

TRANSCRIPT OF THE PROCEEDINGS OF THE 23RD ANNUAL GENERAL MEETING OF THE COMPANY HELD ON FRIDAY, 23RD SEPTEMBER, 2022 AT 12.00 NOON IST THROUGH VIDEO CONFERENCING (VC) / OTHER AUDIO VISUAL MEANS (OAVM)

DIRECTORS PRESENT:

MR. SIDDHARTH JAIN

Chairman of the Meeting

MR. HAIGREVE KHAITAN

Independent Director

MR. AMIT JATIA

Independent Director

MANAGEMENT PRESENT:

MR. ALOK TANDON

Chief Executive Officer

MR. KAILASH B. GUPTA

Chief Financial Officer

MR. VISHAV SETHI

Company Secretary & Compliance officer

AUDITORS/SCRUTINIZERS PRESENT:

MR. ADITYA TALAVLIKAR

Partner of M/s. Kulkarni & Company, Independent Auditors

MR. DHRUMIL M. SHAH

Partner of M/s. Dhruvil M. Shah & Co., Practicing Company Secretaries, Secretarial Auditors of the Company and Scrutinizers

MODERATOR:

MR. BHUSHAN WANKHADE,

Central Depository Services Limited (CDSL)

AND SHAREHOLDERS

Welcome address:

Mr. Vishav Sethi:

Hi, It is now 12:00 Noon, the time for the Meeting to commence. I welcome you all to the 23rd Annual General Meeting (AGM) of INOX Leisure Limited. This Meeting is being held through Audio / Video Conferencing Services via Zoom and is hosted by Central Depository Services (India) Limited (CDSL) in terms of an arrangement entered into by the Company with CDSL. This is in compliance with the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India from time to time.

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.

Pursuant to Article 105 of the Articles of Association of the Company, the Directors present at the Meeting have elected Mr. Siddharth Jain, Director of the Company to be the Chairman of this AGM.

Now I would like to familiarise you regarding conduct of the AGM and your participation. 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.

We shall announce the names of speaker shareholders one by one who have requested to speak at this AGM seven days in advance, as mentioned in the Notice of the AGM. The Speaker Shareholder 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 the 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.

I would like to inform you that 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 the members of the Board and others who are present at the meeting via Video Conferencing:

1. Mr. Siddharth Jain, Chairman for the meeting and Chairman of Stakeholder's Relationship Committee and Member of Audit Committee, Compensation, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee;

2. Mr. Haigreave Khaitan, Independent Director and Chairman of Audit Committee and Chairman of Compensation, Nomination and Remuneration Committee and Member of Corporate Social Responsibility Committee;

We also have

1. Mr. Alok Tandon, Chief Executive Officer of the Company.
2. Mr. Kailash Gupta, Chief Financial Officer of the Company
3. Mr. Aditya Talavlikar, Partner of M/s. Kulkarni & Company, Independent Auditors of the Company,
4. Mr. Dhrumil M. Shah, Scrutinizers for the meeting and Secretarial Auditors for FY 2021-22 are also present and attending this Meeting.

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 during the Meeting through e-Voting.

The Notice convening this Annual General Meeting and a copy of the Annual Report for the Financial Year 2021-22 have already been circulated electronically within the statutory period to all Members of the Company, whose email IDs are registered with the Company / RTA/ Depository Participant(s). With the permission of the Members, I shall take Notice of 23rd Annual General Meeting of the Company which is circulated to Members of the Company as read. The Auditor's Report on Standalone and Consolidated Financial statements for the Financial Year ended 31st March, 2022 and the Secretarial Audit Report for the Financial Year 31st March, 2022 do not contain any qualification, reservation, adverse remark or disclaimer, and accordingly the reports are not required to be read out in terms of requirement of Section 145 of the Companies Act, 2013.

I now request Mr. Siddharth Jain, Chairman of the Meeting, to conduct further proceedings of this AGM.

Over to you Sir.

Chairman's address

Thank you so much Vishav and Thank you very much for the honour and privilege bestowed upon him.

I thank all the Shareholders for joining this Meeting through Audio/Video conference and I hope all of you are safe and in good health. This AGM is being held through Video Conferencing and 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.

Now with your permission I shall request Mr. Alok Tandon, Chief Executive Officer of the Company to begin formal address to the Shareholders through which we will share our thoughts about the industry and your company's performance.

Start of Chief Executive Officer's Speech – Mr. Alok Tandon

Thank you very much Mr. Siddharth Jain and Good Afternoon to all the shareholders.

We are happy to have left the pandemic behind, after some long battle, which left us sharper, stronger and more agile. The economy world over is registering a solid comeback, and India is shining amidst this global revival.

The Cinema industry is no different, and thanks to our resilience, we too now promisingly own the growth trajectory, both, at the industry level and at an organizational levels.

After facing a severe impact on business due to the pandemic in the last two years, we reported our best-ever quarterly performance numbers across majority metrics on the back of tent poles that resonated with the Indian audience, duly complemented by their huge pent-up appetite. The performance of movies at the box-office in Q1'FY23 have showed miraculous results. We witnessed a tremendous response in terms of footfalls and occupancy, similar to pre-COVID times. Movies including RRR, KGF: Chapter 2, Vikram, Bhool Bhulaiya 2 and Doctor Strange in The Multiverse of Madness performed exceptionally well at the box-office resulting into an unprecedented footfall of 18.4 Mn guests, FY 23, enabling us to report a remarkable performance which superseded all major pre-COVID business parameters.

We reported our historically best Quarterly Revenues at Rs. 589 Cr, EBITDA at Rs. 130 Cr * and PAT at Rs. 74 Cr *. The Average Ticket Price also peaked to Rs. 229, while the Spends Per Head were reported at Rs. 96.

Now, with the pandemic behind us, the cinema exhibition industry would assume its usual growth trajectory from the coming quarters. Going by the current performance, along with a fascinating content pipeline, we are certain and optimistic for a bright future for the cinema exhibition industry. We expect a great turnaround in the business going forward, thanks to a fascinating content lineup in the upcoming festive Quarter with releases like Vikram Vedha, Good bye, Ram Setu, Ganpath and Cirkus.

The reengineered approach for the F&B services adopted by us, backed by strategic promotions and innovations have led to the delivery of its highest ever F&B Revenue at Rs 164 Cr and a strong SPH at Rs. 96 for Q1 FY23. We have been adding new concepts, cuisines and menu options apart from making our food available on online food ordering platforms – Swiggy and Zomato. We have got ourselves listed on a table reservation – Eazydiner also. We are working on relevant and topical menus and combos – for example the Monsoon Menu specially curated for the monsoon season. We are engaging with our consumers with higher intensity, through Chef Workshops and experiential events. Going forward, the endeavor is to position ourselves as a dining brand also as well and make the guests enjoy a perfectly prepared gourmet meal, during the movies, instead of looking for a restaurant before or after the movie.

In terms of cinema advertising, we have witnessed a steady increase which is heartening to see the interest levels among the advertisers are gradually getting back, and we are making sure that we are curating the best possible media plan and campaigns for them. There are also a lot of new age brands which are on-board now. By Q3 and Q4 FY23 of this financial year, we are certain that we will be back to pre-pandemic numbers.

On the expansion front, there is a strong desire to get closer to our consumers, and leverage the dynamics of huge appetite with low screen penetration in our market and also take our signature experience to masses. We ended CY 21 and FY 22 with highest screen additions in the industry. We stayed committed

to our growth and expansion plans despite of COVID. As of today, INOX operates 164 multiplexes and 702 screens across 73 cities. We look to add 50 more screens with 12 new properties in the remaining part of FY23. We have also recently inaugurated the first multiplex in Srinagar, which should be opened to public on 30th of this month. a development which is hailed across the country. We are confident of pursuing an expansion strategy and has a pipeline of 800+ additional screens after FY23.

We continued our strong focus on the consumer front by rolling out the merchandise business, where INOX fans can buy products and feel connected with their favorite super heroes or movie franchisees. We also completed 20 years of operations of INOX in the month of May 2022. Going forward, we are committed to stay ahead of the curve, and keep delighting our stakeholders with magical performances in the coming quarters.

Before I end I would also like to share a quick update proposed Merger with PVR. We have already received the first motion order form NCLT. We are now in the process of getting approvals from shareholders and from the Creditors. We expect the merger procedure completed by Q4 2023.

Thank you very Much!

Now, I would request the Company Secretary to kindly resume the rest of the proceedings of this Meeting.

Mr. Vishav Sethi:

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 provided 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. Mr. Dhruvil Shah, 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 Notice convening this AGM have been already put to vote through remote e-Voting there will be no proposing or seconding of the resolutions.

Now I would request Mr. Kailash Gupta, our CFO to take questions from Speaker Shareholder:

Mr. Kailash Gupta:

Thank you Vishav. Now I will take questions / observations / comments from the Speaker Shareholders who have registered themselves as a speaker. There are 8 shareholders who are speaker shareholders. Now I will call them one by one.

Firstly I invite Ms. Lekha Satish Shah for the question and answer session.

Mr. Vishav Sethi:

Host please confirm.

Moderator:

Not available

Mr. Kailash Gupta:

Okay. Now I move to the second speaker. Ms. Prakashini Ganesh Shenoy.

Moderator:

Not available

Mr. Kailash Gupta:

Okay. Now I invite the third speaker Bimal Kumar Aggarwal.

Moderator:

Not available

Mr. Kailash Gupta:

Okay. The fourth registered speaker is Ms. Hutokshi Sam Patel

Moderator:

Not available

Mr. Kailash Gupta:

The fifth one is Ms. Bharati Saraf.

Moderator:

Not available

Mr. Kailash Gupta:

We have a Mr. Santosh Saraf, which is the next speaker. Mr. Santosh you can ask your questions.

Mr. Santosh Saraf:

Sir video nahi hai kya? Moderator video nahi diya kya?

Mr. Kailash Gupta:

Can you ON the video please?

Mr. Vishav Sethi:

Host, please confirm whether the video is available to the speaker shareholder.

Moderator:

Yes sir. We sent the request.

Mr. Santosh Saraf:

Aadarniya sabhapati ji, upasthit sadasyagan, aur mere shareholder bhai aur bahano, mera naam Santosh saraf hai. Mai Kolkata ka rahnewala aaj mai Bangalore se aapki meeting attend kar raha hu. Aasha karta hu aaj aap jitney bhi director hai jitney bhi adhikari gan hai who surakshit aur swasth rahenge sir. Sir mai jyada kuch nahi kahunga. Maine mere kuch prashn likhake bhej di thi sethi sahab ko. Company sir apni kafi acchhi perform kar rahi hai. Iskeliye mai management aur team ko dhanyawad deta hu sir. Aur mai dekh raha hu ki ye apni last meeting hai ya iske baad NCLT ki meeting hogi fir to hum PVR ke shareholder ho jayenge. Usme aap se milenge sir. Ye request hai sir, Company jo abhi hai usi tarah ka profit milega sir, usi tarah ki performance apni Company ki rahegi ye mere man mai question hai. Agar isi ke bare mai bataya to bahut acchha hoga sir. Aur iss saal aapne kitne naye auditorium add kiye hai sir uske bare mai bataye sir. Aur jo auditorium hai uski fire safety norms hai uski audit ki hai kya sir? Kya system hai bataye sir. Aur jo CSR expenses karte hai sir uska bhi audit karwate hai sir to jarur bataye sir. Sir mai chahta hu ki female employee ki sankhya jarur badhaye sir. Apne yaha female employee ki sankhya bahut kam hai sir. Aur mai janata hu sir ki female employee aane se apna business badhega sir. Females hur mamle mai hoshiyar hai jaise dekhiye ki aaj desh president bhi female hai, finance minister bhi female hai Jab khel kud ka mauka aata hai to apne gents se jyada female hi gold medal lati hai. Ek udaharan dekhiye, padhai mai bhi ladko se female ka result jyada acchha aata hai. Aapko haath jodke request hai ki female ko job dijiye. Female ka dusara roop bhi hai sir who Laxmi bhi hai aur Saraswati bhi hai. Aur donoki jarurat padti hai. Tandon sahab aur jitney bhi members hai ye baat dhyen rakhiye sir aur female ki sankhya badhaye sir.

Last mai ab booster dose ke bare mai kahunga sir jitney bhi karamchaari aur shareholder bhai bahan hai unko haath jodke vinanti hai ki booster dose jarur lagwaye. Ye mai issliye kah raha hu ki 2 mahine pahle mujhe bhi covid hua tha lekin mai 3 dose le chukka tha mai aur meri family ne isliye ghar pe dawai leke mai thik ho gaya. Aap ko bhi covid nahi hoga ye mai nahi kah sakta lekin lekin agar covid hua to ye bimari aur aap booster dose le chuke hai to yeh bimaari sadharan dawai se thek ho jayegi. Ye mai vishwas dila sakta hu. Last mai sir. Ye VC meeting kafi acchhi hai. Next time physical meeting mai VC meeting optional rakhiyega. Mai Kolkata ka rahnewala hu wife ke ilaj ke liye Bangalore aaya hu to Bangalore se meeting attend kar rah ahu.

Apne director logonko dekh rah hu ki kaise hamare director sahib alag jagah se hai, chairman sahib alag jagah se hai, scrutinizer ji alag jagah se hai. Toh mai vinanti karta hu ki agale saal physical meeting bhi hogi toh VC ka option bhi rakhiye. Jaise aapke cinema hall mai hum paisa deke ticket katwate the ab advance online booking hoti hai sir. Dhanywad sir. apne jitney bhi directors hai, jitney bhi karamchhari hai unki lambi umara ki prarthana karta hu. Aur 2022-23 saal sab ko healthy wealthy such swasthya ka ho aur apne Company ka bhi merger ke baad bahot accha hona chahiye. Namaskar!

Mr. Kailash Gupta:

Dhanyawad Santosh ji. Now I will invite Mr. Anil Parekh the next speaker.

Moderator:

Not available. Bimal Agrawal is available.

Mr. Kailash Gupta:

Okay. So we can go live with him.

Moderator:

He left the meeting.

Mr. Kailash Gupta:

The last speaker is Mr. Mukesh M. Chandaramani.

Moderator:

Not available.

Mr. Kailash Gupta:

Okay. So mai abhi Santosh saraf ji ne kuch questions puche the unka answer dena chahunga. We have added 32 screens in the last financial years 5,431 seats in the last financial year. Future capex plan we have planned 300 screens to next 3 financial years and which will total capex outlay around Rs. 1000 crore. The Company has a segregation system of all the wastages and we are following all the law and guidelines given by the local municipal corporations. The Company is also getting CSR expenses audited every time and every year and it is part of the records so which is available with the Company which can be inspected if it is required which is with the Secretarial team. As far as the male and female ratio we are trying to manage the best ratio but our industry has set the unique situations where the female has to work late night so normally we try and restrict from the safety perspective but wherever possible we are trying appointing female employees of the Company. We are covering each and every employee under health insurance also the life insurance and trying to give them best of coverage which is possible. We don't use single use plastics in any of our cinemas as of now we are following all the norms as per the pollution control guidelines. We are also using the renewable energy wherever possible. In our scenario because we normally are part of the Mall so we are in the leased premise. But in couple of properties we have the options we have already utilizing it and we are also having solar energy to our premise and renewable energy in 5 to 6 properties across the country. And for the booster dose as of now 100% employees are fully vaccinated. We are also pushing them for booster dose and we are making the special arrangement to ensure that all the people are taking those booster dose.

That's all from the question and answer point of you.

Mr. Vishav Sethi:

Thank you sir. Before moving ahead, I would like to inform the shareholders that, Mr. Amit Jatia, Independent Director of the Company, has also joined the Meeting. Mr. Amit Jatia is a Member of Audit Committee and Member of Compensation, Nomination & Remuneration Committee.

Dear Shareholders, three Resolutions are proposed to be passed at this AGM. All three resolutions are ordinary businesses to be passed as ordinary resolutions.

First Resolution is in respect of adoption of Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022, and the reports of the Board of Directors and Independent Auditors thereon.

Second Resolution is in respect of re-appointment of Mr. Vivek Kumar Jain as a Director of the Company retiring by rotation and being eligible, offers himself for re-appointment.

Third Resolution is in respect of re-appointment of M/s Kulkarni and Company as Statutory Auditors of the Company and to fix their remuneration.

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). The e-voting period in respect of all the Resolutions proposed to be passed at this AGM commenced on Tuesday, 20th September, 2022 at 09.00 am and closed on Thursday, 22nd September, 2022 at 5.00 pm. Now I hand over back to Chairman for concluding remarks please.

Mr. Siddharth Jain:

Thank you Vishav. Now I authorise Mr. Vishav Sethi, to conduct the voting procedure in presence of Mr. Dhrumil Shah 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 & NSE, within 2 working days 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. 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 Conference 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, and once again, please stay safe and healthy.

Mr. Vishav Sethi:

Thank you so much sir. Now I put formally vote of thanks to the Chairman and Board of Members and all the shareholders for joining this AGM.

Now this concludes the Annual General Meeting. Thank you so much.

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