322
	(d) Short term provisions				1915	2106
	Sub-total – Current liabilities				42840	19521
	TOTAL – EQUITY AND LIABILITIES				123628	85809
B )	ASSETS					
1	Goodwill on consolidation					
2	Non-current assets					
	(a) Fixed assets (including capital work-in-progress)				61060	63467
	(b) Non-current investment				18825	98
	(c) Long-term loans and advances				15009	14433
	(d) Other non-current assets				239	225
	Sub-total - Non-current assets				95133	78223
3	Current assets					
	(a) Current investments				10703	273
	(b) Inventories				839	859
	(c) Trade receivables				4381	3342
	(d) Cash and cash equivalents				2219	1656
	(e) Short-term loans and advances				5650	1276
	(f) Other current assets				4703	180
	Sub-total - Current assets				28495	7586
	TOTAL - ASSETS				123628	85809

Notes

- The above results, reviewed by the Audit Committee, were approved by the Board of Directors at their meeting held on 20 October, 2014. The Statutory Auditors of the Company have carried out Limited Review of the above results.
- Pursuant to the Composite Scheme of Amalgamation ("Scheme") of Company's subsidiary Fame India Limited ("Fame") and subsidiaries of Fame with the Company, which was operative from 1 April 2012, the Company has allotted 3,45,62,206 equity shares to the shareholders of the transferor companies on 10 July 2013, including 2,44,31,570 equity shares to Inox Benefit Trust ("Trust") towards shares held by Inox Leisure Limited in Fame. These shares ("Treasury Shares") are held by the Trust exclusively for the benefit of the Company.  
  
In terms of Accounting Standard (AS31) 'Financial Instruments' (which is not yet mandatory), internationally generally accepted accounting practices and for more appropriate presentation of the financial statements, the Company's interest in the Trust (at cost), being akin to Treasury Shares, in accordance with their substance and economic reality, is deducted from Shareholders' Fund. Any profit or loss arising from sale of Treasury Shares by the Trust is being recorded separately as 'Reserve on sale of Treasury Shares' under Reserves and Surplus, being transactions relating to the capital of the Company. Accordingly, the profit of Rs. 9105.16 lakhs on sale of 91,62,085 Treasury Shares in the quarter and half year ended 30 September 2014 and loss of Rs. 458.34 lakhs on sale of 45,00,000 Treasury Shares in the quarter and half year ended 30 September 2013 and year ended 31 March 2014 are directly recognised in 'Reserve on sale of Treasury Shares' under Reserves and Surplus. Further, the EPS for the quarter/half year ended 30 September 2013 has been recomputed.
- On allotment of above 3,45,62,206 equity shares of the Company, Gujarat Fluorochemicals Limited ("GFL") ceased to be the holding company on 10 July 2013. Subsequently, the shareholders of the Company have passed a resolution at the Annual General Meeting held on 23 August 2013 amending the Articles of Association of the Company entitling GFL to appoint majority of directors on the Board of the Company if GFL holds not less than 40% of the paid-up equity capital of the Company. Accordingly, the Company has again become a subsidiary of GFL with effect from this date.
- During the quarter ended 30 September 2014, the Company have acquired 100% of the equity shares in Satyam Cineplexes Limited ("SCL"). As a result of this acquisition, SCL has become a wholly owned subsidiary of the Company with effect from 8 August 2014.
- Consolidated Results include results of the Company, its subsidiary SCL (w.e.f. 8 August 2014) and Swanston Multiplex Cinemas Private Limited, a joint venture of the Company (collectively "the Group"). There were no consolidated financial statements of the Company for the year ended 31<sup>st</sup> March 2014 since the Company did not have any subsidiary in that year. Consequently, the consolidated results are only for the current quarter/six month period and there are no corresponding consolidated statements for the previous period/year.
- At the Meeting of Board of Directors of the Company held on 25 September 2014, the Board has approved the "Scheme of Amalgamation" (Scheme) under Section 391 to 394 of the Companies Act, 1956 and relevant Sections of the Companies Act 2013 to the extent applicable for amalgamation of SCL with the Company, subject to the approval of the Scheme by Stock Exchanges, Shareholders and Creditors of the respective Companies. Hon. Delhi High Court, Gujarat High Court, and subject to approval of any other statutory authorities as may be required. Once sanctioned, the Scheme will be effective from the appointed date i.e. 8 August 2014. The effect to the said Scheme will be given after obtaining the necessary approvals.
- The Company has adopted the useful lives of various fixed assets as specified in Schedule II of the Companies Act, 2013, with effect from 1 April 2014, as against the useful lives adopted earlier as specified in Schedule XIV to the Companies Act, 1956. Consequently, depreciation charge for the quarter / half year ended 30 September 2014 is higher by Rs. 487 / 960 lakhs respectively in the standalone results and by Rs. 527 / 1000 lakhs respectively in the consolidated results. Further, the carrying amount of assets as on 1 April 2014, where the remaining useful life of the asset as per Schedule II is nil, of Rs. 504 lakhs (net of deferred tax credit of Rs. 259 lakhs) is recognized in the opening balance of retained earnings.
- a) The Company's joint venture Swanston Multiplex Cinemas Private Limited (SMCPL), which was running Fame Big Cinemas Multiplex at Citi Mall, Oshiwara Link Road, Andheri (West), Mumbai, has stopped operations w.e.f. 13 July 2012 as the lease agreement of the property was terminated. Estimated provision of Rs. 39 lakhs for diminution in the value of investment in the joint venture has been made during the year ended 31 March, 2014 and has been shown as an exceptional item in the above results.  
  
b) During the quarter ended 30 June 2014 the Company had given a donation of Rs. 50 lakhs to an electoral trust and the same has been shown as an exceptional item in the above results.
- 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. 224/430 lakhs to the Statement of Profit and Loss for the quarter / half year ended 30 September 2014 being the Entertainment Tax in respect of such Multiplexes. Corresponding figures for the previous quarter / half year ended 30 September, 2013, and for the year ended 31 March, 2014, are Rs 145 / 281 lakhs and Rs 520 lakhs respectively. Cumulative amount as on 30th September, 2014 is Rs. 4339 lakhs.
- The Company's contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted by Income-tax appellate authorities. Provision for current tax is made on this basis.
- In terms of Clause 46A of AS 11 "The Effects of Changes in Foreign Exchange Rates" as inserted by Notification No. G.S.R. 914(E) dated 29 December, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Company has opted, w.e.f. 1 April 2012, to capitalize the exchange differences arising on long term monetary items, in so far they relate to acquisition of depreciable capital assets.
- The Company and the Group operates in a single business segment, viz. theatrical exhibition. All activities of the Company are in India and hence there are no reportable geographical segments.
- Previous quarter/year figures have been regrouped/reclassified wherever necessary, to make them comparable with current quarter/year figures.

On behalf of the Board of Directors  
For INOX Leisure Limited

Place : Mumbai  
Date : 20<sup>th</sup> October, 2014

Deepak Asher  
Director