

16th February, 2016

To,
The Secretary
BSE Limited
P J Towers,
Dalal Street,
Mumbai – 400 001

The Manager
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No C/1,
G Block, Bandra – Kurla Complex,
Bandra (East), Mumbai – 400 051

Stock Code: 532706

Stock Code: INOXLEISUR

Dear Sir / Madam,

Sub: Disclosure regarding approval of scheme of amalgamation of Satyam Cineplexes Limited with Inox Leisure Limited ("**Company**" or "**Inox**") by the High Court of Delhi

Ref: Regulation 30(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with sub-para 1.2 of Para A.1 of Annexure I of Circular bearing number CIR/CFD/CMD/4/2015 dated 9th September 2015 issued by Securities and Exchange Board of India

This is to inform you that the second motion Company petition being C. P. No. 195 of 2015 connected with C. A. (M) No. 29 of 2015 in relation to scheme of amalgamation of Satyam Cineplexes Limited ("**Satyam**" or "**Transferor Company**") with the Company ("**Scheme**") under the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of Companies Act, 1956, was approved by the Hon'ble High Court of Delhi ("**Court**") on 10th February 2016. The order of the Court, dated 10th February 2016, sanctioning the Scheme, has been received by the Company today i.e on 16th February 2016.

The formal order of the Court sanctioning the Scheme ("**Formal Order**") is awaited. Upon receipt of the Formal Order, Satyam (Transferor Company) as also the Company shall file a certified copy of such Formal Order with the relevant Registrar of Companies ("**RoC**") and upon filing of such order with the RoC, the said order shall become effective and the merger of Satyam with the Company in terms of the Scheme shall become operative from the appointed date being 8th August 2014. The Company shall inform the stock exchanges once the Scheme becomes operative as aforesaid, upon filing of the Formal Order with the RoC.

In compliance with Regulation 30(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") read with sub-para 1.2 of Para A.1 of Annexure I of Circular bearing number CIR/CFD/CMD/4/2015 dated 9th September, 2015 issued by Securities and Exchange Board of India ("**SEBI**" and such circular referred to as "**SEBI Circular**"), the details in relation to the amalgamation are as follows:



a) Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.	<u>Transferor Company:</u> 1. Name: Satyam Cineplexes Limited 2. Net-worth as on 31st March 2015: Rs. 1,868.39 Lacs 3. Turnover as on 31st March 2015: Rs. 10,194.82 Lacs <u>Transferee Company:</u> 1. Name: Inox Leisure Limited 2. Net-worth as on 31st March 2015: Rs. 68,091.05 Lacs 3. Turnover as on 31st March 2015: Rs. 96,473.14 Lacs
b) Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length”	Satyam Cineplexes Limited is a wholly-owned subsidiary of the Company (“WOS”) and hence is a related party of the Company. The Scheme involves amalgamation of WOS with its holding Company as the entire issued, subscribed and paid up share capital of Satyam is held by the Company. Upon amalgamation of Transferor Company with the Company becoming effective in terms of the Scheme, the Company would not be required to issue and allot any shares to the shareholders of Satyam. Further, the shares of the WOS held by the Company shall stand cancelled and extinguished pursuant to the Scheme. Therefore, the question of whether this transaction is done at arm’s length or not does not arise. In this connection, it will be pertinent to also mention that the Ministry of Corporate Affairs vide its general circular bearing number 30/2014 dated 17th July, 2014 has clarified that transactions arising, inter alia, out of amalgamation will not attract the requirement of Section 188 of the Companies Act, 2013.
c) Area of business of the entity(ies)	Transferor Company is engaged in the business of operating multiplex cinema theatres in India. Transferee Company is engaged in the business of owning, operating and managing multiplex cinema theatres in India.
d) Rationale for amalgamation	(a) The nature of the business of Satyam and Inox is similar to each other, and Satyam is a wholly owned subsidiary of Inox. For optimum growth and development of the respective businesses of Satyam and Inox, it is considered desirable and expedient to integrate the said business by amalgamating Satyam into Inox. (b) The proposed amalgamation, will enable better and more economic and efficient management, control and running of the businesses of the companies concerned and will assist in the exploitation and realization of the potential of business of Satyam and that of Inox to the fullest extent. (c) In general, the business of both, Satyam and Inox, will be carried on more profitably under the Scheme and the

	Scheme will contribute in furthering and fulfilling the objects of both Satyam and Inox. Thus, in order to consolidate these businesses and in order to reap the benefits of operational synergy and enhance shareholder value, it is proposed to amalgamate Satyam with Inox. (d) The proposed amalgamation and vesting of Satyam into Inox, with effect from the Appointed Date, is in the interest of the shareholders, creditors, stakeholders and employees, of both the companies, as it would enable a focused business approach for the maximization of benefits to all stakeholders and afford the advantages of synergies of business.
e) In case of cash consideration – amount or otherwise share exchange ratio	As a consideration of amalgamation, there is neither any payment of cash nor any issuance of fresh shares. As already explained above, since the Scheme involves amalgamation of WOS with the Company, hence, upon the Scheme becoming effective, the Company shall neither be required to issue and / or allot any shares nor pay cash.
f) Brief details of change in shareholding pattern (if any) of Inox	As already explained above, since the Scheme involves amalgamation of WOS with the Company, no shares shall be required to be issued by the Company and as such, there will be no change in the shareholding pattern of the Company pursuant to the Scheme.

This information is provided in compliance with Regulation 30 of Listing Regulations.

Further, in compliance with Regulation 30(8) of Listing Regulations, the aforesaid details shall also be disclosed on the Company's website i.e. www.inoxmovies.com

Thanking you,

Yours faithfully,

For Inox Leisure Limited


Dhanraj Mulki
Vice President – Legal
& Company Secretary