



INOX LEISURE LIMITED

(CIN: L92199GJ1999PLC044045)

Registered Office: ABS Towers, Old Padra Road, Vadodara – 390 007.

Telephone: 0265 6198111 | **Fax:** 0265 2310312

Website: www.inoxmovies.com | **Email ID:** contact@inoxmovies.com

POSTAL BALLOT NOTICE

Notice pursuant to Section 110 of the Companies Act, 2013 and Rules made thereunder

Dear Member(s),

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014 (including any statutory modifications or re-enactments thereof ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, that the resolution given below is proposed to be passed as Special Resolution by way of Postal Ballot including e-voting.

An Explanatory Statement pursuant to Section 102 of the Act pertaining to Resolution No. 1 setting out the material facts and related particulars including reasons thereof and the Postal Ballot Form ("the Form") are being sent along with this Notice for your consideration.

The Company has appointed M/s. Samdani Shah & Associates, Company Secretaries, as the Scrutinizer for conducting the Postal Ballot and E-voting process in a fair and transparent manner.

Please read carefully the instructions printed on the Postal Ballot Form and return the Postal Ballot Form duly completed in all respects with the assent (for) or dissent (against), in the enclosed self-addressed envelope on which postage has been paid by the Company, so as to reach the Scrutinizer on or before the close of Working Hours i.e. 5:00 p. m. on 31st May, 2016.

Members may note that as required under the provisions of Section 108, 110 and other applicable provisions, if any, of the Act and the rules as applicable in that regard and Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has engaged the services of Karvy Computershare Private Limited to provide e-voting facility to the Members of the Company. Accordingly, the Company is also providing e-voting facility as an alternate, which would enable Members to cast votes electronically, instead of returning Postal Ballot Form. Please read and follow the instructions on e-voting enumerated in the Notes and Instructions to this Notice.

Only Members entitled to vote are entitled to fill in the Postal Ballot Form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company, and any other recipient of this Notice who has no voting rights should treat the Notice as an intimation only. Detailed instructions to use the e-voting facility are given separately.

The Scrutinizer will submit his report to the Director of the Company after completion of the scrutiny and the result of the voting by Postal Ballot will be announced on or before Thursday, 2nd June, 2016, at 4.00 p.m. (Appointed time) by Mr. Deepak Asher, Director of the Company at the Registered Office of the Company. The result of the voting with details of the number of votes cast for and against the Resolution, invalid votes and whether the Resolution has been carried or not, along with the scrutiniser's report shall be displayed on the Notice Board of the Company at its Registered Office as well as its Corporate Office in Mumbai and also be placed on the website of the Company (www.inoxmovies.com) and will also be intimated to the Stock Exchanges on which the Company is listed.

RESOLUTION:

Item No. 1

INCREASE IN THE SHAREHOLDING LIMIT FOR FOREIGN INSTITUTIONAL INVESTORS ("FIIs") / REGISTERED FOREIGN PORTFOLIO INVESTORS ("RFPIs") FROM 24% UPTO AN AGGREGATE LIMIT OF 49% OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Companies Act, 2013, to the extent applicable, Master Circular on Foreign Investment in India dated 1st July, 2015 ("Master Circular"), as amended, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, and all other applicable laws, rules, regulations, guidelines and subject to the approvals, consents and permissions of the Reserve Bank of India ("RBI") and any other appropriate authorities, institutions or bodies as may be necessary and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the concerned authorities while granting such approvals, permissions and sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution), consent of the members of the Company be and is hereby accorded to permit the eligible foreign investors including Foreign Institutional Investors ("FIIs") / Registered Foreign Portfolio Investors ("RFPIs") registered with the Securities and Exchange Board of India ("SEBI") to purchase or acquire, and hold on their own account and / or on behalf of their SEBI approved sub-accounts, to make investment in the Equity Shares of the Company, on the recognized stock exchange or in any other manner,

subject to the condition that the aggregate holding of the FII's / RFPs shall not exceed 49% (forty nine per cent) of the paid up equity share capital of the Company, provided however that the shareholding of each FII's/RFPs, on its own account and/or on behalf of each of the SEBI approved sub-accounts in the Company, shall not exceed 10% (ten per cent) or such other limits as may be stipulated by RBI in each case, from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to further delegate all or any of the powers in aforesaid matters to the officials of the Company, in such manner as the Board may in its absolute discretion deem fit."

Place: Mumbai
Date: 22.04.2016

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.
2. The Notice is being sent to all the Members, whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on 22nd April, 2016.
3. Voting rights of each Member shall be reckoned on the paid up value of the shares registered in the name of Members as on the cut-off date which is 22nd April 2016. A person who is not a Member as on the record date should treat this Notice for information purposes only.
4. The e-voting period begins on Monday, 2nd May, 2016 at 9.00 a.m. and ends on Tuesday, 31st May 2016 at 5.00 p.m.
5. Resolution approved by the Members through Postal Ballot (including e-voting) shall be deemed to have been passed as if the same had been passed at the General Meeting of the Members convened in that behalf.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

In terms of Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, read with the Master Circular and Portfolio Investment Scheme, the FII's/RFPs registered with the Securities and Exchange Board of India ("SEBI") can acquire and hold on their own account and/or on behalf of their SEBI approved sub-accounts, up to an aggregate limit of 24% (twenty four per cent) of the paid up Equity Share capital of an Indian Company. However, Individual FII/ SEBI approved sub accounts of FII's can each invest upto a maximum of 10 per cent of the total paid-up capital of the Company. The said Regulations further provide that for FII's / RFPs, the limit of 24% (twenty four per cent) of the paid up Equity Share capital of the Company can be further increased up to the sectoral cap / statutory ceiling as applicable by passing a resolution of the Board, a Special Resolution to that effect by its members and followed by necessary filings with the Reserve Bank of India ("RBI"). At present, Foreign Investment in the sector in which company is operating, is allowed upto 100% under the automatic route.

As of 31st March, 2016 holding of FII's / RFPs in the Company is over 23% (Twenty Three per cent) of paid up equity share capital of the Company. To make more space for FII's / RFPs to invest in the equity of the Company, it is proposed to obtain an enabling approval of the Members and of the relevant Government authorities, as may be applicable, to increase the present limit of FII's/ RFPs shareholding in the Company from 24% (twenty four per cent) to 49% (forty nine per cent) of paid up equity share capital of the Company subject to Individual FII/ SEBI approved sub accounts of FII's each investing upto a maximum of 10 per cent of the total paid-up capital of the Company. The Board of Directors of the Company have passed the Circular Resolution on 22nd April 2016 approving the increase in the limit of FII's / RFPs shareholding in the Company from 24% (twenty four per cent) to 49% (forty nine per cent).

The Resolution contained in Item No. 1 of the accompanying Notice, accordingly, seek Members' approval for increasing the limit of FII's / RFPs shareholding in the Company from 24% (twenty four per cent) to 49% (forty nine per cent).

The Board recommends the resolution as set out in the Notice for your approval as Special Resolution by way of Postal Ballot.

None of the Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolution.

Place: Mumbai
Date: 22.04.2016

By order of the Board of Directors

For INOX Leisure Limited

Sd/-

Dhanraj Mulki
Vice President – Legal
& Company Secretary

By order of the Board of Directors

For INOX Leisure Limited

Sd/-

Dhanraj Mulki
Vice President – Legal
& Company Secretary



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POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this form)

TO BE RETURNED TO SCRUTINIZER

Sr. No.

1	Name and Registered Address of the Sole / First named Member	
2	Name(s) of joint holders (in block letters)	
3	Registered Folio No / DPID No / Client ID No (applicable to investors holding shares in Dematerialized Form)	
4	No of shares held	

I/We hereby exercise my/our votes in respect of the Special Resolution to be passed through postal ballot set out at Item No. 1 of Notice of Postal Ballot dated 22nd April, 2016, by sending my / our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below.

Item No.	Description	Type of Resolution	No. of Shares	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1	To approve the increase in the shareholding limit for Foreign Institutional Investors ("FIIs") / Registered Foreign Portfolio Investors ("RFPIs") from 24% upto an aggregate limit of 49% of the paid-up equity share capital of the Company.	Special Resolution			

Place:

Date:

Signature of the Member

ELECTRONIC VOTING PARTICULARS

EVEN (E-VOTING EVENT NUMBER)	USER ID	PASSWORD / PIN
2294		

NOTE:

- Please select EVEN as 2294 while casting your vote through electronic mode.
- Last Date for receipt of Postal Ballot Form by the Scrutinizer is Tuesday, 31st May, 2016.
- Please read carefully instructions printed overleaf before exercising the vote.

Instructions

1. A member desiring to exercise vote by postal ballot may complete this Postal Ballot Form in all respects and send it to the scrutinizer in the attached self-addressed Business Reply Envelope. Postage has been paid by the Company. However, envelopes containing postal ballot forms, if deposited in person or sent by courier/registered post at the expense of the Members, will also be accepted. Voting through any other form (other than E-voting) or photocopy of the postal ballot form will not be considered valid.
2. The pre-paid self-addressed envelope is enclosed herewith.
3. The Postal Ballot Form should be completed and signed by the Member as per specimen signature registered with the Company. In case, shares are jointly held, this Form should be completed and signed (as per specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member. Holders of Power of Attorney (POA) on behalf of member may vote on the Postal Ballot mentioning the registration No. of the POA or enclosing an attested copy of POA.
4. Duly completed Postal Ballot Form should reach the Scrutinizer at the address of the Scrutinizer not later than the close of working hours (05:00 p.m.) on Tuesday, 31st May, 2016. Postal Ballot Form/s received after that date will be strictly treated as if reply from such Member has not been received.
5. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/ Authority.
6. Voting rights shall be reckoned on the number of shares registered in the name of the Members as on 22nd April 2016. A person who is not a Member as on the record date should treat this Notice for information purposes only.
7. A Member may request for a duplicate Ballot paper, if so required, to the Company's Registrar and Share Transfer Agents, M/s. Karvy Computershare Private Limited, Unit: Inox Leisure Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
8. A Member neither needs to use all his votes nor he needs to cast all his votes in the same way.
9. Members are requested not to send any other paper (other than the resolution/ authority as mentioned under item Nos. 3 & 5 above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.
10. The exercise of vote by Postal Ballot is not permitted through proxy.
11. There will be only one Postal Ballot Form for every folio irrespective of the number of joint Member(s).
12. Votes will be considered invalid on the following grounds:
 - a. A form other than one issued by the company has been used;
 - b. If the Postal Ballot is unsigned.
 - c. It has not been signed by or on behalf of the Member;
 - d. Signature on the postal ballot form doesn't match the specimen signatures with the company;
 - e. It is not possible to determine without any doubt the assent or dissent of the Member;
 - f. Neither assent nor dissent is mentioned;
 - g. Any competent authority has given directions in writing to the company to freeze the Voting Rights of the Member;
 - h. The envelope containing the postal ballot form is received after the last date prescribed;
 - i. The postal ballot form, signed in a representative capacity, is not accompanied by a certified copy of the relevant specific authority;
 - j. It is defaced or mutilated in such a way that its identity as a genuine form cannot be established;
 - k. Member has made any amendment to the Resolution or imposed any condition while exercising his vote.
13. The results of the Postal Ballot will be announced by the Director of the Company on receipt of report of Scrutinizers and will also be informed to the Stock Exchanges, hosted on the Company's website www.inoxmovies.com.
14. Any query in relation to the resolution proposed to be passed by Postal Ballot or any grievances connected with voting by electronic means may be addressed to the Company Secretary of the Company at the contact details given below.
Mr. Dhanraj Mulki (Vice President – Legal & Company Secretary)
Contact No.: 022 4062 6900
Email ID: ghanraj.mulki@inoxmovies.com
15. The Scrutinizers decision on the validity of the Postal Ballot will be final.
16. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically instead of through physical postal ballot. Necessary arrangements have been made by the Company with Karvy Computershare Private Limited (Karvy) to facilitate e-voting.

E-VOTING INSTRUCTIONS:

The procedure and instructions for Members for e-voting are as follows:

- A. In case a Member receives an e-mail from Karvy Computershare Pvt. Ltd:
 - i. Launch Internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. user ID and password mentioned in your email/Postal Ballot Form).

Your Folio No. /DP ID client ID will be your user ID. However, if you are already registered with Karvy Computershare Pvt. Ltd. (Karvy) for e-voting, you can use your existing User ID and Password for casting your vote.

USER ID:	For Members holding shares in Demat form: a. For NSDL: 8 character DP ID followed by 8 digits Client ID b. For CDSL: 16 digits Beneficiary ID/Client ID For Members holding shares in Physical form: Event no. (EVEN) followed by Folio No. registered with the Company.
Password:	Your Unique Password is printed on the Postal Ballot Form/ provided in the email forwarding the electronic notice.

- iii. After entering these details appropriately. Click on 'LOGIN'
 - iv. You will now reach Password Change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email ID etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e. Inox Leisure Limited
 - vii. On the voting page, enter the number of shares as on the cut-off date (which represents the number of votes) under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed the total shareholding. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on all the resolutions.
 - ix. Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF Format) of the relevant Board Resolution/Authority Letter, etc. together with attested specimen signature of the duly authorized signatory(ies), to the Scrutinizer at e-mail id samdanic@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format 'Corporate Name_EVEN NO.'
- B. In case a Member receives Postal Ballot Form by Post and wants to vote electronically:**
- i. Initial password is provided at the bottom of the Postal Ballot Form.
 - ii. Please follow all steps from Sr. No. (i) to Sr. No. (ix) as mentioned in (A) above, to cast e-vote.
- C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting User Manual for shareholders, available at the download section of <https://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd. at Tel No. 1800 345 4001 (toll free). In case of any grievances connected with e-voting, members may kindly contact Mr. Anandan K, Manager, Karvy Computershare Pvt. Ltd. at Anandan.k@karvy.com Tel no. 040 67162222 or it may be addressed to the Company Secretary of the Company at the contact details given below.**
- Mr. Dhanraj Mulki (Vice President – Legal & Company Secretary)
Contact No.: 022 4062 6900
Email ID: ghanraj.mulki@inoxmovies.com
17. Eligible Members who have not received/received the Postal Ballot notice by email and who wish to vote through physical ballot can download the form from the link <https://evoting.karvy.com> or from the website of the Company www.inoxmovies.com.
 18. Member cannot vote both by post and e-voting and if he votes both by post and e-voting, his vote by post shall be treated as invalid.
 19. If the proposed resolution is assented by a requisite majority, it shall be deemed to have been duly passed at a general meeting. The Resolution, if approved by requisite majority, shall be deemed to have been passed on the last date for receipt of duly completed postal ballot forms or e-voting i.e. 31st May, 2016
 20. The Special Resolutions mentioned above shall be declared as passed if the numbers of votes cast in its favour are not less than three times the number of votes, if any, cast against the said Resolution.
 21. Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of the Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Postal Ballot Form and self-addressed postage pre-paid business reply envelope. A Member may request for a duplicate Postal Ballot Form from Company's Registrar & Share Transfer Agent:

Karvy Computershare Private Limited

(Unit: Inox Leisure Limited)

Karvy Selenium Tower B, Plot 31-32, Gachibowli,

Financial District, Nanakramguda, Hyderabad – 500 032

Tel: +91 40 67162222 | Fax: +91 40 23001153 | Email: einward.ris@karvy.com