

Eros International Media Limited

CIN: L99999MH1994PLC080502

Regd. Office : 901-902, Supreme Chambers, Off Veera Desai Road, Andheri (W), Mumbai 400 053
Standalone unaudited financial results for the quarter and Nine months ended 31 December 2022



(₹ in lakhs)

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)
Income						
1 Net sales/income from operations	516	1,909	10,753	4,499	15,404	21,868
2 Other income	380	689	41	2,815	3,424	3,893
Total income (1+2)	896	2,598	10,794	7,314	18,828	25,761
Expenses						
Operational Costs including content amortization	1,683	2,104	2,234	5,643	8,008	10,391
Employee benefits expense	677	674	746	2,063	2,538	3,227
Finance costs (net)	1,920	1,620	1,276	5,046	4,455	5,635
Depreciation and amortization expense	51	52	78	157	240	312
Other expenses	46	2,349	1,739	4,903	3,436	5,836
Total expenses	4,377	6,799	6,073	17,812	18,677	25,401
4 Profit/(loss) before exceptional item and tax (1+2-3)	(3,481)	(4,201)	4,721	(10,498)	151	360
5 Exceptional (loss)/ gain	-	-	-	-	-	-
6 Profit/(loss) before tax (4-5)	(3,481)	(4,201)	4,721	(10,498)	151	360
7 Tax expense						
a) Current Tax	-	-	-	-	-	-
b) Deferred Tax	-	-	-	-	-	-
Total tax expenses/(credit) net	-	-	-	-	-	-
8 Profit/(loss) for the period/year (6-7)	(3,481)	(4,201)	4,721	(10,498)	151	360
9 Other comprehensive income/(loss): not to be reclassified- net of taxes	(9)	-	(5)	(9)	(13)	10
10 Total comprehensive income/(loss) for the period/year	(3,490)	(4,201)	4,716	(10,507)	138	370
11 Paid-up equity share capital (face value of ₹ 10 each)	9,588	9,588	9,588	9,588	9,588	9,588
12 Other equity excluding revaluation reserve						11,888
13 Earnings per share (EPS) (in Rs.) (not annualised)						
Basic (in ₹)	(3.64)	(4.38)	4.92	(10.96)	0.16	0.38
Diluted (in ₹)	(3.64)	(4.38)	4.92	(10.96)	0.16	0.38

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 Company 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 financial results presented.
- The Company has trade receivables of ₹ 15,519 lakhs (net of payable of ₹ 26,241 lakhs) from Eros Worldwide FZ 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.
- The Company has incurred losses amounting ₹ 10,498 lakhs for nine months ended 31 December 2022. As at 31 December 2022, the current liabilities of the Company exceed current assets by ₹ 5,773 lakhs. Material uncertainties exist that may cast significant doubt on the Company's ability to continue as a going concern. The Company 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, 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 warrents. For the said reason, Management continues to adopt the going concern basis in preparing the financial results.
- 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 Company 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 ₹ 850 lakhs wherein there has been no movement since March 2021. The management is of the opinion that the 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.



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Regd. Office: 901/902, Supreme Chambers, Off Veera Desai Road, Andheri (West), Mumbai - 400 053.
 Tel.: +91-22-6602 1500 • Fax: +91-22-6602 1540 • E-mail: eros@erosintl.com • www.erosmediaworld.com

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- 7 As on December 31, 2022, Content advances aggregate to ₹ 27,575 lakhs (net of provision). Based on the various initiatives of Capital infusion as well as Monetisation of Rights, the management is of the opinion that the content advances which are for continuing projects are all good and realizable and no further provision is required other than those already created in the books of account.
- 8 The Company'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.
- 9 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

Executive Vice Chairman & Managing Director
DIN: 00243191

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Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone 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 Standalone Financial Results of Eros International Media Limited ("the Company") 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 Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company'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 (hereinafter referred to as "the said Indian Accounting Standard") 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 Engagement (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 company 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.
4. **Qualified Conclusion**
 - a) As stated in Note 3 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 standalone Ind AS financial results and audited standalone Ind AS financial statements for the corresponding quarter and nine months period ended December 31, 2021 and for the year ended March 31, 2022 respectively.

b) As stated in 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 Company for financial year ended March 31, 2018, March 31, 2019 and March 31, 2020 and status on the matter as on date.

5. Based on our review conducted as stated in paragraph 3 above and subject to the possible effects of the matters described in paragraph 4 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 said 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.

6. Material uncertainty relating to Going Concern

We draw attention to Note 4 to the Statement which indicates that the Company has incurred a net losses of Rs. 10,498 Lakhs for the period ended December 31, 2022 and as of that date, the Company's current liabilities exceeded its current assets by Rs. 5,773 Lakhs. As stated in Note 4, these events or conditions, along with other matters as set forth in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The assumption of going concern is subject to Company 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.



HARIBHAKTI & CO. LLP

Chartered Accountants

7. 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. 27,575 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.

8. The comparative unaudited standalone Ind AS financial results of the Company for the corresponding quarter and nine months period ended December 31, 2021 were reviewed and the standalone Ind AS financial statements of the Company 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: 23034828BGWUCR2758

Place: Mumbai

Date: February 13, 2023

