

# Eros International Media Limited

CIN: L99999MH1994PLC080502

Regd. Office: 901-902, Supreme Chamber, Off Veera Desai Road, Andheri (W), Mumbai 400053

Consolidated unaudited financial results for the quarter and nine months ended 31 December 2022



Particulars	Quarter ended on			Nine months ended on		Year ended on
	31-Dec-22 (Unaudited)	30-Sep-22 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-21 (Unaudited)	31-Mar-22 (Audited)
<b>Income</b>						
1 Net sales/income from operations	1,416	22,287	22,185	27,358	30,501	37,313
Other income	1,336	1,942	1,123	7,946	7,315	1,121
<b>Total income (1+2)</b>	<b>3,146</b>	<b>25,229</b>	<b>23,306</b>	<b>35,304</b>	<b>37,816</b>	<b>38,434</b>
<b>Expenses</b>						
Operational Costs including content amortization	5,530	23,561	15,893	33,040	26,976	27,545
Employee benefits expense	744	997	1,610	2,737	5,378	5,902
Finance costs (net)	1,922	1,531	1,256	4,976	4,314	5,486
Depreciation and amortization expense	165	164	180	497	547	729
Other expenses	107	2,547	1,329	5,287	3,933	7,221
<b>Total expenses</b>	<b>8,468</b>	<b>28,800</b>	<b>20,768</b>	<b>46,537</b>	<b>41,148</b>	<b>46,884</b>
<b>4 Profit/(loss) before exceptional item and tax (1+2-3)</b>	<b>(5,122)</b>	<b>(3,571)</b>	<b>2,538</b>	<b>(11,334)</b>	<b>(3,332)</b>	<b>(1,151)</b>
5 Exceptional (loss)/ gain						
<b>6 Profit/(loss) before tax (4-5)</b>	<b>(5,122)</b>	<b>(3,571)</b>	<b>2,538</b>	<b>(11,334)</b>	<b>(3,332)</b>	<b>(1,151)</b>
<b>7 Tax expense</b>						
a) Current tax including short/ (excess) provision of earlier periods		1	(21)	4	(25)	(24)
b) Deferred tax expenses/(Income)	36	(18)	(146)	(3)	(424)	826
<b>Total tax expenses/(credit) net</b>	<b>36</b>	<b>(17)</b>	<b>(167)</b>	<b>1</b>	<b>(449)</b>	<b>802</b>
<b>8 Profit/(loss) for the period/year (6-7)</b>	<b>(5,158)</b>	<b>(3,554)</b>	<b>2,705</b>	<b>(11,335)</b>	<b>(2,883)</b>	<b>(917)</b>
Attributable to:						
Equity holders of Eros International Media Limited	(5,082)	(3,455)	3,376	(11,143)	(2,010)	(758)
Non-Controlling Interests	(76)	(99)	(67)	(192)	(873)	(159)
<b>9 Other Comprehensive Income/(loss)</b>						
a) Items that will not be reclassified to profit or loss- net of taxes	(9)	(10)	3	(19)	9	48
b) Items that will be reclassified subsequently to profit or loss	1,738	2,978	382	8,518	1,604	3,324
<b>Total other comprehensive Income/(loss) for the period</b>	<b>1,729</b>	<b>2,918</b>	<b>385</b>	<b>8,499</b>	<b>1,613</b>	<b>3,372</b>
<b>10 Total comprehensive Income for the period/year (8-9)</b>	<b>(3,429)</b>	<b>(636)</b>	<b>3,090</b>	<b>(2,836)</b>	<b>(1,270)</b>	<b>2,455</b>
Attributable to:						
Equity holders of Eros International Media Limited	(3,353)	(537)	3,761	(2,644)	(397)	2,614
Non-Controlling Interests	(76)	(99)	(67)	(192)	(873)	(159)
<b>11 Paid up equity share capital (Face value of ₹ 10 each)</b>	<b>9,588</b>	<b>9,588</b>	<b>9,588</b>	<b>9,588</b>	<b>9,588</b>	<b>9,588</b>
<b>12 Reserve excluding revaluation reserve</b>						<b>97,023</b>
<b>13 Earnings per share (EPS) (not annualised)</b>						
Basic (in ₹)	(3.50)	(3.72)	2.82	(2.76)	(3.01)	(0.96)
Diluted (In ₹)	(3.50)	(3.72)	2.82	(2.76)	(3.01)	(0.96)

## Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13 February, 2023
- The Group operates on a single reportable segment, which is co-production, acquisition and distribution of Indian language films in multiple formats, being governed by similar risks and returns, forming the primary business segment. Accordingly, no segment information has been submitted as a part of the quarterly and nine months ended financial results presented.
- The Group has incurred losses amounting ₹ 11,335 lakhs for nine months ended 31 December 2022 and ₹ 2,883 lakhs in previous financial year. As at 31 December 2022, the current liabilities of the Group exceed current assets by ₹ 15,608 lakhs. Material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern. The Group has taken various steps aimed at augmenting liquidity including restructuring of the borrowing facilities, conserving cash including various cost saving initiatives, and maximizing revenue through monetizing of the film/music library by way of long term contracts as well as its non core assets and mobilization of additional funds through other strategic initiatives like raising of funds by way of proposed issue of share warrants. For the said reason, Management continues to adopt the going concern basis in preparing the financial results.
- The Group has trade receivables of ₹ 15,519 lakhs (net of payable of ₹ 26,241 lakhs) from Eros Worldwide F2 LLP ("EWW") ("Company having significant influence"), and ₹ 6,855 lakhs from Eros International Limited UK (fellow subsidiary of EWW) and ₹ 2,884 lakhs from Eros International USA Inc (fellow subsidiary of EWW). Dues of EWW of ₹ 15,107 lakhs are overdue. As per the management accounts for the year ended March 31, 2022, networth of these companies has fully eroded and has incurred losses in that year. Further, EWW has made significant write down in the carrying amount of film content. The parent Company of aforesaid entities i.e. Eros Media World PLC is committed to continue to support these entities. Based on the future business plans of EWW, management is confident of recovery of above dues from related parties and does not require any provisions.
- Securities and Exchange Board of India (SEBI) had vide its letter dated October 31, 2022 has appointed the Forensic Auditor to verify the Consolidated Financial Statements of the Group for financial year ended March 31, 2018, March 31, 2019 and March 31, 2020. The Group continues to fully cooperate with SEBI as well as SEBI appointed forensic auditors to ensure completion of independent review by SEBI.
- Inventory includes accumulated film right costs amounting to ₹ 350 lakhs wherein there has been no movement since March 2021. The Group's management is of the opinion that realisable value of the said Film rights will be equal to / more than cost of Inventory, hence, no provision towards impairment needs to be made as on date.
- As on 31 December 2022, Content advances aggregate to ₹ 21,805 lakhs (net of provision). Based on the various Initiatives of Capital infusion as well as Monetisation of Rights, the Group's management is of the opinion that the content advances which are for continuing projects are all good and realisable and no further provision is required other than those already created in the books of account.
- The Group's financial results for any period fluctuate due to film release schedules which take into account holidays and festivals in India and elsewhere, competitor film releases and sporting events.
- The figures for the previous periods / quarters have been regrouped/rearranged wherever necessary to confirm to the current period classification.



Place: Mumbai  
Date: February 13, 2023



For and on behalf of Board of Directors  
For Eros International Media Limited

Sumit Jha  
Executive Vice Chairman & Managing Director  
DIN: 00243191

## EROS INTERNATIONAL MEDIA LIMITED

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CIN No. L99999MH1994PLC080502

Independent Auditor's Review Report on quarterly and year to date Unaudited Consolidated Financial Results of Eros International Media Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To The Board of Directors

Eros International Media Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Eros International Media Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended December 31, 2022 and for the period from April 01, 2022 to December 31, 2022 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



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4. The Statement includes the results of the following entities:

Sr. No.	Name of the Entity	Relationship
1.	EROS International Media Limited	Parent
2.	EROS International Films Private Limited	Subsidiary
3.	Eyeqube Studios Private Limited	Subsidiary
4.	EM Publishing Private Limited	Subsidiary
5.	EROS Animation Private Limited	Subsidiary
6.	Digicine PTE Limited	Subsidiary
7.	EROSNow Private Limited	Subsidiary
8.	Big Screen Entertainment Private Limited	Subsidiary
9.	Copsale Limited	Subsidiary
10.	Colour Yellow Productions Private Limited	Subsidiary

5. Qualified Conclusion

a) As stated in Note 4 to the Statement, the Group has trade receivables from group entities amounting to Rs. 15,519 Lakhs (net of payable of Rs.26,241 Lakhs) from Eros Worldwide FZ LLC ("EWW"), Rs. 6,855 Lakhs from Eros International Limited UK and Rs. 2,884 Lakhs from Eros International USA Inc. Receivable of Rs. 15,107 Lakhs from EWW which are overdue for long period of time, payments for which are not forthcoming. Basis the management accounts provided to us for year ended March 31, 2022, Net Worth of above said group entities has fully eroded and have incurred losses during that year. Further EWW has carried out a significant write down in the carrying amount of film content in their books. Basis the matter of facts stated as above with respect to financial viability of these companies, we are unable to comment on the extent of the recoverability of the carrying value of the above receivables and the consequential effects on the loss for the period ended December 31, 2022.

This matter was also qualified by the predecessor auditor on the unaudited consolidated Ind AS financial results and audited consolidated Ind AS financial statements for the corresponding quarter and period ended December 31, 2021 and for the year ended March 31, 2022 respectively.

b) Note 5 to the Statement, wherein as mentioned the Securities and Exchange Board of India (SEBI) has appointed Forensic Auditor to verify the Consolidated Financial Statements of the Group for financial year ended March 31, 2018, March 31, 2019 and March 31, 2020 and status on the matter as on date.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 9 below and subject to the possible effects of the matters described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the





recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

## 7. Material uncertainty relating to Going Concern

We draw attention to Note 3 to the Statement which indicates that the Group has incurred a net loss of Rs. 11,335 Lakhs for the period ended December 31, 2022 and as of that date, the Group's current liabilities exceeded its current assets by Rs. 15,608 Lakhs. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The assumption of going concern is subject to Group's proposal to raise funds through monetization of its film/ music library rights as well as its noncore assets, mobilization of additional funds through recovery of dues from its group entities and other strategic initiatives like raising of funds by way of proposed issue of share warrants.

Our report is not modified in respect of this matter.

## 8. Emphasis of Matter

Attention is drawn to following notes to the statement:

- a) Note 6 to the Statement with respect to the value of inventories which includes accumulated film rights costs amounting to Rs. 850 Lakhs as on December 31, 2022, we have relied on the management for realizable value of such inventory, being a technical matter.
- b) Note 7 to the Statement with respect to content advances given for film projects having aggregate value of Rs. 21,805 Lakhs (net of provision amounting to Rs. 1,00,057 Lakhs) as on December 31, 2022, the management is of the opinion that adequate provision has been created in the books of accounts with respect to such advances and that the balance amount is recoverable and no further provision is required.

Our report is not modified in respect of these matters.

9. We did not review the interim financial results of three subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total revenues of Rs. 810 Lakhs and Rs. 22,650 Lakhs, total net profit after tax of Rs.1,569 Lakhs and Rs. 3,105 Lakhs and total comprehensive income of Rs. 3,352 Lakhs and Rs. 11,834 Lakhs, for the quarter ended December 31, 2022 and for the period from April 01, 2022 to December 31, 2022, respectively as considered in the unaudited consolidated financial results. These interim financial results have been reviewed by other



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auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

One of the subsidiary is located outside India whose financial result have been prepared in accordance with accounting principles generally accepted in the respective country and which have been reviewed by other auditor under generally accepted auditing standards applicable in the respective country. The Parent's management has converted the financial result of such subsidiary located outside India from accounting principles generally accepted in the respective country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our report in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Parent and reviewed by us.

Our report on the Statement is not modified in respect of the above matter.

10. The comparative unaudited consolidated Ind AS financial results of the Group for the corresponding period ended December 31, 2021 were reviewed and the consolidated Ind AS financial statements of the Group for the year ended March 31, 2022 were audited by the predecessor auditor, who expressed an qualified review conclusion and qualified opinion on this financial result and financial statements vide reports dated February 11, 2022 and May 29, 2022 respectively. Our report is not modified in respect of this matter.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048

  
Sumant Sakhardande

Partner

Membership No: 034828

UDIN: 23034828BGWUCS6240

Place: Mumbai

Date: February 13, 2023

