

**UNAUDITED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED 30<sup>TH</sup> JUNE, 2009.**  
Rs. in lakhs

Sr No.	Particulars	Quarter ended 30.06.2009 (As per limited review)	Quarter ended 30.06.2008 (As per limited review)	Year ended 31.03.2009 (Audited)
1	(a) Net Sales / Income from operations	3429	5180	22469
	(b) Other Operating Income	22	23	121
	<b>Total Income (a+b))</b>	<b>3451</b>	<b>5203</b>	<b>22590</b>
2	Expenditure			
	a) Entertainment Tax	376	543	2838
	b) Film Distributors Share	778	1161	5309
	c) Film Distribution Rights & Print Cost Amortised	7	171	385
	d) Cost of Food & Beverages	205	276	1210
	e) Employees Cost	422	482	1803
	f) Property Rent & Conducting Fees	697	598	2643
	g) Depreciation (including amortization)	375	286	1265
	h) Other Expenditure	1145	1240	4898
	i) Total (a to h)	4005	4757	20351
3	Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	(554)	446	2239
4	Other Income	5	134	198
5	Profit before Interest and Exceptional Items (3+4)	(549)	580	2437
6	Interest	91	88	447
7	Profit after Interest but before Exceptional Items (5-6)	(640)	492	1990
8	Exceptional Items	0	0	0
9	Profit from Ordinary Activities before Tax	(640)	492	1990
10	Tax expense - see note 6 & 7 below	(239)	124	(444)
11	Net Profit from Ordinary Activities after tax (9-10)	(401)	368	2434
12	Extraordinary Items (net of tax expense)	0	0	0
13	Net profit for the period (11-12)	(401)	368	2434
14	Paid-up equity share capital (Face Value Rs. 10 Per Share)	6147	6146	6147
15	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	-	-	22215
16	Earning per share (EPS) (In Rs.) Basic EPS Diluted EPS	(0.65) (0.65)	0.60 0.60	3.96 3.96
17	Public shareholding			
	- Number of shares	21783915	22295548	21783915
	- Percentage of shareholding	35.19%	36.02%	35.19%
18	Promoters and promoter group Shareholding			
	a) Pledged/Encumbered			
	- Number of shares	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil
	b) Non-encumbered			
	- Number of Shares	40111633	39600000	40111633
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	64.81%	63.98%	64.81%

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED  
FOR THE QUARTER ENDED 30<sup>TH</sup> JUNE, 2009**

Sr. No	Particulars	Quarter ended 30.06.2009 (As per limited review)	Quarter ended 30.06.2008 (As per limited review)	Year ended 31.03.2009 (Audited)
[I]	<b>Segment Revenue</b>			
i	Multiplexes	3444	5170	22517
ii	Film Distribution	10	114	152
iii	Film Production	0	0	0
iv	Power	39	52	120
v	Un-allocable and Corporate	2	132	151
	<b>Total Segment Revenue</b>	<b>3495</b>	<b>5468</b>	<b>22940</b>
	Less: Inter Segment Revenue	39	131	152
	<b>Total External Revenue</b>	<b>3456</b>	<b>5337</b>	<b>22788</b>
[II]	<b>Segment Result</b>			
i	Multiplexes	(558)	483	2509
ii	Film Distribution	(17)	(78)	(286)
iii	Film Production	0	0	0
iv	Power	24	42	63
	<b>Total Segment Result</b>	<b>(551)</b>	<b>447</b>	<b>2286</b>
	Add: Un-allocable Income	2	132	151
	Less: Interest expenses	91	87	447
	<b>Total Profit Before Tax</b>	<b>(640)</b>	<b>492</b>	<b>1990</b>
[III]	<b>Segment Capital Employed (Segment Assets- Segment Liabilities)</b>			
i	Multiplexes	32743	29299	32444
ii	Film Distribution	(31)	312	309
iii	Film Production	(29)	0	290
iv	Power	709	802	699
v	Un-allocable and corporate	(5321)	(3996)	(5278)
	<b>Total</b>	<b>28071</b>	<b>26417</b>	<b>28465</b>

**Notes**

- The above results, reviewed by the Audit Committee, were taken on record at the meeting of the Board of Directors held on 31<sup>st</sup> July, 2009 and have undergone "Limited Review" by the Statutory Auditors of the Company.
- Corresponding figures for previous period / year have been regrouped / recast wherever necessary to correspond to current period / year classification.
- The Entertainment Tax exemption in respect of some of the multiplexes of the Company have been accounted on the Basis of eligibility criteria as laid down in the respective Schemes, but is subject to final Government Orders. On the basis of documents regarding entitlements, including provisional orders where available, the Company has not charged Rs. 79.97 lakhs to the Profit and Loss Account for the quarter ended 30<sup>th</sup> June 2009 being the Entertainment Tax of such Multiplexes. Corresponding figures for the previous quarter ended 30<sup>th</sup> June, 2008, and for the year ended 31<sup>st</sup> March, 2009, are Rs 83.63 lakhs and Rs 408.91 lakhs respectively.
- In respect of the Multiplex Cinema Theatre at Vadodara, the issues in respect of the eligibility for exemption from payment of entertainment tax and the method of computing the exemption availed, have been decided in favour of the Company by the Honourable High Court of Gujarat vide its order dated 26<sup>th</sup> June, 2009. Pending receipt of final eligibility certificate the figures indicated in the above note include the figures pertaining the said Multiplex.
- There were no investors' complaints pending at the beginning of the quarter. The Company received 6 complaints during the quarter. The Company has disposed all 6 complaints and there were no complaints outstanding at the end of the quarter.
- Consequent to the proposed abolition of Fringe Benefit Tax (FBT) in the Finance Bill (No.2), 2009, no provision for FBT has been made for the quarter ended 30<sup>th</sup> June 2009 in above results.
- In the appellate proceedings before the Commissioner of Income-tax (Appeals) for the Assessment Year 2003-04, 2004-05 and 2005-06, the Company's contention, that the amount of entertainment tax exemption to which it is entitled to, is a capital receipt, has been accepted. Accordingly, treating the amount of entertainment tax exemption amounts as a capital receipt in respect of multiplexes in those States covered by the above orders, the Company has recomputed its current tax liability and deferred tax liability, and credited an amount of Rs. 1022.62 lakhs in the Profit and Loss Account as 'Taxation in respect of Earlier Years' during the year ended 31<sup>st</sup> March 2009. Provision for tax for the year ended 31<sup>st</sup> March 2009 and quarter ended 30<sup>th</sup> June 2009 is also made on the same basis.
- The Honorable Delhi Court, vide judgment dated 18<sup>th</sup> April 2009 in the case of Home Solution Retail India Ltd. & Others v. Union of India, has held that renting of immovable property by itself is not a service and accordingly the levy of service tax on activity of renting immovable property is 'ultra vires' the Finance Act, 1994. In view of this judgment, the service tax on renting of immovable property has not been charged to the Profit and Loss Account during the year ended 31<sup>st</sup> March 2009 and quarter ended 30<sup>th</sup> June 2009.
- During the year ended 31<sup>st</sup> March 2009, in view of Circular No. CBEC No. 137/72/2008-CX dated 21<sup>st</sup> November 2008 issued by the Central Board of Excise and Customs, the Company had taken credit for unutilized accumulated amount of service tax credit as on 31<sup>st</sup> March 2008 amounting to Rs. 321.22 lakhs. Other Expenditure for the year ended 31<sup>st</sup> March 2009 is net of such credit.

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

**Sd /-  
Deepak Asher  
Director**

**Place : Noida  
Date : 31<sup>st</sup> July, 2009**