



AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2010.

Rs in lakhs

Sr. No.	Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
1	(a) Net Sales / Income from operations	25211	22469
	(b) Other Operating Income	154	121
	Total Income (a+b)	25365	22590
2	Expenditure		
	a) Entertainment Tax	3167	2838
	b) Film Distributors Share	6655	5309
	c) Cost of Food & Beverages	1369	1210
	d) Employees Cost	1622	1803
	e) Property Rent & Conducting Fees	3009	2643
	f) Depreciation (including amortization)	1542	1650
	g) Other Expenditure	5906	4898
	h) Total (a to g)	23270	20351
3	Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	2095	2239
4	Other Income	246	198
5	Profit before Interest and Exceptional Items (3+4)	2341	2437
6	Interest	530	447
7	Profit after Interest but before Exceptional Items (5-6)	1811	1990
8	Exceptional Items	0	0
9	Profit from Ordinary Activities before Tax	1811	1990
10	Tax expense		
	- Provision for taxation for the year	363	599
	- Less: taxation in respect of earlier years	(1158)	(1043)
11	Net Profit from Ordinary Activities after tax (9-10)	2606	2434
12	Extraordinary Items (net of tax expense)	0	0
13	Net profit for the period (11-12)	2606	2434
14	Paid-up equity share capital (Face Value Rs. 10 per share)	6149	6147
15	Reserve excluding Revaluation Reserves	24864	22215
16	Earnings Per Share (EPS) (In Rs.)		
	Basic EPS	4.24	3.96
	Diluted EPS	4.24	3.96
17	Public Shareholding		
	- Number of shares	20566036	21783915
	- Percentage of shareholding	33.23%	35.19%
18	Promoters and promoter group Shareholding		
	a) Pledged/Encumbered		
	- Number of shares	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil
	b) Non-encumbered		
	- Number of Shares	41329512	40111633
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	66.77%	64.81%

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE YEAR ENDED 31ST MARCH 2010.

Rs in lakhs

Sr. No.	Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
[I]	Segment Revenue		
i	Multiplexes	25360	22517
ii	Film Distribution	19	152
iii	Film Production	29	0
Iv	Power	140	120
V	Un-allocable and Corporate	195	151
	Total Segment Revenue	25743	22940
	Less: Inter Segment Revenue	132	152
	Total External Revenue	25611	22788
[II]	Segment Result		
i	Multiplexes	2057	2509
ii	Film Distribution	(22)	(286)
iii	Film Production	28	0
Iv	Power	83	63
	Total Segment Result	2146	2286
	Add: Un-allocable Income	195	151
	Less: Interest expenses	530	447
	Total Profit Before Tax	1811	1990
[III]	Segment Capital Employed (Segment Assets- Segment Liabilities)		
i	Multiplexes	35639	32444
ii	Film Distribution	49	309
iii	Film Production	0	290
Iv	Power	663	699
V	Un-allocable and corporate	(5260)	(5278)
	Total	31091	28465

AUDITED BALANCE SHEET AS AT 31ST MARCH 2010.

Rs in lakhs

Sr. No	Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
A)	Shareholders' Funds		
	(a) Capital	6149.41	6146.63
	(b) Employee Stock Options Outstanding	78.02	103.41
	(b) Reserves and Surplus	24863.77	22215.01
B)	Loan Funds	18629.33	4490.92
C)	Deferred Tax Liability	1559.18	1431.12
	Total	51279.71	34387.09
A)	Fixed Assets (including capital work-in-progress, capital advances and pre-operative expenditure pending allocation)	33536.95	31213.21
B)	Investments	8269.52	54.94
C)	Current Assets, Loans and Advances		
	(a) Inventories	195.34	162.74
	(b) Sundry Debtors	896.10	645.80
	(c) Cash and Bank Balances	5755.19	232.12
	(d) Other Current Assets	8.00	32.00
	(e) Loans and Advances	6993.91	4993.07
	Total (a to e)	13848.54	6065.73
D)	Less : Current Liabilities and Provisions		
	(a) Current Liabilities	4100.91	2656.61
	(b) Provisions	274.39	290.18
	Total (a to b)	4375.30	2946.79
	Net Current Assets	9473.24	3118.94
	Total	51279.71	34387.09

Notes

- The above results, reviewed by the Audit Committee, were taken on record at the meeting of the Board of Directors held on 21st May, 2010.
- 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 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 amount of Rs 277.14 lacs (Previous Year Rs. 408.91 lacs) being Entertainment Tax in respect of such Multiplexes has not been charged to profit & loss account. Cumulative amount as on 31st March 2010 - Rs. 2372.40 lacs (as on 31st March 2009 - Rs. 2119.94 lacs).

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 26th June, 2009. Pending receipt of final eligibility certificate the figures indicated in the above note include the figures pertaining to the said Multiplex.

- In respect of Service-tax Matters

(a) During the year ended 31st March 2009, in view of the Honorable Delhi High Court's judgment dated 18th April 2009 in the case of Home Solution Retail India Ltd. & Others v. Union of India, wherein it was 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, the service tax of Rs. 318.84 lacs in respect of rentals paid during the year ended 31st March 2009 was not charged to the Profit and Loss Account.

During the current year, as per the amendment made by the Finance Act, 2010, renting of immovable property is now defined as a taxable service with retrospective effect from 1st June 2007. Accordingly, the Company has provided for the above service tax of Rs. 318.84 lacs in respect of rentals paid during the year ended 31st March 2009.

(b) Till the year ended 31st March 2008, as per the then prevailing regulations, the Company was claiming service tax set-off in respect of service tax paid, to the extent of 20% of service tax collected, and the balance amount of service tax paid was charged to the Profit and Loss Account. During the year ended 31st March 2009, the Central Board of Excise and Customs, vide Circular No CBEC No. 137/72/2008-CX dated 21st November, 2008, had clarified that such unutilized accumulated amount of service-tax as on 31st March 2008 can be utilized for payment of service tax after 1st April 2008. Accordingly, during the year ended 31st March, 2009 the Company had taken credit for such unutilized accumulated amount of service tax of Rs. 321.22 lacs Other Expenditure for the year ended 31st March 2009 is net of such credit.

- In respect of taxation matters

(a) In the appellate proceedings before the Commissioner of Income-tax (Appeals) the Company's contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted, in respect of one more multiplex during the current year, in addition to a few multiplexes in the last year. Accordingly, treating the amount of entertainment tax exemption amounts as a capital receipt in respect of multiplexes in those States covered by the orders of the Commissioner of Income-tax (Appeals), the Company has recomputed its current tax liability and deferred tax liability, and credited an amount of Rs. 192.63 lakhs (Previous year Rs. 1022.62 lakhs) in the Profit and Loss Account under 'Taxation in respect of Earlier Years'.

Provision for current tax is also made on the same basis and consequently the provision for current taxation is for Minimum Alternate Tax payable on book profit.

(b) The Minimum Alternate Tax (MAT) paid by the Company is entitled to be carried forward and utilized in subsequent years. In the opinion of management, on the basis of projections, estimates of future taxable income and the extension of period for utilization of MAT credit as per the amendment made by the Finance Act (No. 2), 2009, the Company would have normal tax liability within the specified period to avail such MAT credit. Consequently, the Company has now recognized the MAT credit entitlement of Rs. 978.00 lakhs in respect of earlier years.

- During the year, the Company has acquired 1,50,57,751 equity shares in Fame (India) Limited, being the Promoters' shareholding, comprising of 43.28% stake in Fame (India) Limited, through a block deal carried out on the Bombay Stock Exchange. The Company has further acquired another 25,07,537 equity shares in Fame (India) Limited, comprising of 7.21% stake in Fame (India) Limited, from the market, through two separate block deals carried out on the Bombay Stock Exchange.

A Share Purchase Agreement between the Company and Promoters of Fame (India) Limited recording the terms and conditions of the abovementioned first acquisition has been executed.

Consequent to the first acquisition above, the Company, through its merchant banker, Enam Securities Limited, has made a Public Announcement under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 ("Takeover Code"), for an Open Offer of 8,231,759 equity shares constituting 20% of the fully-diluted capital of Fame (India) Limited, at a price of Rs. 51 per equity share. Further, as required under the Takeover Code, the Company has placed Rs 42 crores, being 100% of the funds required under the Open Offer, in escrow with HDFC Bank, and 1,50,57,751 equity shares acquired from the Promoters of Fame (India) Limited under the terms of the Share Purchase Agreement mentioned above have been placed in escrow with Standard Chartered Bank, till conclusion of the Open Offer formalities. The Company has, through Enam Securities Limited, filed a Draft Letter of Offer with the Securities and Exchange Board of India, and is awaiting its approval on the same.

As a result of the above acquisitions, the Company holds 1,75,65,288 equity shares, comprising of 50.48% stake in Fame (India) Limited. Based on legal advice received by the Company, Fame (India) Limited shall become a subsidiary of the Company on completion of the Open Offer formalities.

- There were no investors' complaints pending at the beginning of the quarter. The Company received 2 complaints during the quarter. The Company has disposed all 2 complaints and there were no complaints outstanding at the end of the quarter.

On behalf of the Board of Directors
For INOX Leisure Limited

Place : Mumbai
Date : 21st May 2010

Sd/-
Deepak Asher
Director