

# CORPORATE INFORMATION

## Board of Directors

### Mr. Dharendra Swarup

Non-Executive Chairman & Independent Director  
DIN: 02878434

### Mr. Sunil Arjan Lulla

Executive Vice Chairman & Managing Director  
DIN: 00243191

### Mr. Kishore Arjan Lulla

Executive Director  
DIN: 02303295

### Ms. Bindu Saxena

Non-Executive Independent Director  
DIN: 00167802

### Mr. Sunil Srivastav<sup>1</sup>

Non-Executive Independent Director  
DIN: 00237561

### Mr. Farokh P. Gandhi<sup>2</sup>

Executive Director & Group Chief Financial Officer (India)  
DIN: 03112612

### Mr. Pradeep Dwivedi<sup>3</sup>

Executive Director & Chief Executive Officer (India)  
DIN: 07780146

### Mr. Manmohan Kumar Sardana<sup>4</sup>

Non-Executive Independent Director  
DIN: 09294639

## Vice President - Company Secretary & Compliance Officer

Mr. Vijay Thaker

## Statutory Auditors

Chaturvedi and Shah LLP  
Chartered Accountants  
(Firm Registration No. 101720W/W100355)

## Corporate Identification Number (CIN)

L99999MH1994PLC080502

## Bankers

IDBI Bank Limited (Lead Bank)  
Bank of Baroda  
Punjab National Bank  
Indian Overseas Bank  
Union Bank of India  
State Bank of India

## Corporate Office

901/902, Supreme Chambers  
Off. Veera Desai Road  
Andheri West  
Mumbai - 400 053  
Maharashtra (India)  
Tel: +91 22 66021500; Fax: +91 22 66021540  
Email: [compliance.officer@erosintl.com](mailto:compliance.officer@erosintl.com)  
Website: [www.eiml.site](http://www.eiml.site)

## Registered Office

201, Kailash Plaza  
Opp Laxmi Industrial Estate,  
Off Andheri Link Road  
Andheri West, Mumbai 400053  
Maharashtra (India)

## Registrar & Share Transfer Agent

Link Intime India Private Limited  
Unit: Eros International Media Limited  
C 101, 247 Park  
LBS Marg, Vikhroli West  
Mumbai 400 083  
Maharashtra (India)  
CIN: U67190MH1999PTC118368  
Tel: +91 22 4918 6270; Fax: +91 22 4918 6060  
E-mail: [nt.helpdesk@linkintime.co.in](mailto:nt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

<sup>1</sup> Mr. Sunil Srivastav ceased to be Director of the Company w.e.f. 14 August 2021.

<sup>2</sup> Mr. Farokh P. Gandhi was appointed as Director of the Company w.e.f. 9 November 2020 and ceased to be a Director and Group Chief Financial Officer (India) of the Company w.e.f. 14 August 2021.

<sup>3</sup> Mr. Pradeep Dwivedi Company's Chief Executive Officer was appointed as Executive Director of the Company w.e.f. 14 August 2021.

<sup>4</sup> Mr. Manmohan Kumar Sardana was appointed as Non-Executive Independent Director of the Company w.e.f. 31 August 2021.

# Board of Directors



**Mr. Dharendra Swarup**  
*Non-Executive Chairman, Independent*

A government-certified accountant and a member of the Institute of Public Auditors of India, Mr. Swarup holds a post-graduate degree in humanities. A career bureaucrat, he retired as Secretary of Ministry of Finance, Government of India in 2005. He possesses a vast experience of 46 years in the finance sector and has also worked in the UK, Turkey and Georgia. He was the Chairman of Financial Sector Redress Agency and is also on the Board of several listed companies besides acting as a member and the Chairman of several committees. In the past, he has held many key positions and responsibilities like being a member of the Board of the SEBI, a member of the Permanent High-level Committee on Financial Markets, Chairman of the Pension Funds Regulatory Authority, Chief of the Budget Bureau of the Government of India, a member secretary of the Financial Sector Reforms Commission, Chairman of Public Debt Management Authority Task Force, Vice-Chairman of the International Network on Financial Education of OECD.



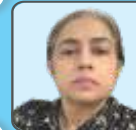
**Mr. Sunil Arjan Lulla**  
*Executive Vice Chairman & Managing Director*

Mr. Lulla holds a commerce degree from the University of Mumbai. Possessing an expansive 27 year long experience in the Media & Entertainment industry, he has been associated with Eros since its inception. He led the Company's growth within India for many years before being appointed Executive Vice Chairman & Managing Director of Eros India on 28 September 2009. Mr. Lulla was reappointed to the same position on 15 December 2020 for another period of five years. During his stint, he has contributed tremendously in developing and expanding the Company's business in India. Under his able leadership, the Company continued to achieve milestones. He has been instrumental in developing the Company's distribution business along with its home entertainment and music segments.



**Mr. Kishore Arjan Lulla**  
*Executive Director*

The Executive Chairman and Group Chief Executive Officer of our parent Company, Eros International Plc., Mr. Lulla holds a bachelor's degree in Arts from Mumbai University. Possessing a rich experience of over 37 years in the filmed entertainment and media industry, he is a member of the British Academy of Film and Television Arts and Young Presidents' Organization besides serving on the board of the School of Film at the University of California, Los Angeles. Mr. Kishore Arjan Lulla has been instrumental in expanding the Company's presence in the United Kingdom, the U.S., Dubai, Australia, Fiji and other international markets. He is responsible for taking the Indian film industry to the global arena. A recipient of the 'Asian Business Awards' 2007, the 'Indian Film Academy Awards' 2007, and 'Entrepreneur of the Year' 2010, 'Global Citizenship Award' 2014, 'Entertainment Visionary Award' 2015, he has also featured on the 'Best under a Billion' 2014 list of Forbes Asia and got invited to attend the "billionaires' summer camp" in the Sun Valley.



**Ms. Bindu Saxena**  
*Non-Executive, Independent*

Ms. Bindu Saxena, is a practicing Advocate and is a partner of the law firm Swarup & Company, New Delhi, India and has over 34 years of experience as corporate attorney with clients in India and overseas including large multinational corporations. Her experience as corporate attorney includes experience of commercial transactions and projects in India and overseas. Her experience includes Indian and transborder transactions, acquisitions, joint ventures, private equity transactions, investments and participation in both new and existing companies and ventures in diverse sectors and industry. She has been advising clients (both Indian and foreign and in private sector and public sector) in diverse corporate and commercial matters and transactions and projects including foreign collaboration, foreign investment, funding, acquisitions, mergers, amalgamations and takeovers and in all aspects of structuring, negotiating and drafting of diverse business and project related for diverse sectors including infrastructure, fertilizer, mining, refineries, steel, chemicals, engineering goods etc. She also handles court matters including litigation pertaining to corporate matters, contractual disputes, enforcement of foreign awards, domestic and international commercial arbitration and matters before various tribunals etc.



**Mr. Sunil Srivastav**  
Non-Executive,  
Independent\*

Mr. Srivastav retired as the Dy. Managing Director, Corporate Accounts Group, from the State Bank of India (SBI). He was responsible for a large corporate credit exposure, including project and infrastructure financing for the bank. In an illustrious career spanning over three decades with the SBI, he rose from the ranks holding several leadership positions, including DMD – CSNB, CGM – Kolkata and GM – Delhi, accomplishing several achievements like initiating the Bank's foray into digital delivery of financial products and services, entry into the new lines of businesses, including identification and negotiation with global JV partners, managing and growing operations of a network of 1,450 offices in Bengal, Sikkim and Andaman & Nicobar, and growing the bank's business in the mountainous terrain in the State of Uttarakhand.



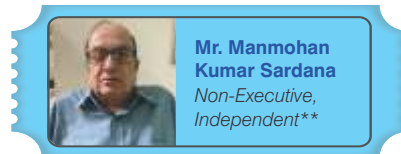
**Mr. Farokh P. Gandhi**  
Chief Financial  
Officer and  
Executive Director\*

Mr. Farokh Gandhi is an experienced Chartered Accountant and Corporate Finance Strategist who has been associated with Eros Group for over 18 years, out of his 28 years of experience in the finance sector. During his association, he has been key in executing the various IPOs and listing of the Group in India as well as overseas as well as setting of financial systems and processes to support the Company's growth.



**Mr. Pradeep Dwivedi**  
Chief Executive Officer  
and Executive Director\*\*

Mr. Pradeep Dwivedi is a senior media industry professional and Group CEO of the Company since January 2020. He is an accomplished industry leader with an experience of over two decades in Advertising & Media Business, Telecom & Technology Enterprises, Banking & Financial services Institutions and Automotive sector, with established credentials in digital infotainment business as well as Print Publication, News Television channels and Experiential Events. He has a demonstrated track record in Revenue growth, Sales & Marketing, Value creation, Joint ventures & Partnerships, Investments, product & service delivery, risk operations & general management. In the past, he has been Group CEO of Sakal Media Group, Chief Corporate Sales & Marketing Officer of Dainik Bhaskar Group, and worked with organisations such as Tata Teleservices, American Express, GE Capital, Standard Chartered Bank & Eicher Motors India. He is an active participant in many media industry associations as Director of IAA (India Chapter) and a managing committee member of The Advertising Club of India.



**Mr. Manmohan Kumar Sardana**  
Non-Executive,  
Independent\*\*

Mr. Manmohan Kumar Sardana was serving as teaching assistant in the Physics Department of the Panjab University from 1965 to 1967, thereafter he joined the Indian Administrative Service (IAS) in 1968 and was allocated to the West Bengal Cadre. After serving in different capacities in the State of West Bengal and in various Ministries of the Government of India, Mr. Sardana retired from the service finally in 2004 as Secretary Ministry of Corporate Affairs. He joined as Member, MRTP Commission soon after his retirement i.e., in 2004 and finally completed his tenure in the MRTP as its acting Chairman in 2009. He remained Ex-officio Member of SEBI, during his tenure as Secretary, Ministry of Corporate Affairs. From 2010 till 31 March 2021, Mr. Sardana has been a Visiting Fellow at the Institute for Studies in Industrial Development (ISID) advising on public policy issues.

\*Ceased to be Non-Executive Independent Director w.e.f. 14 August 2021.

\*\* Appointed as Executive Director w.e.f. 14 August 2021.

\* Ceased to be Executive Director and Chief Financial Officer w.e.f. 14 August 2021.

\*\* Appointed as Non-Executive Independent Director w.e.f. 31 August 2021.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Macroeconomic Environment across the World and in India

While virtually no large economy has escaped unscathed from the COVID-19 pandemic that started in Q4 FY20, India has been one of the badly affected countries, both economically and from the healthcare perspective.

At the start of the pandemic, with images and news of healthcare systems even in G-10 economies like Italy and United States getting overwhelmed, everyone understood that the pandemic presented an unprecedented challenge to India's public health systems. And lockdowns were thought to be an effective way to control the spread of the virus, thus preventing the healthcare systems from collapsing under the immense pressure of a large volume of infections.

However, the lockdowns and other lockdown-like restrictions have sharply impacted both the formal and the informal economy, presenting a new set of challenges to India's food system and its industrial backbone. The Indian economy underwent a GDP contraction of 7.3% in FY21. And while the digital economy has been able to cushion some of the impacts, the impact on the "offline" economy has been even sharper. The resulting socio-economic disruption has pushed millions into poverty in the country.

The lockdowns and differing state-wise regulations also disrupted the various supply chains, in turn, worsening the impact on businesses and industries all across the country, especially in the first half of the financial year.

The challenge was unlike any previous economic shocks and with social distancing and work safety ruling the roost, reinventing the work process and responding to the risk with pliable solutions became imperative. Moreover, helping to create a secure environment for all became the focus across the world.

The derailment of the economy across the world became evident and the immediate and long-term effect of the disruption brought about by the pandemic proved to be damaging. In its recent projection of the world economy, IMF has put the expected growth at 6% in 2021, moderating to 4.4% in 2022. This is a huge turnaround from an estimated contraction of 3.3% in the world GDP in 2020, where it declared 2020 as a "gap year" for the world economy.

It is now more than a year into the pandemic and the global prospects still remain uncertain. Though the expanding vaccine coverage across the world is lifting sentiments, the new virus variants and mutations are a major cause for concern. Moreover, the pandemic has exposed the fragility of the healthcare systems across many countries on the planet. The pandemic has also created disruptions in various industries, and some are just taking shape, and reverberating across the world economy in the process. Besides, they are also diverging economic recoveries across sectors and economies.

Now, the hope lies not only in the successful rollout of vaccination programmes across the world to end the rampage of the virus and its various variants but also on the application of economic policies that would cushion some of the devastating impacts of the COVID-19 pandemic not just on people but also on businesses.

## Impact on Indian Economy

India's GDP grew 1.6% in the fourth quarter (January-March) of FY21 prior to the second wave of the COVID-19 pandemic. This comes on top of 0.5% growth in the previous October-December quarter (Q3

FY21). The economy had grown 3% in the January-March quarter of FY20.

Reportedly, the GDP contracted 7.3% in FY21. However, the marginal improvement from the earlier estimate of 8% contraction in the second advance estimates released in February has been majorly due to a sharp rise in government expenditure. The uptick in the fourth quarter was mainly driven by the manufacturing sector despite services remaining relatively sluggish, as stated in the provisional estimates of annual national income and quarterly estimates released by the National Statistical Office ("NSO").

However, the subsequent unlock at the end of 2020 stimulated the business activities. According to the data, the gross value added in Q4 FY21 was 3.7%, much higher than 1% in Q3. Though, the provisional estimate of FY21 GDP numbers is slightly better than predicted, but may not change the larger picture.

The growth may remain subdued in the first quarter of FY22 as the severe and unprecedented second wave of COVID-19 hit India, and this is expected to significantly impact expected growth during the rest of FY22 as well. The recovery may be directly proportional to the opening of the localised lockdowns, the success of vaccine rollout and the role it will play in combatting the third wave. However, the economic outlook remains highly uncertain. At present, post the second wave, the World Bank expects India's GDP to grow by 7.5% in FY22. However, an expected third wave and the above factors may impact even this projection.

## Industry Review

According to a report jointly released by FICCI and EY in March '21 ("Playing by new rules, India's Media & Entertainment sector reboots in 2020"), the Indian Media and Entertainment ("M&E") sector fell 24% in the calendar year 2020 to ₹ 1.38 trillion (US\$ 18.9 billion). The report estimated, basis the improvement seen in the last quarter of 2020, that the sector would grow 25% in the calendar year 2021, to ₹ 1.73 trillion (US\$ 23.7 billion), and would continue on the growth trajectory to the calendar year 2023, growing 17% CAGR (from 2020) to ₹ 2.23 trillion. However, given that these expectations were prior to India's second COVID-19 wave in April-May '2021, these expectations may be severely impacted.

In 2020 whilst television proved to be resilient and continued to be the largest segment, Digital Media overtook the print segment as the second-largest segment, the only segment that saw growth during this period. However, most of this growth came from record growth in subscription revenue, while revenue from advertising for digital media continued to be stable over 2019. The online gaming segment was another segment that grew over the year, with the Digital Media and Online Gaming segments cumulatively adding ₹ 25 billion of revenues to the M&E space during the year. All the other segments, including Television, Print, Radio and Filmed Entertainment, saw a de-growth, cumulatively reducing the M&E segment's revenues by ₹ 465 billion. While the M&E sector has usually outperformed India's GDP growth, in 2020 the sector experienced degrowth of ~3x the de-growth experienced by the Indian economy. This was primarily due to the discretionary nature of the spending and the activity, which caused people to spend less in a time of incomes getting impacted, and lack of clarity on how long the pandemic conditions would last. In addition, within the M&E space, events / experiences that required being in close quarters with others were even more sharply impacted, with even people having the capability and willingness to spend on discretionary

items, not willing to venture out for such experiences/events, given the overhang of the pandemic.

### Digital Media

The year 2020 saw digital media grow by 6.5% to reach ₹ 235 billion and is projected to grow at 22% CAGR to reach ₹ 425 billion by 2023. In 2020, owing to the pandemic due to the subsequent lockdowns, the revenues from digital subscriptions grew 49% to reach ₹ 43.5 billion. The lockdowns significantly impacted the creation of fresh content on television, especially in the first three quarters of 2020. Since television depends on a steady supply of fresh content and online sports content went behind a paywall, a large number of people bought new digital subscriptions and paid video subscriptions on digital platforms. It crossed 50 million for the first time in the history of the Indian M&E industry. This caused a lot of advertisers to increase their allocation of advertisement spends towards digital sales channels, and digital advertising stayed stable. SME advertising also remained a bright area where SME advertisers spent more on digital advertising and also tried more online e-commerce platforms.

By 2025, it has been projected that digital advertising may outstrip advertisement spending in all other channels. This may result in the challenge of measurement of metrics to measure digital ad engagement, along with leading to change in metrics being currently tracked as well. For example, Daily Active Users (DAU) may become the metric to look at instead of Monthly Active Users (MAU), audience engagement instead of solely audience numbers, and some metrics to measure customer loyalty, retention as well as time spent watching content. Even the demand for fresh and original content may double by 2023 from 2019 levels to over 3,000 hours per year. The share of regional language consumption on OTT platforms may also cross 50% of total time spent by 2025.

Newspaper digital products may also increasingly go behind paywalls and the subscription revenue generation is expected to be ₹ 4 billion by 2023.

### Company Review

With the COVID-19 pandemic proving to be a "Black Swan" event unlike ever before, and also lasting much longer than anyone expected, various businesses within the M&E segment have been hit harder and their cashflows severely impacted.

Similar to various other players in the industry, as Eros International Media Ltd. (EIML) depends significantly on theatrical revenues, the continued closure of cinema halls and malls to restrict social gatherings, has frozen major cash inflows, and had a major detrimental effect on the Company's business.

While EIML did release its film "Haathi Mere Saathi" theatrically in Tamil and Telugu in March '21 as well as a few titles like "Haseen Dilruba" and "7 Kadam" on OTT platforms opportunistically in 2021, the Company was forced to defer the release of a large number of films indefinitely due to COVID-19. Though several states and countries did allow limited opening up of theatres with restricted occupancies (in most cases below 50% capacity), such relief would have impacted the returns from the theatrical window of any film which choose to release during this period, thus affecting the economic viability of the film. In fact, this is why not just EIML, but most other production houses have chosen to indefinitely defer the release of their films until the situation improves, and no major theatrical release has happened in the Hindi film industry, since March 2020. For the release of new films, Company would wait until the situation improves in order to optimise the revenues from the theatrical window of the said films. We believe that this will help in optimising cash inflows to your Company and would better serve all stakeholders.

In addition to theatrical release, there are also restrictions on production activities, which are not conducive to the creation of new content, and even limit the ability to shoot certain scenes. Hence, even some films under production have stopped or have scaled-down production activities and are awaiting normalcy without any COVID-19 restrictions in order to restart.

Your company is hopeful about sailing through the current situation successfully and coming out on the other end. In order to do this, it is working on looking for innovative ways of earning revenue and strengthening its value proposition, thus re-inventing itself, and further fortifying its position.

The impressive library and its monetization through various channels, including Satellite TV, Overseas, In-flight and other channels, provide EIML with multiple sources of revenue. Moreover, EIML also produces and acquires content for Eros Now, which is EIML's parent Eros International PLC's OTT streaming service.

The Company has also started formulating innovative ways of updating its existing content libraries. Given a rise in demand for content and increasing viewership on OTT platforms, coupled with the limited production of new content, existing library content is likely to become more valuable. Moreover, once normalcy resumes, owing to pent-up demand, the M&E sector may be one of the first sectors of the economy to see a revival, and Eros International is well-prepared with its large existing content library, to take advantage of any digital opportunities that exist, in the meantime.

Furthermore, when the theatres open and production & shooting schedules resume and achieve normalcy, the company will release and complete its upcoming film projects/web series.

### Financial Review

In FY 21, the Company's total consolidated income stood at ₹ 38,852 lakhs as against ₹ 93,386 lakhs in FY 20. The Company registered an EBITDA loss of ₹ 17,325 lakhs during the year as compared to a loss of ₹ 161,546 lakhs in the previous year. The consolidated loss for the year stood at ₹ 18,110 lakhs as compared to ₹ 140,121 lakhs in FY 20.

### Risk Management

The Risk Management framework includes Risk Management Policy and identification of risks at Company Level, Strategic Level and Operational level. The risk mitigation procedures associated with the business and prioritization of risks include scanning the business environment and having periodic risk review.

The risks associated with the Company's businesses are broadly classified in following categories:

- Environmental Risk: Due to the adverse impact of COVID-19, the Company may suffer losses.
- Economic Risk: Due to adverse political situations or downturn which may negatively impact the Company's organizational objectives.
- Regulatory Risk: Due to government regulations or any other statutory violations and amendments, which may lead to litigations and loss of reputation.
- Operational Risk: Ability to attract and retain clients.

### Internal Control Systems

The Company has adequate internal controls required in the nature of its business and operations. The company can safeguard its assets and financial transactions with adequate checks and balances, while adhering to accounting policies. Systems are reviewed and improved

## MANAGEMENT DISCUSSION AND ANALYSIS

regularly. With the Company's budgetary control system, it monitors revenue and expenditure with actual vs. approved budget. The Company has its own corporate internal audit function which monitors and assesses the adequacy and effectiveness of the Internal Controls and Systems. Deviations from standard operating procedures are periodically reviewed and compliance is ensured.

### Human Resource

The Company believes that it has an excellent talent pool. This talent pool is the key to excellence. The Company has a diverse employee base with technical knowledge and functional expertise. This helps to deliver the stipulated target. Performance is valued as an essential tool to accomplish vision, mission and objectives. The Company's 'Human Capital' headcount stands at 191 as on 31 March 2021.

### Outlook

The disruption brought in by COVID-19 has forced people to stay indoors and has led to restrictions on social gatherings and greatly reduced people to people contact. The new normal has led to the increase in demand for content as people are spending most of their time indoors. Even the pattern of content consumption and consumer behaviour has changed. As the cinema halls and malls remain shut, the audience has converged on the OTT platforms (digital platforms) and these platforms continue to gain popularity at the expense of other sources of entertainment, including television channels.

The pandemic has made the Company re-strategize operational and legal aspects of the business, such as project timelines, production costs and schedules. The Company has a large content library, of its own as well as on its group OTT platform Eros Now, and with the rise in new content consumption patterns, its existing content is becoming more valuable.

We expect the resumption of normalcy to be marked by the recovery of the sector and provide all the players in the M&E space, across mediums and segments, a much-needed boost and the Company is well prepared with its existing huge content library to exploit any and all digital opportunities that come its way in the meantime.

### Cautionary Statements

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments in India or globally, demand and supply conditions in the industry, changes in Government regulations, tax laws, litigations, employee relations and others.

# DIRECTORS' REPORT

To  
The Members  
Eros International Media Limited

Your Board of Directors are pleased to present 27<sup>th</sup> Annual Report of Eros International Media Limited (hereinafter referred to as "the Company") covering the business, operations and Audited Financial Statements of the Company for the financial year ended 31 March 2021.

## 1. FINANCIAL RESULTS

The Financial Performance of your Company for the year ended 31 March 2021 is summarized below:

₹ in lakhs

Particulars	Standalone Year Ended		Consolidated Year Ended	
	2020-21	2019-20	2020-21	2019-20
Sales and other Income	31,264	72,447	38,873	93,386
<b>Profit / (Loss) before exceptional items &amp; tax</b>	<b>(15,847)</b>	<b>(9,934)</b>	<b>(15,000)</b>	<b>(6,194)</b>
Exceptional (loss)/ gain	Nil	(127,850)	(2,301)	(155,352)
<b>Profit / (Loss) Before Tax</b>	<b>(15,847)</b>	<b>(137,784)</b>	<b>(17,301)</b>	<b>(161,546)</b>
Less: Tax Expenses / (Credit)	1,136	(21,711)	785	(21,425)
<b>Net Profit / (Loss) from the year from continuing operation</b>	<b>(16,983)</b>	<b>(116,073)</b>	<b>(18,086)</b>	<b>(140,121)</b>
<b>Profit / (Loss) for the year attributable to:</b>				
Equity shareholders of the Company	-	-	(18,026)	(140,521)
Non-controlling interests	-	-	(60)	400
<b>Other comprehensive income (net of taxes)</b>	<b>(14)</b>	<b>95</b>	<b>(2,825)</b>	<b>7,811</b>
<b>Total comprehensive income/ (loss) for the year</b>	<b>(16,997)</b>	<b>(115,978)</b>	<b>(20,911)</b>	<b>(132,310)</b>
<b>Attributable to:</b>				
Equity shareholders of the Company	-	-	(20,851)	(132,710)
Non-controlling interests	-	-	(60)	400
<b>EPS (Diluted) in ₹</b>	<b>(17.74)</b>	<b>(121.48)</b>	<b>(18.90)</b>	<b>(147.06)</b>

## 2. FINANCIAL PERFORMANCE

On a consolidated basis, the Company has recorded lower revenues of ₹ 38,873 lakhs as compared to previous year of ₹ 93,386 lakhs on account of COVID-19. The loss before tax amounted to ₹ 17,301 lakhs as against previous year loss of ₹ 1,61,546 lakhs. The loss after tax attributable to equity shareholders was ₹ 18,086 lakhs as compared to previous year loss of ₹ 1,40,521 lakhs. Diluted EPS increased to ₹ (18.90) as compared to previous year ₹ (147.06). The reported loss in current financial year was on account of COVID-19 outbreak and resulting measures taken by government of India to contain the virus and the said lockdown has significantly affected our business during financial year 2020-21.

On standalone basis, the Company has recorded lower revenues of ₹ 31,264 lakhs as compared to previous year of ₹ 72,447 lakhs due to COVID-19. The loss before tax amounted to ₹ 15,847 lakhs as against previous year loss of ₹ 9,934 lakhs. The loss after tax stood at ₹ 16,983 lakhs as compared to previous year loss of ₹ 1,16,073 lakhs. Diluted EPS increased to ₹ (17.74) as compared to previous year ₹ (121.48). The reported loss in current financial year was on account of COVID-19 outbreak and resulting measures taken by government of India to contain the virus and the said lockdown has significantly affected our business during financial year 2020-21.

## 3. OPERATIONAL PERFORMANCE

We continue as a global company in the Indian film entertainment industry that co-produces, acquires and distributes Indian language films in multiple formats worldwide. We have a multi-platform business model and derive revenues from multiple distribution channels.

Our content strategy leverages on multi-verse unique IP development, high concept, new talent films, franchises and multilingual co-productions. The Indian audience's propensity to consume content in local language has been increasing, and in recent times regional films are breaking language barriers as they cross over with dubbed versions to other markets especially the Hindi market. The regional industry also has strong releases in the next year and the market is only expected to expand further.

Our Company's key asset is extensive film library. In an effort to reach a wide range of audiences, we maintain rights to a diverse portfolio of films spanning various genres, generations and languages. These include rights to films in Hindi and several regional languages, Tamil, Telugu, Kannada, Marathi, Bengali, Malayalam and Punjabi.

On 30 July 2020, our ultimate parent company, Eros International Plc changed its name to Eros STX Global Corporation pursuant to the merger with STX Entertainment, merging two marquee international media and entertainment groups. The combination of one of the largest Indian OTT players and premier studio with one of Hollywood's fastest-growing independent media companies has created an entertainment powerhouse with a presence in over 150 countries. ErosSTX delivers star-driven premium feature film and episodic content across a multitude of platforms at the intersection of the world's most dynamic and fastest-growing global markets, including US, India, Middle East, Asia and China. The company also owns the rapidly growing OTT platform Eros Now which has rights to over 12,000 films across Hindi and regional languages. Eros STX Global Corporation, ("ErosSTX") (NYSE: ESGC) is poised as a global entertainment company that acquires, co-produces and distributes films, digital content & music across multiple formats such as theatrical, television and OTT digital media streaming to consumers around the world.

**Impact of COVID-19 on the business of the company:**

As you are aware, due to the outbreak of novel coronavirus (COVID-19) in China and then eventually spreading rapidly to various countries across the Globe, including India, the said Coronavirus has been declared as pandemic by WHO and hence the entire global market scenario has been changed with respect to investments in various businesses. It has hit very badly, and various businesses are adversely affected leaving a greater effect on cashflows. These are significant unanticipated events impacting the entire global economy across industries, and our industry in particular, as it depends on theatrical revenues in a significant way. The closure of theatres in India and worldwide for an indefinite period has created an unprecedented uncertainty, and though we remain sanguine about the future, it is increasingly becoming difficult to predict cash flows in near term.

The Company was unable to release its films in theaters due to total lockdown or operation of theaters with limited capacity. The film 'Haathi Mere Saathi' was released in theaters on 26 March, 2021. However due to second wave of COVID-19 the said release was also impacted. Considering the present circumstances of COVID-19 pandemic, we are left with no option but to defer the release of our film indefinitely till the situation is improved, so that revenues of our said film can be optimized and improve our cashflows to better serve our commitments to our stakeholders. Your good selves must also be aware that, recently various Cinema Halls, Educational Institutions, Malls or any mass gatherings are being shut down for few days in India and in many countries worldwide and the same will have an adverse impact on all the businesses.

The Company on 22 June 2021 had implemented One Time Restructuring (OTR) with consortium bankers as per the circular on 'Resolution Framework for COVID-19 Stress' issued by Reserve Bank of India dated 6 August 2020.

**Post COVID-19 Scenario:**

The onslaught of the COVID-19 pandemic has changed the social lives of people across regions and economic sections. The lockdowns and restriction on movement of people has not only led to an increased demand for content but has also changed content consumption patterns. While traditional and outdoor mediums of distribution of content, such as cinema theatres, continue to be unavailable; the home consumption mediums, such as television channels and OTT platforms (digital platforms) have gained even more popularity and viewership. Going forward, we along with our industry have started re-thinking various operational and legal aspects of the business, such as project timelines, production costs and schedules, legal commitments etc., in order to adjust to the 'new normal' being presented to the world.

Our group OTT platform Eros Now, where a large chunk of the content library comprises of our own contents and acquired contents, we have also started thinking of innovative ways of updating our existing content libraries. Given a rise in demand for content and increasing viewership, and the halts in production of new content, existing content is likely to become more valuable.

Given the above, while the media and entertainment sector is currently grappling with various challenging issues, however, as people strive to return to normalcy, eventually our sector may be amongst the first few to recover and continue to provide to everyone across all mediums and segments, the much-needed entertainment and, we are ready for the same with our huge existing content library to grab the digital opportunities.

**4. DIVIDEND**

In view of losses, your Directors do not recommend any dividend to its members for the financial year 2020-21.

The Dividend Distribution policy adopted by the Company in terms of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"). This Policy is uploaded on the website of the Company at [www.eiml.site](http://www.eiml.site).

**5. RESERVES**

The Company has not transferred any amount to the general reserve during the current financial year.

**6. EMPLOYEES' STOCK OPTION SCHEME & CHANGES IN SHARE CAPITAL**

During the year under review, the Nomination and Remuneration Committee of the Board had issued and allotted 46,568 Equity Shares of the Company to its employees against exercise of equal number of stock options pursuant to Eros Employee Stock Option Scheme 2009 ("EROS ESOP 2009") and 1,89,227 Equity Shares of the Company to its employees against exercise of equal number of stock options pursuant to Eros Employee Stock Option Scheme 2017 ("EROS ESOP 2017"). This resulted in increase in the Company's Paid up Share Capital to ₹ 95,86,48,180 as on 31 March 2021 as against ₹ 95,62,90,230 in the previous year.

The disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated 16 June 2015, is attached to this report as **Annexure A** hereto and is also available on website of the Company at [www.eiml.site](http://www.eiml.site). A certificate from the statutory auditors certifying that both the schemes viz. EROS ESOP 2009 and EROS ESOP 2017 has been implemented in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolution(s) passed by the members would be available for inspection by the members.

**7. SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES**

As on 31 March 2021, the Company has 11 subsidiaries. There has been no material change in the nature of the business of the Company and its subsidiaries. Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiaries and joint venture, its performance and financial position is provided in the prescribed Form AOC-1 attached to this Report as **Annexure B**.

None of the subsidiary companies except Copsale Limited (a British Virgin Island Company) is material subsidiary in terms of Regulation 16(c) of the SEBI Listing Regulations (as amended) and in accordance with Company's policy on "Determination of material subsidiaries", which is uploaded on the website of the Company at [www.eiml.site](http://www.eiml.site).

In accordance with Section 136 of the Act, the financial statements of the subsidiary companies are available for inspection by the members at the Corporate Office of the Company during business hours on all days except Saturdays, Sundays and public holidays between 11:00 A.M. to 1:00 P.M. up to the date of the Annual General Meeting of the Company. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Corporate Office of the Company.

The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company at [www.eiml.site](http://www.eiml.site).

**8. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Section 152(6) of the Act and in terms of the Articles of Association of the Company, Mr. Kishore



Lulla, Executive Director (DIN: 02303295) retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Mr. Pradeep Dwivedi was appointed as Executive Additional Director on the Board of the Company with effect from 14 August 2021 to hold office up to the date of the ensuing Annual General Meeting of the Company. The proposed resolution for appointment of Mr. Pradeep Dwivedi as Executive Director forms part of the Notice convening Annual General Meeting. Your Board recommends his appointment.

Mr. Sunil Srivastav, Independent Director has tendered his resignation due to pre-occupation and other commitments from the Board and its Committees with effect from 14 August 2021. The Board places its gratitude for his valuable contributions during his tenure as Independent Director of the Company.

During the year, Mr. Farokh P. Gandhi was appointed as Executive Director on the Board of the Company in addition to the Chief Financial Officer of the Company with effect from 9 November 2020 and had resigned from the Board of Directors and also from the post of Chief Financial Officer of the Company with effect from 14 August 2021. The Board places its gratitude for his valuable contributions during his tenure as Director & Chief Financial Officer of the Company.

As per the provisions of the Act, Independent Directors have been appointed for a period of five years and shall not be liable to retire by rotation. All other Directors, except Managing Director, are liable to retire by rotation at the Annual General Meeting of the Company.

The brief details of the Directors proposed to be appointed/ re-appointed as required under Secretarial Standard 2 issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI Listing Regulations is provided in the Notice convening Annual General Meeting of the Company.

All the Directors of the Company have confirmed that they are not disqualified to act as Director in terms of Section 164 of the Act.

As on the date of this Report, Mr. Sunil Arjan Lulla, Managing Director, Mr. Pradeep Dwivedi, Director & Chief Executive Officer and Mr. Vijay Thaker, VP-Company Secretary & Compliance Officer are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51) read with Section 203 of the Act.

#### **Declaration of Independence by Independent Directors & adherence to the Company's Code of Conduct for Independent Directors**

All the Independent Directors of the Company have submitted their disclosure to the effect that they fulfill all the requirements/ criteria of independence as per Section 149(6) of the Act and SEBI Listing Regulations and they have registered their names in the Independent Directors' Databank. Further, all the Independent Directors have affirmed that they have adhered and complied with the Company's Code of Conduct for Independent Directors which is framed in accordance with Schedule IV of the Act.

#### **Board Meetings conducted during the Year**

The Board met four (4) times during the financial year under review, the details of which are given in the Corporate Governance Report that forms part of this Report.

#### **Constitution of various Committees**

The Board of Directors of the Company has constituted following Committees:

- a. Audit Committee

- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship Committee
- d. Corporate Social Responsibility Committee
- e. Management Committee

Details of each of the Committees stating their respective composition, terms of reference and others are uploaded on our website at [www.eiml.site](http://www.eiml.site) and are stated in brief in the Corporate Governance Report attached to and forming part of this Report.

#### **Annual Evaluation of Board, its Committees and Individual Directors**

The Company has devised a Policy for performance evaluation of the Board, its Committees and other individual Directors (including Independent Directors) which includes criteria for Performance Evaluation of the Non-Executive Directors and Executive Directors. The evaluation process *inter alia* considers attendance of Directors at Board and Committee Meetings, acquaintance with business, communicating *inter se* Board Members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines.

The Board carried out annual evaluation of the performance of the Board, its Committees and Individual Directors and Chairman. The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee Members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees. The reports on performance evaluation of the individual Directors were reviewed by the Chairman of the Board.

#### **Familiarization Programme for Independent Directors**

Familiarization Programme for Independent Directors is mentioned at length in Corporate Governance Report attached to this Report and the details of the same have also been disclosed on the website of the Company at [www.eiml.site](http://www.eiml.site).

#### **Policy on appointment and remuneration and other details of directors**

The remuneration paid to the Directors is in line with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Company's policy on directors' appointment and remuneration and other matters as provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of this Report.

A detailed statement of disclosure required to be made in accordance with the Nomination and Remuneration Policy of the Company, disclosures as per the Act and applicable Rules thereto is attached to this Report as **Annexure C** hereto and forms part of this Report.

## **9. AUDITORS & AUDITORS' REPORT**

Chaturvedi & Shah LLP, (Firm Registration No. 101720W/ W100355) were appointed as Statutory Auditors of the Company at the 23<sup>rd</sup> Annual General Meeting of the Company held on 28 September 2017 for the term of Five (5) years i.e. from the conclusion of 23<sup>rd</sup> Annual General Meeting until the conclusion of 28<sup>th</sup> Annual General Meeting, to be held in the calendar year 2022. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

**Auditors' Report**

There are no qualifications, adverse remarks reservations or disclaimer made by Chaturvedi & Shah LLP, Statutory Auditors, in their audit report for the financial year ended 31 March 2021 except for one qualification with regards to Internal Financial Control for content advances. The notes to the Accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further explanation and comments.

Pursuant to provisions of Section 143(12) of the Act, the Statutory Auditors have not reported any incidence of fraud to the Audit Committee during the year under review.

**10. SECRETARIAL AUDITORS' AND ITS REPORT**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed S.G & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report for the financial year ended 31 March 2021 in the prescribed Form MR - 3 is attached to this Report as **Annexure D**, which is self-explanatory.

**11. PARTICULARS OF EMPLOYEES**

The requisite disclosures in terms of the provisions of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with statement showing names and other particulars of employees drawing remuneration in excess of the limits prescribed under the said Rules is attached to this Report as **Annexure E**.

**12. LOANS, GUARANTEES OR INVESTMENTS**

Particulars of loans given, investments made or guarantees given or security provided by the Company as required under Section 186(4) of the Act and the SEBI Listing Regulations are contained in Notes to the Standalone Financial Statements of the Company forming part of this Annual Report.

**13. RELATED PARTY TRANSACTIONS**

In line with the requirements of the Act and SEBI Listing Regulations, your Company has formulated policy on Related Party Transactions duly approved by the Board, which is also available on the Company's website at [www.eiml.site](http://www.eiml.site). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were on an arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Act and SEBI Listing Regulations. Prior omnibus approval had been obtained for the transaction which are foreseeable and repetitive in nature and such transactions are reported on a quarterly basis for review by the Audit Committee as well as the Board.

Pursuant to Section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts/arrangements/transactions entered into with related parties during the financial year 2020-2021 in terms of Section 188(1) of the Act and applicable Rules made thereunder, in the prescribed Form AOC-2 is attached to this Report as **Annexure F**.

All other contracts/arrangements/transactions with related parties, are in the usual course of business and at arm's length basis and stated in Notes to Accounts to the Financial Statements of the Company forming part of this Annual Report.

**14. WHISTLE BLOWER / VIGIL MECHANISM**

Your Company promotes ethical behavior in all its business activities and your Company has adopted a Policy on Vigil

Mechanism and Whistle Blower in terms of Section 177(9) and Section 177(10) of the Act and Regulation 22 of the SEBI Listing Regulations for receiving and redressing complaints from employees, directors and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud.

The Policy is appropriately communicated within the Company across all levels and has been displayed on the Company's intranet for its employees and website at [www.eiml.site](http://www.eiml.site) for stakeholders.

Protected disclosures are made by a whistle blower in writing to the Ombudsman on Email ID at [whistleblower@erosintl.com](mailto:whistleblower@erosintl.com) and under the said mechanism, no person has been denied direct access to the Chairperson of the Audit Committee. The Audit Committee and Stakeholders Relationship Committee periodically reviews the functioning of this Mechanism.

**15. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has formulated a Policy on Prevention of Sexual Harassment at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the Policy. Further, the Company has constituted an Internal Complaints Committee, where employees can register their complaints against sexual harassment.

**16. ANNUAL RETURN**

The Annual Return of the Company as on 31 March 2021 is available on the Company's website and can be accessed at [www.eiml.site](http://www.eiml.site).

**17. INSURANCE**

All the insurable interests of your Company including properties, equipment, stocks etc. are adequately insured.

**18. DEPOSITS**

Your Company has not accepted any deposit from public under Chapter V of the Act.

**19. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained, in terms of Section 134 of the Act, your Directors confirms that:

- in the preparation of the annual accounts for the financial year ended 31 March 2021, the applicable Accounting Standards read with the requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2021 and of the loss of the Company for the year ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a 'going concern' basis;
- internal financial controls were followed by the Company and such internal financial controls are adequate and are operating effectively. However, due to COVID-19 advances are given to various production houses for development

and acquisition of movie content. On completion, advances are converted into film rights which are exploited. Entire film industry has been badly affected by COVID-19. Given the uncertain situation arising due to COVID-19, which are not within the control of the Company, production activities of movies for which advances are given have been temporary suspended. Management is evaluation alternatives for further development or refund of advances for each project ongoing basis. The control in this respect could be further strengthen and documented, once uncertainties arising due to COVID-19 is settled; and

- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## 20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE

Your Company is into the business of production, acquisitions, marketing and distributions of cinematograph films. Since this business does not involve any manufacturing activity, the Information required to be provided under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, are not applicable to the Company. However, the Company has been continuously and extensively using technology in its business operations.

The particulars of foreign currency earnings and outgo are as under:

₹ in lakhs

Particulars	Year ended	Year ended
	31 March 2021	31 March 2020
Expenditure in foreign currency	100	216
Earnings in foreign currency	15,160	55,673

## 21. INTERNAL FINANCIAL CONTROLS

Your Company maintains adequate and effective internal control systems which commensurate with the nature, size and complexity of its business and ensure orderly and efficient conduct of the business. The internal control systems of the Company are routinely tested and verified by Internal Auditors and significant audit observations and follow-up actions are reported to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control requirement and monitors the implementation of audit recommendations.

## 22. CORPORATE GOVERNANCE

Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and ongoing process. A detailed Report on Corporate Governance practices followed by your Company, in terms of the SEBI Listing Regulations together with a Certificate from the Secretarial Auditor confirming compliance with the conditions of Corporate Governance are provided separately in this Annual Report.

## 23. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 and Schedule V of the SEBI Listing Regulations, Management Discussion and Analysis Report is presented in separate sections forming part of this Annual Report.

## 24. CORPORATE SOCIAL RESPONSIBILITY

The disclosures on Corporate Social Responsibility activities, as required under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, are reported in **Annexure G** forming part of this Report and is also available on the website of the Company at [www.eiml.site](http://www.eiml.site).

## 25. RISK MANAGEMENT

The Audit Committee of the Board has been vested with powers and functions relating to Risk Management, which inter alia includes (a) review of risk management policies and business processes to ensure that the business processes adopted and transactions entered into by the Company are designed to identify and mitigate potential risk; (b) laying down procedures relating to Risk assessment and minimization.

The objective of the risk management framework is to enable and support achievement of business objectives through risk intelligent assessment while also placing significant focus on constantly identifying and mitigating risks within the business. Further details on the Company's risk management framework is provided in the Management Discussion and Analysis report.

## 26. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and till the date of this Report.

## 27. DETAILS OF SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## 28. OTHER DISCLOSURES

- During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);
- Your Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Meeting of Board of Directors [SS-1] and General Meetings [SS-2];
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

## 29. ACKNOWLEDGEMENTS

The Board of Directors take this opportunity to express their sincere appreciation for support and co-operation from the Banks, Financial Institutions, Members, Vendors, Customers and all other business associates.

Your Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by the employees at all levels. Your Directors also wish to place on record their gratitude to all the stakeholders for their continued support and confidence.

### For and on behalf of the Board of Directors

**Sunil Arjan Lulla**  
Executive Vice Chairman  
& Managing Director  
DIN: 00243191

**Sunil Srivastav**  
Non-Executive  
Independent Director  
DIN: 00237561

Place: Mumbai  
Date: 14 August 2021

# Annexure A

## DISCLOSURE PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 FOR THE FINANCIAL YEAR 2020-21

		Eros Employee Stock Option Scheme 2009				Eros Employee Stock Option Scheme 2017						
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	Total
<b>Date of Shareholders Approval</b>		4 December 2009										
<b>Total number of options approved under the Scheme</b>	<b>options approved 5% of the issued paid up share capital as on grant Date</b>	5% of the issued paid up share capital as on grant Date										
<b>Grant dates</b>		<b>17-Dec-09</b>	<b>12-Aug-10</b>	<b>1-Jul-12</b>	<b>14-Oct-13</b>	<b>12-Nov-14</b>	<b>12-Feb-15</b>	<b>9-Feb-16</b>	<b>10-Feb-17</b>	<b>14-Nov-17</b>	<b>8-Feb-18</b>	
(a) <b>Eros Employee Stock Option Scheme 2009</b>		1,729,512	83,628	571,160	300,000	552,961	139,000	966,009	282,227	822,190	41,824	5,488,511
	Options Granted during the year 2009-2010 (refer to Column A),											
	Options Granted during the year 2010-2011 (refer Column B),											
	Options Granted during the year 2012-2013 (refer Column C),											
	Options Granted during the year 2013-2014 (refer column D),											
	Options Granted during the year 2014-2015 (refer column E),											
	Options Granted during the year 2014-2015 (refer column F),											
	Options Granted during the year 2015-2016 (refer column G),											
	Options Granted during the year 2016-2017 (refer column H),											
	<b>Eros Employee Stock Option Scheme 2017</b>											
	Options Granted during the year 2017-2018 (refer column I & J),											
(b) Pricing Formula												
	Discount to Fair Value	At a Discount ranging from Nil to 50% to Fair value (₹ 175/-)	At a Discount ranging from 20% to 50% to Fair value (₹ 175/-)	At a Discount of 57.15% to Fair Value (₹ 175/-)	At Nil Discount to Fair Value	At a Discount of approx 94 % to Fair Value (₹ 284/-)	At a Discount of approx 98% to Fair Value (₹ 376/-)	At a Discount of approx 95% to Fair Value (₹ 190/-)	At a Discount of approx 95% to Fair Value (₹ 188/-)	At a Discount of approx 95% to Fair Value (₹ 200.60)	At a Discount of approx 95% to Fair Value (₹ 190.45)	
(c) Options vested		1,046,552	79,128	571,160	180,000	509,384	93,000	945,693	247,115	684,783	41,824	4,398,639
(d) Options exercised		1,019,791	76,128	360,000	60,000	486,702	93,000	802,303	167,400	449,700	41,824	3,556,848
(e) Total number of shares arising as a result of exercise of options		1,019,791	76,128	360,000	60,000	486,702	93,000	802,303	167,400	449,700	41,824	3,556,848
(f) Options lapsed (as at 31 March 2021)		709,721	7,500	211,160	120,000	66,259	46,000	154,557	108,746	307,797	-	1,731,740

		Eros Employee Stock Option Scheme 2009				Eros Employee Stock Option Scheme 2017						
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	Total
<b>Date of Shareholders Approval</b>		4 December 2009		27 September 2017		27 September 2017		27 September 2017		27 September 2017		Total
<b>Total number of options approved under the Scheme</b>		5% of the issued paid up share capital as on grant Date		5% of the issued paid up share capital as on grant Date		5% of the issued paid up share capital as on grant Date		5% of the issued paid up share capital as on grant Date		5% of the issued paid up share capital as on grant Date		5% of the issued paid up share capital as on grant Date
<b>Grant dates</b>		17-Dec-09	12-Aug-10	1-Jul-12	14-Oct-13	12-Nov-14	12-Feb-15	9-Feb-16	10-Feb-17	14-Nov-17	8-Feb-18	
(g) Variation of terms options		Fair Market value of ESOP 2009 scheme is revised from ₹ 200 to ₹ 175	Fair Market value of ESOP 2009 scheme is revised from ₹ 200 to ₹ 175	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(h) Money realized by exercise of options (upto 31 March 2021)		139,542,885	6,609,600	27,000,000	9,000,000	4,867,020	930,000	8,013,090	1,674,000	4,513,067	418,240	202,567,902
(i) Total number of options in force (as at 31 March 2021)		-	-	-	120,000	-	-	9,149	6,081	64,693	-	1,99,923
1 Employee wise details of options granted to Senior Management		Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below
2 Employees to whom more than 5% options granted during the year		Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below	Detailed below
3 Employees to whom options more than 1% of issued capital granted during the year		Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(k) Diluted EPS, pursuant to issue of shares on exercise of options		The diluted EPS will be ₹ (121.48) 10 per share, lower by ie ₹ NIL. There is no dilution.										
(l) Method of calculation of employee compensation cost		Calculation is based on intrinsic value method										
2 Intrinsic Value per share (in ₹)		28.09	88.18	100.00	-	282.35	376.20	189.95	188.00	200.60	190.45	
3 Difference between the above and employee compensation cost that shall have been recognized if it had used the fair value of the options		Cost has been recognized using fair value.										
4 Impact of this difference on Profits and on EPS of the Company		Not Applicable.										
(m) Weighted average exercise price (in ₹)		118.42	91.14	75.00	150.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

	Eros Employee Stock Option Scheme 2009				Eros Employee Stock Option Scheme 2017						
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	Total
<b>Date of Shareholders Approval</b>	4 December 2009										
<b>Total number of options approved under the Scheme</b>	5% of the issued paid up share capital as on grant Date										
<b>Grant dates</b>	<b>17-Dec-09</b>	<b>12-Aug-10</b>	<b>1-Jul-12</b>	<b>14-Oct-13</b>	<b>12-Nov-14</b>	<b>12-Feb-15</b>	<b>9-Feb-16</b>	<b>10-Feb-17</b>	<b>14-Nov-17</b>	<b>27 September 2017</b>	<b>8-Feb-18</b>
2 Weighted average fair value of options based on Black Scholes methodology (in ₹)	114.64	95.25	122.19	55.49	284.07	379.69	189.19	179.37	193.28		183.28
(n) Significant assumptions used to estimate fair value of options including weighted average											
1 Risk free interest rate	6.30%	6.50%	8.36%	8.57%	8.50%	7.74%	7.59%	6.51%	6.90%		7.38%
2 Expected life	5.25 years	5.25 years	5.5 years	4.5 years	3.5- 6.5 years	3.0-4.5 years	3.5-5.5 years	3.5 years	4.5 years		4.5 years
3 Expected volatility (based in competitor companies volatility)	75%	60%	44%	35%	37.84%	40.11%	46.46%	48.66%	56.53%		53.15%
4 Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil		Nil
5 Closing market price of share on a date prior to date of grant (Fair market value in absence of listing) (in ₹)	175	175	168.65	144.75	291.45	386.3	199.95	199.85	200.75		190.5
<b>Options granted to Senior Management Personnel (including more than 5%) during the year</b>					<b>Options Granted</b>	<b>Option Exercised</b>	<b>Options Lapsed</b>	<b>Options in force</b>			
Kumar Ahuja					NIL	24,230	NIL	NIL			13,230
Nandu Ahuja					NIL	37,104	NIL	NIL			1,32,053

# Annexure B

## Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 of Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### Part "A": Subsidiaries

₹ in lakhs

Sr No	Name of Subsidiary	Date since Subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	Share Capital	Reserves & Surplus	Other Liabilities	Total Liabilities	Total Assets	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding
1	Eros International Films Private Limited	31 March 1997	31 March 2021	INR 1.00	2,000.00	(80.50)	8,032.67	9,952.17	9,952.17	0.07	1,480.50	307.69	209.88	97.81	Nil	100.00%
2	Copsale Limited	11 February 1999	31 March 2021	USD 73.17	44.95	88,425.79	532.65	89,003.39	89,003.39	-	5,654.54	597.53	-	597.53	Nil	100.00%
3	Bigsreen Entertainment Private Limited	17 January 2007	31 March 2021	INR 1.00	1.00	38.21	120.43	159.64	159.64	-	-	(0.60)	37.49	(38.10)	Nil	64.00%
4	Eyeqube Studios Private Limited	31 October 2007	31 March 2021	INR 1.00	1.00	56.13	1.02	58.15	58.15	-	11.44	9.20	(1.70)	10.89	Nil	100.00%
5	EMPublishing Private Limited	25 March 2009	31 March 2021	INR 1.00	1.00	(16.11)	16.80	1.69	1.69	-	6.30	4.03	0.38	3.65	Nil	100.00%
6	Eros Animation Private Limited	02 January 2009	31 March 2021	INR 1.00	1.00	(3.59)	2.79	0.20	0.20	-	-	(0.58)	-	(0.58)	Nil	100.00%
7	Digiticine Pie Ltd	30 March 2012	31 March 2021	USD 73.17	0.04	(822.06)	2,898.29	2,076.28	2,076.28	-	-	(1,075.50)	-	(1,059.50)	Nil	100.00%
8	Colour Yellow Productions Private Limited	23 May 2014	31 March 2021	INR 1.00	1.00	2,578.43	20,735.22	23,314.65	23,314.65	-	1,019.74	(103.07)	12.36	(93.95)	Nil	50.00%
9	ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	01 August 2015	31 March 2021	INR 1.00	1.00	(625.47)	5,265.46	4,640.99	4,640.99	-	837.88	(1,077.33)	(510.34)	(566.99)	Nil	100.00%

Note: 1) Eros International Distribution LLP, subsidiary of the Company incorporated on 11 December 2015 has not yet commenced the operations.

2) Reliance Eros Productions LLP, subsidiary of the Company has filed an application for striking off the name of said LLP on 1 August 2020.

### Part "B": Associates and Joint Ventures

Not Applicable

## Annexure C

Information required under Section 197 of the Companies Act, 2013, read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

### A. Ratio of remuneration of each Directors/KMP to the median remuneration of the employees of the Company for the financial year 2020-21 is as follows:

Name of Director/KMP	Total remuneration (Amount in ₹)	Ratio of remuneration of director to the Median remuneration
Mr. Sunil Arjan Lulla	5,20,85,724	98.68
Mr. Dharendra Swarup	7,20,000	1.36
Mr. Rakesh Sood	3,20,000	0.61
Mr. Sunil Srivastav	6,00,000	1.14
Ms. Bindu Saxena	4,40,000	0.83
Mr. Pradeep Dwivedi	2,15,00,000	40.73
Mr. Farokh Gandhi	79,18,560	15.00
Mr. Vijay Thaker	36,00,000	6.82

#### Notes:

- The above information is on standalone basis
- The aforesaid details are calculated on the basis of remuneration for the financial year 2020-21.
- The remuneration to Directors includes sitting fees paid to them for the financial year 2020-2021

### B. Percentage increase/(decrease) in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2020-21 are as follows:

Name of Director	Designation	Remuneration (in ₹)		Increase/ (Decrease) in %
		2020-21	2019-20	
Mr. Dharendra Swarup	Non Executive Independent Director	7,20,000	7,20,000	-
Mr. Sunil Arjan Lulla	Executive Vice Chairman & Managing Director	5,20,85,724	5,26,85,724	(1.14)
Mr. Sunil Srivastav	Non Executive Independent Director	6,00,000	3,60,000	66.67
Ms. Bindu Saxena	Non Executive Independent Director	4,00,000	80,000	Refer Note No. 2
Mr. S. Lakshminarayanan	Non Executive Independent Director	-	4,00,000	Refer Note No. 3
Mr. Rakesh Sood	Non Executive Independent Director	3,20,000	7,20,000	Refer Note No. 4
Mr. Pradeep Dwivedi	Chief Executive Officer	2,15,00,000	37,18,068	Refer Note No. 5
Mr. Farokh P Gandhi	Chief Financial Officer	79,18,560	79,18,560	-
Mr. Vijay Thaker	VP - Company Secretary & Compliance Officer	36,00,000	21,60,542	Refer Note No. 6

#### Note:

- No Commission was paid to Non-Executive Independent Directors for the financial year 2020-21 due to loss.
- Ms. Bindu Saxena was appointed as Non-Executive Additional Independent Director w.e.f 26 September 2019.
- Mr. S. Lakshminarayanan ceased to be Non-Executive Independent Director of the Company w.e.f 20 June 2020.
- Mr. Rakesh Sood ceased to be Non-Executive Independent Director of the Company w.e.f 6 October 2020.
- Mr. Pradeep Dwivedi was appointed as Chief Executive Officer (India) w.e.f 10 February 2020.
- Mr. Vijay Thaker was appointed as VP - Company Secretary & Compliance Officer w.e.f. 13 August 2019.

### C. Percentage decrease in the median remuneration of employees in the financial year 2020-21:

Particulars	2020-21 Amt in ₹	2019-20 Amt in ₹	% Change
Median Remuneration of all employees per annum	527,850	661,896	(25.39)

### D. Number of permanent employees on the rolls of the Company as on 31 March 2021 :

As on 31 March 2021, the Company has 191 permanent employees on its payroll, as compared to 277 employees as at 31 March 2020.



**E. Comparison of average percentile increase in salary of employees other than the key managerial personnel and the percentage increase in the key managerial remuneration:**

<b>Particulars</b>	<b>2020-21 Amt in ₹</b>	<b>2019-20 Amt in ₹</b>	<b>% Change</b>
Average salary of all employees (other than Key Managerial Personnel)	1,292,123	1,445,060	(10.58)

**F** The key parameters for any variable component of Remuneration availed by the Directors are considered by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee as per the Remuneration Policy of the Company.

**G. Affirmation:**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company hereby affirms that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

**Secretarial Audit Report**

For the Financial Year ended 31<sup>st</sup> March, 2021

To  
The Members  
**Eros International Media Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Eros International Media Limited** (hereinafter called the **Company**).

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (External Commercial Borrowing not applicable during the audit period);
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to Company during the Audit period);
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

I have examined all the other applicable laws to the Company on the basis of the representations made by the Management.

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in

advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

**I further report that** there are adequate systems and processes in the company to commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** there were no instances of:

- i. Public / Rights / Preferential issue of shares / debentures / sweat equity.
- ii. Buy-Back of securities.
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations

**For SG and Associates  
Practicing Company Secretaries**

**Suhas Ganpule  
Proprietor**

Membership No: 12122

C. P No: 5722

UDIN: A012122C000440761

Date: 10.06.2021

Place: Mumbai

#### **Annexure 'A'**

To  
The Members  
**Eros International Media Limited**  
Mumbai

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. In consideration of the restrictions for physical visit to client office due to spread of Covid-19 pandemic, we have relied on electronic data for verification of certain records as the physical verification was not possible.

**For SG and Associates  
Practicing Company Secretaries**

**Suhas Ganpule  
Proprietor**

Membership No: 12122

C. P No: 5722

UDIN: A012122C000440761

Date: 10.06.2021

Place: Mumbai

## Annexure E

## Particulars of Employees as per Rule 5 of Companies (Appointment and Remuneration) Rules, 2014 for the financial year ended 31 March 2021

Sr No.	Name of Employee	Designation	Remuneration (in ₹)	Qualification	Experience	Date of commencement of employment with the Company	Age of Employee	Last employment held by such employee before joining the Company	No. of Equity Shares	% of Equity Shares	Relation of employee with Directors of the Company
1	Mr. Sunil Arjan Lulla	Executive Vice Chairman & Managing Director	5,20,85,724	Bachelor of Commerce	28 yrs +	19-Aug-94	57 Years	-	1,400	0.00%	Brother of Mr. Kishore Arjan Lulla
2	Mr. Kumar Ahuja	Chief Operating Officer	3,91,66,280	S.Y.C Commerce	21 yrs +	22-Apr-99	42 Years	-	79,000	0.08%	-
3	Mr. Pradeep Dwivedi	Chief Executive Officer - India	2,15,00,000	B.Sc., MBA	27 yrs	27-Jan-20	50 Years	Sakal Media Group	0	0.00%	-
4	Mr. Nandul Ahuja	Senior Vice President - India Theatrical	8,739,840	Bachelor of Commerce	37 yrs +	27-Jan-09	57 Years	Balaji Motion Pictures Limited	51,787	0.05%	-
5	Ms. Krishika Lulla	Creative Producer	8,065,200	Bachelor of Arts	9 yrs	1-Jan-15	49 Years	-	1,400	0.00%	Wife of Mr. Sunil Arjan Lulla
6	Mr. Farokh Gandhi	Chief Financial Officer	7,918,560	Chartered Accountant	28 yrs	9-Mar-18	52 Years	-	43	0.00%	-
7	Mr. Bishwarup Chakrabarti	Head Legal - Eros Digital	64,46,004	Master of Law (LLM)	18 Years	15-Jan-20	43 Years	Sony Network	0	0.00%	-
8	Ms. Shikha Kapur <sup>1</sup>	Chief Operating officer - Eros Studios	1,36,30,000	S. Y. B com	20 Years	11-June-20	44 Years	Disney Star	0	0.00%	-
9	Mr. Yogesh Tevatia <sup>1</sup>	Head of Productions - Eros Studios	56,95,587	Bachelor of Commerce	21 Years	4-Aug-20	50 Years	Netflix	0	0.00%	-
10	Ms. Rajitta Hemwani <sup>1</sup>	Business Head Music	33,36,999	Bachelor of Commerce	23 Years	9-Nov-20	50 Years	9XM Music	0	0.00%	-

## Notes:

<sup>1</sup> Gross remuneration comprises of Salary Allowances, monetary value of perquisites valued as per the rules under the Income Tax Act, 1961, Commission, Statutory Contribution to Provident Fund & Family Pension Fund and Superannuation Fund, but excludes contributions to Gratuity Fund

<sup>2</sup> All the above employees are on pay roll of the Company and their service can be terminated by notice on either side

<sup>3</sup> None of the employees mentioned above hold more than 2% of the shares of your Company, alongwith their spouse and dependent children

<sup>4</sup> Employed for part of a year and in receipt of Remuneration aggregating to ₹ 8,50,000/- or more per month.

# Annexure F

## Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

### 1. Details of contracts or arrangements or transactions not at arm's length basis :

(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	Nil
(c)	Duration of the contracts/arrangements/transactions	Nil
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
(e)	Justification for entering into such contracts or arrangements or transactions	Nil
(f)	Date(s) of approval by the Board	Nil
(g)	Amount paid as advances, if any	Nil
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	Nil

### 2. Details of material contracts or arrangement or transactions at arm's length basis exceeding 10% of Annual Consolidated turnover.

(a)	Name(s) of the related party	Eros World Wide FZ LLC	Eros Digital FZ LLC
(b)	Nature of relationship	Holding Company	Fellow Subsidiary
(c)	Nature of contracts/arrangements/transactions	Sale of film right, DVD/VCD, Reimbursement of expense, Interest Income	Revenue Attributable and Reimbursement of expense
(d)	Duration of the contracts /arrangements/transactions	Not Applicable	Not Applicable
(e)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Not Applicable	Not Applicable
(f)	Date(s) of approval by the Board, if any:	23 May 2019	23 May 2019
(g)	Amount ₹ lakhs	12,134	2,652

## Annexure G

## Corporate Social Responsibility Report

1. **A brief outline of the Company's CSR policy; including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR Policy and projects or programs.**
- The Company's CSR vision is to make concerted efforts towards promotion of education amongst the underprivileged and women empowerment.
- Besides this, the Company may also undertake other CSR activities listed in Schedule VII of the Companies Act, 2013.
- In accordance with the Company's CSR Policy and its vision, the Company is proposed to participate in CSR activities with various registered NGO which are engaged in promoting education, promoting and preventive health care, setting up old age homes, sanitation etc.
- The details of CSR Policy to be uploaded on the website at [www.eiml.site](http://www.eiml.site).

2. **The Composition of the CSR Committee**

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Dharendra Swarup	Chairman - Non-Executive Independent Director	1	1
2	Mr. Kishore Lulla	Executive Director	1	0
3	Mr. Sunil Lulla	Executive Director	1	1

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.** [www.eiml.site](http://www.eiml.site)
4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).** Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be setoff for the financial year, if any
1	2020-21	NA	0.00
<b>Total</b>		<b>0.00</b>	

6. **Average net profit of the company as per section 135(5) (for Immediately preceding three financial years)** ₹ (14,866.75) Lakhs

7. a) Two percent of average net profit of the company as per section 135(5) ₹ (297.34) Lakhs
- b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
- c) Amount required to be set off for the financial year, if any Nil
- d) Total CSR obligation for the financial year (7a + 7b - 7c). Nil

8. **(a) CSR amount spent or unspent for the financial year:**

Total amount spent for the Financial Year (In ₹)	Total Amount transferred to Unspent CSR Account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).				
		Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 17.55 Lakhs				NA		

## 8. (b) Details of CSR amount spent against ongoing projects for the financial year:

₹ in lakhs

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation-Direct (Yes /No)	Mode of Implementation - Through Implementing Agency
				State District						Name CSR Registration
										NA

## 8. (c) Details of CSR amount spent against other than ongoing projects for the financial year

₹ in lakhs

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Location District (State)	Amount spent for the project (in ₹)	Mode of Implementation-Direct (Yes /No)	Mode of Implementation - Through Implementing Agency
						Name CSR Registration
1	Rahkumari Ratnavati Girls School, Jaisalmer for the "Gyaan Project"	Education (Covered under clause no. (ii) of Schedule VII of the Companies Act, 2013)	West Bengal	1,25,000	Yes	NA
2	Contribution for "Maa Baap Nu Mandir"	Setting up old age home (Covered under clause no. (iii) of Schedule VII of the Companies Act, 2013)	Bhayander, Maharashtra	3,00,000	Yes	NA
3	Diksha (Developing Initiatives for Knowledge, Social and Humanitarian Activities)	Education (Covered under clause no. (ii) of Schedule VII of the Companies Act, 2013)	Palam Vihar, Gurgaon	3,00,000	Yes	NA
4	Viva College of Diploma Engineering & Technology at Bolinj	Education (Covered under clause no. (ii) of Schedule VII of the Companies Act, 2013)	Bolinj, Virar (West)	30,000	Yes	NA
5	Prevention of child sexual abuse	Promoting gender equality (Covered under clause no. (iii) of Schedule VII of the Companies Act, 2013)	Goregaon, Mumbai	5,00,000	Yes	NA
6	Mukul Madhav Foundation, Pune	Eradicating hunger & poverty (Covered under clause no. (i) of Schedule VII of the Companies Act, 2013)	Pune, Maharashtra	5,00,000	Yes	NA
			<b>Total</b>	<b>17,55,000</b>		

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable - Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - ₹ 17.55 Lakhs

(g) Excess amount for set off, if any - ₹ 17.55 Lakhs

Sr. No.	Particular	Amount (₹ In Lakhs)
(i)	Two percent of average net profit/loss of the company as per Section 135(5)	(297.34)
(ii)	Total amount spent for the Financial Year	17.55
(iii)	Excess amount spent for the financial year [(ii)-(i)]	17.55
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	17.55

## DIRECTORS' REPORT

### 9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any	Amount remaining to be spent in succeeding financial years. (in ₹)
			Not applicable		

### 9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No	Project Id.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project Completed / Ongoing
								Not applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - Not applicable

(asset-wise details)

- Date of acquisition of the capital asset(s): N.A.
- Amount of CSR spent for creation or acquisition of capital assets: N.A.
- Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.: N.A.
- Provide details of the capital assets(s) created or acquired (including complete address and location of the capital assets): N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - Not applicable

### For and on behalf of the Board

**Sunil Arjan Lulla**  
Executive Vice Chairman & Managing Director  
DIN: 00243191

**Dhirendra Swarup**  
Chairman of CSR Committee  
DIN: 02878434

Place: Mumbai

Date: 14 August 2021



# CORPORATE GOVERNANCE REPORT

## THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company considers fair and transparent corporate governance as one of its core management tenets. Corporate Governance may be defined as a set of systems, policies, processes and principles which ensures that a company is governed in the best interest of all the stakeholders. It is the system by which companies are directed, administered, controlled and managed. Good governance is about promoting corporate fairness, transparency and accountability.

We strongly believe in the practice of conducting our business activities in a fair, direct and completely transparent manner that will not only benefit the Company but more importantly will ensure the highest level of accountability and trust for all our stakeholders such as shareholders, our employees and our partners. The timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

We, at Eros International, continuously strive at improving and adhering to the good governance practice. The Company has adopted best practices mandated in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (hereinafter referred to as the "SEBI Listing Regulations").

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of the SEBI Listing Regulations is given below:

## BOARD OF DIRECTORS

### a. Composition and Category of Directors:

The Board of Directors along with its Committees provide leadership and guidance to the Company's management as also direct, supervise and control the performance of the Company. The Company has a balanced Board with combination of Executive and Non-Executive Directors to ensure independent functioning. As at 31 March 2021, the Board of Directors of the Company consists of Six (6) Directors, out of which Three (3) are Non-Executive Independent Directors including an Independent Woman Director and Three (3) are Executive Directors, comprising of experts from various fields/professions. The Chairman of the Board, Mr. Dharendra Swarup, is a Non-Executive & Independent Director and is not related to promoters of the Company or any person occupying the position one level below the Board. The present composition of the Board of Directors of the Company is in accordance with the SEBI Listing Regulations and the Companies Act, 2013 (the "Act") read with applicable Rules made thereunder.

Name of the Director	Directors Identification No. (DIN)	Category	Designation
Mr. Dharendra Swarup	02878434	Non-Executive & Independent Director	Chairman
Mr. Sunil Arjan Lulla	00243191	Promoter & Executive Director	Executive Vice Chairman & Managing Director
Mr. Kishore Arjan Lulla	02303295	Promoter & Executive Director	Director
Ms. Bindu Saxena	00167802	Non-Executive & Independent Director	Director
Mr. Sunil Srivastav <sup>1</sup>	00237561	Non-Executive & Independent Director	Director
Mr. Farokh P. Gandhi <sup>2</sup>	03112612	Executive Director	Director

There are no Institutional Nominee Directors on the Board. The Company has in place the Succession Policy for appointments at the Board and to Senior Management level.

### Independent Directors

The Independent Directors of the Company are Non-Executive Directors as defined under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. They possess rich and varied experience with skills in critical areas like governance, finance, entrepreneurship, general management etc.

As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors are listed down in the draft letter of appointment, available on the Company's website at [www.eiml.site](http://www.eiml.site). Each Independent Director has been issued formal letter of appointment.

### Independent Directors Meeting

During the year under review, a separate meeting of the Independent Directors was held on 25 February 2021, without the attendance of Non-Independent Directors and Management Personnel.

Various matters were discussed by the Independent Directors at the said meeting, including, *inter alia*, matters as prescribed in the Schedule IV of the Act and SEBI Listing Regulations, viz. review of the performance of Non-Independent Directors and the Board as whole, timely payment of statutory dues such as taxes, debt payments and business commitments, review of the performance of the Chairman, assessing the quality, quantity and timeliness of flow of information between the Company's management and the Board, that is necessary for the Board to effectively and reasonably perform their duties.

### Appointment/Re-appointment of Directors

Mr. Kishore Arjan Lulla, being eligible for re-appointment, has offered himself for re-appointment, as his office being longest is liable to retire by rotation at the 27<sup>th</sup> Annual General Meeting of the Company, as per Section 152(6) of the Act and applicable Rules thereto.

Mr. Pradeep Dwivedi Chief Executive Officer was appointed as Executive Additional Director on the Board of the Company with effect from 14 August 2021 to hold office up to the date of the ensuing Annual General Meeting of the Company. The said proposal has been recommended for approval of the shareholders. Your directors recommend his appointment for your approval.

<sup>1</sup> Mr. Sunil Srivastav ceased to be a Non-Executive Independent Director of the Company with effect from 14 August 2021.

<sup>2</sup> Mr. Farokh P. Gandhi ceased to be Executive Director & Chief Financial Officer of the Company with effect from 14 August 2021.

**b. Attendance of Directors and Number of other Directorship:**

Details of Membership and Attendance of each Director at the Meeting of Board of Directors held during the financial year under review and the last Annual General Meeting and the number of other Directorships and Chairmanship/Membership of Board Committees as on 31 March 2021 are as follows:

Name of the Director	Directors Identification No. (DIN)	Attendance		Position on the Board of other companies as on 31 March 2021		
		Board Meeting	Last Annual General Meeting	Directorship*	Committee Membership **	Committee Chairmanship**
Mr. Dharendra Swarup	02878434	4	Yes	1	1	0
Mr. Sunil Arjan Lulla	00243191	4	Yes	7	1	0
Mr. Kishore Arjan Lulla	02303295	1	No	0	0	0
Ms. Bindu Saxena	00167802	4	Yes	2	1	0
Mr. Sunil Srivastav <sup>3</sup>	00237561	4	Yes	6	2	1
Mr. Farokh P. Gandhi <sup>4</sup>	03112612	2	Yes	0	0	0
Mr. Rakesh Sood <sup>5</sup>	07170411	2	NA	--	--	--

**Note:**

\* Only Public limited companies, (both listed and unlisted) are included in other directorships. Directorships in all other companies including private limited companies (which are not the subsidiary of Public Company), foreign companies and companies under Section 8 of the Act are excluded.

\*\* Chairmanship/Membership of the Audit Committee and the Stakeholders' Relationship Committee are considered for the purpose of committee positions in all public companies, whether listed or not as per SEBI Listing Regulations and it also includes the committees in which a Director holds position as a Chairman.

**c. Number of Directorship(s)/ Chairmanship(s)/ Membership(s):**

None of the Director of the Company holds directorships in more than Ten (10) public companies. Further, none of them is a member of more than Ten (10) committees or chairman of more than Five (5) committees across all the public companies in which he/she is a director.

None of the Independent Director of the Company is acting as an Independent Director in more than Seven (7) listed companies or acting as whole-time director in more than Three (3) listed companies. Further, the Managing Director and the Executive Director do not serve as Independent Directors in any listed company.

Necessary disclosures regarding directorships and committee positions in other public companies as on 31 March 2021 have been made by all the Directors of the Company.

**d. Number of Board Meetings:**

The Board met Four (4) times during the financial year ended 31 March 2021, i.e. on 30 July 2020; 11 September 2020; 09 November 2020; and 11 February 2021. The maximum time gap between Two (2) meetings of the Board did not exceed One Hundred and Twenty (120) days or any extended date as may be permitted by SEBI due to COVID-19. The necessary quorum was present for all the meetings.

The Board meets at regular intervals to discuss and decide on business policy of the Company and strategy apart from other Board business. The Board/Committee Meetings are pre-scheduled and tentative dates of the Board and Committee Meetings are informed well in advance to facilitate Directors to

plan their schedule. The agenda is circulated well in advance to the Board Members, along with comprehensive background information on the agenda items to enable the Board to take an informed decision. The agenda and related information are circulated to the Board/Committee by uploading the same on e-meeting application, which is accessible to all the Members of the Board and its Committee on their respective i-pads. Notice, Agendas and Minutes of the meeting are all circulated through electronic means. Detailed presentations and notes are laid before each meeting, by the management and senior executives of the Company, to apprise the Board on overall performance on quarterly basis. Additional items of the agenda are permitted with the permission of the Chairman and with the consent of all the Directors present at the meeting. Senior Executives/Management of the Company are invited to attend the Meetings of the Board and Committees, to make presentations and provide clarifications as and when required.

In accordance with the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and in accordance with Secretarial Standard 1 issued by the Institute of Company Secretaries of India, the Company provides an option to its Directors to participate at each of the Board Meetings/ Committee Meetings through video conference except in respect of those agenda items wherein transactions are not permitted to be carried out by way of video conference. As per Secretarial Standards, draft minutes and signed minutes of the Meeting are circulated within the prescribed time.

The Board of Directors has complete access to the information within the Company.

**e. Details of Other Directorships:**

Details of the directorships of the Company's Directors in other listed companies as on 31 March 2021 were as under:

Name of the Directors	Name of the Listed Company	Category of Directorship
Mr. Sunil Srivastav	Star Paper Mills Limited	Non-Executive - Independent Director
	Paisalo Digital Limited	Non-Executive - Independent Director
	Solar Industries India Limited	Non-Executive - Independent Director
	SIS Limited	Non-Executive - Independent Director
Ms. Bindu Saxena	Inox Wind Limited	Non-Executive - Independent Director
	Indag Rubber Limited	Non-Executive - Independent Director

None of the Directors except above are directors in listed entities.

<sup>3</sup> Mr. Sunil Srivastav ceased to be Non-Executive Independent Director of the Company w.e.f. 14 August 2021.

<sup>4</sup> Mr. Farokh P. Gandhi ceased to be Executive Director & Chief Financial Officer of the Company with effect from 14 August 2021.

<sup>5</sup> Mr. Rakesh Sood ceased to be Non-Executive Independent Director of the Company w.e.f. 6 October 2020.

**f. Disclosure of Relationship between directors:**

Mr. Kishore Arjan Lulla, Executive Director and Mr. Sunil Arjan Lulla, Executive Vice Chairman & Managing Director of the Company, are brothers.

Other than the aforesaid, there are no *inter-se* relationships amongst the Directors.

**g. Number of Shares held by Non-Executive Directors:**

As on 31 March 2021, None of the Non-Executive Directors holds any equity shares in the Company.

**h. Familiarisation Programme for Independent Directors:**

Familiarisation Programme for Independent Directors is designed with an aim to make the Independent Directors aware about their roles, responsibilities and liabilities as per the Act, SEBI Listing Regulations and other applicable laws and to get better understanding about the Company, nature of industry in which it operates and environment in which it functions, business model, long term/short term/strategic plans etc. As a part of familiarisation programme, the Company makes presentations to the Board Members, *inter alia*, covering business environment, business strategies, operations review, quarterly and annual results, review of Internal Audit Report and action taken, statutory compliance, risk management, operations of subsidiaries, etc.

The relevant policies of the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to regulate, monitor and report trading by Insiders etc. are circulated to the Directors and uploaded on e-meeting application on i-pads for easy access.

The familiarisation programme and necessary disclosures to be made in accordance with SEBI Listing Regulations are made on the website of the Company at [www.eiml.site](http://www.eiml.site).

**i. Skills/Expertise/Competence Identified by the Board of Directors:**

The Board comprises of the qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee Meetings. The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members.

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes
Risk Management	Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk
Corporate Governance	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholders interest.

In the table below, the specific areas of focus or expertise of individual board members have been highlighted.

Name of the Directors	Areas of Skills/ Expertise			
	Business Leadership	Financial Expertise	Risk Management	Corporate Governance
Mr. Dharendra Swarup	✓	✓	✓	✓
Mr. Sunil Arjan Lulla	✓	✓	✓	✓
Mr. Kishore Arjan Lulla	✓	✓	✓	✓
Ms. Bindu Saxena		✓	✓	✓
Mr. Sunil Srivastav	✓	✓	✓	✓
Mr. Farokh Gandhi	✓	✓	✓	✓

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

**COMMITTEES OF THE BOARD**

The Board of Directors, at its various meetings, has constituted / re-constituted various committees to discuss upon the delegated work as per their respective charters. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. Minutes of all the Committee Meetings are placed before the Board for noting.

Following Committee(s) are constituted for better and focused attention on various affairs of the Company:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Management Committee

**AUDIT COMMITTEE**

An Audit Committee, duly constituted by the Board of Directors has a well-defined composition of members, terms of reference, powers, role and responsibilities in accordance with Section 177 of the Act and applicable Rules thereto and in accordance with Regulation 18 of SEBI Listing Regulations.

As on 31 March 2021, the Audit Committee comprised of Five (5) Members of whom Four (4) are Non-Executive Independent Directors, all of whom are financially literate and possesses accounting and related financial management expertise. The Chairman of the Audit Committee is a Non-Executive Independent Director and he had attended last year's Annual General Meeting.

The detailed terms of reference of Audit Committee along with working procedure, charter and constitution are uploaded on website of the Company at [www.eiml.site](http://www.eiml.site).

**Meeting Details:**

During the year under review, Audit Committee met Four (4) times in a year viz. on 29 July 2020; 11 September 2020; 09 November 2020 and 11 February 2021. The maximum time gap between Two (2) meetings of the Committee did not exceed One Hundred and Twenty (120) days or any extended date as may be permitted by SEBI due to COVID-19. The necessary quorum was present for all the Meetings.

## CORPORATE GOVERNANCE REPORT

Composition of the Audit Committee and the attendance of each Member at the said Committee Meetings are set out in following table:

Name of Committee Member	Directors Identification No.(DIN)	Designation in the Committee	Category	Number of Meetings attended
Mr. Dharendra Swarup	02878434	Chairman	Non-Executive Independent Director	4
Mr. Sunil Arjan Lulla	00243191	Member	Executive Vice Chairman & Managing Director	4
Mr. Sunil Srivastav	00237561	Member	Non-Executive Independent Director	4
Ms. Bindu Saxena*	00167802	Member	Non-Executive Independent Director	3
Mr. Rakesh Sood#	07170411	Member	Non-Executive Independent Director	1

\* Ms. Bindu Saxena was appointed as the Member of the Committee w.e.f. 30 July 2020.

# Mr. Rakesh Sood ceased to be Member of the Committee w.e.f. 6 October, 2020.

The Company Secretary and Compliance Officer acts as the Secretary to the Committee. The Chief Financial Officer of the Company is the permanent invitee to the Committee meetings. The Audit Committee also invites senior executives/management including the representatives of the statutory auditors and internal auditors at its meetings.

### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in accordance with Section 178 of the Act and applicable Rules thereto and in accordance with Regulation 19 of SEBI Listing Regulations. As on 31 March 2021, the Nomination and Remuneration Committee comprised of Three (3) Members, all of whom are Non-Executive Independent Directors. The Chairman of the Nomination and Remuneration Committee is a Non- Executive Independent Director

and he was present at last year's Annual General Meeting to address the queries of the shareholders.

The detailed terms of reference of Nomination and Remuneration Committee along with working procedure, charter and constitution are uploaded on website of the Company at [www.eiml.site](http://www.eiml.site).

#### Meeting Details:

During the year under review, Nomination and Remuneration Committee met Four (4) times in a year viz. on 30 July 2020; 11 September 2020; 09 November 2020 and 11 February 2021. The necessary quorum was present at all the meetings.

Composition of the Nomination and Remuneration Committee and the attendance of each member at the said Committee Meetings are set out in following table:

Name of Committee Member	Directors Identification No.(DIN)	Designation	Category	Number of Meetings attended
Ms. Bindu Saxena*	00167802	Chairperson	Non-Executive Independent Director	3
Mr. Rakesh Sood*	07170411	Chairman	Non-Executive Independent Director	2
Mr. Dharendra Swarup	02878434	Member	Non-Executive Independent Director	4
Mr. Sunil Srivastav	00237561	Member	Non-Executive Independent Director	2

\* Mr. Rakesh Sood ceased to be Member & Chairman of the Committee w.e.f. 6 October, 2020 and Ms. Bindu Saxena was appointed in his place as the Chairperson of the Committee w.e.f. 9 November 2020.

The Company Secretary and Compliance Officer acts as the Secretary to the Committee. The Chief Financial Officer of the Company is the permanent invitee to the Committee Meetings.

### Evaluation of Performance of the Board, its Committees and Directors:

The Company has formulated a Policy on Board Evaluation in accordance with the applicable provisions of SEBI Listing Regulations and the Act. An annual performance evaluation of the Board its Committees and individual directors (including independent directors and Chairperson) in an independent and fair manner was carried out in accordance with the Company's Board Evaluation Policy for the financial year ended 31 March 2021.

The performance of the Board and individual directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee Members. The Nomination and Remuneration Committee reviewed the performance of the individual directors. This was followed by a Board Meeting that discussed the performance of the Board, its Committees and individual directors. A separate meeting of Independent Directors was also held to review the performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman of the Company.

The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects

like composition of committees, effectiveness of Committee Meetings etc. The criteria for performance evaluation of the individual directors included aspects on contribution to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, performance of the Chairman was also evaluated on the key aspects of his role and responsibilities.

The performance evaluation of an Independent Directors was based on the criteria viz. attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends etc.

### REMUNERATION OF DIRECTORS

#### Non - Executive Directors Compensation and Disclosures:

The Non-Executive Independent Directors are paid compensation in the following manner:

- Sitting Fees of ₹40,000/- for attending each Board and Committee Meeting.
- Commission, as decided by the Board, not exceeding 1% of the Net Profit of the Company and in case of loss remuneration payable in accordance with the provisions of Schedule V of the Act.
- None of the Non-Executive Independent Directors have any pecuniary relationship with the Company.

- None of the Non-Executive Independent Directors holds any equity shares of the Company.
- None of the Non-Executive Independent Directors hold any convertible instruments in the Company.
- Payment of reimbursement of expenses incurred by Non-Executive Independent Directors for participation in the Board and other meetings of the Company.

#### Maintenance of Chairman's Office

The Company maintains the office of Chairman, being Non-Executive Independent Director, and reimburses all the expenses incurred by him towards performance of his duties, up to the limit as decided by the Board of Directors.

Details of remuneration paid to all the Directors for the financial year 2020-2021 are as follows:

(Amount in ₹)

Sr. No.	Name of Directors	Salary	Benefits/ Perquisites	Remuneration (payable for 2020-21)	Sitting Fees (paid)	Holding of Equity shares/ stock options of the Company as on 31 March 2021
1	Mr. Dharendra Swarup	-	-	24,00,000	7,20,000	Nil
2	Mr. Rakesh Sood	-	-	-	3,20,000	Nil
3	Mr. Sunil Arjan Lulla	5,14,46,124	6,39,600	-	-	1,400 Equity Shares
4	Mr. Kishore Arjan Lulla	-	-	-	-	Nil
5	Ms. Bindu Saxena	-	-	12,00,000	4,40,000	Nil
6	Mr. Sunil Srivastav	-	-	12,00,000	6,00,000	Nil
7	Mr. Farokh P. Gandhi	79,18,560	-	-	-	43 Equity Shares

Note: Remuneration payable to Non-Executive Directors for FY 2020-21 as per Schedule V of the Act shall be subject to the approval of Shareholders by Ordinary Resolution.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted in accordance with Section 178 of the Act and applicable Rules thereto and in accordance with Regulation 20 of SEBI Listing Regulations. As on 31 March 2021, the Stakeholders Relationship Committee comprised of Four (4) Members, majority of whom are Non-Executive Independent Directors. The Chairman of the Stakeholders Relationship Committee is a Non- Executive Independent Director and he was present at last year's Annual General Meeting to address the queries of the shareholders.

The detailed terms of reference of Stakeholders Relationship Committee along with working procedure, charter and constitution are uploaded on website of the Company at [www.eiml.site](http://www.eiml.site).

#### Meeting Details:

During the year under review, Stakeholders Relationship Committee met Four (4) times in a year viz. on 30 July 2020; 11 September 2020; 09 November 2020 and 11 February 2021. The necessary quorum was present at all the Meetings.

Composition of the Stakeholders Relationship Committee and the attendance of each member at the said Committee Meetings are set out in the following table:

Name of Committee Member	Directors Identification No.(DIN)	Designation in the Committee	Category	Number of Meetings attended
Mr. Sunil Srivastav	00237561	Chairman	Non-Executive Independent Director	4
Mr. Dharendra Swarup	02878434	Member	Non-Executive Independent Director	4
Mr. Rakesh Sood*	07170411	Member	Non-Executive Independent Director	2
Mr. Sunil Arjan Lulla	00243191	Member	Executive Vice Chairman & Managing Director	4

\* Mr Rakesh Sood ceased to be member of the committee w.e.f. 6 October 2021

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Committee. The Chief Financial Officer of the Company is the permanent invitee to the Committee Meetings.

The functions and powers of the Stakeholders Relationship Committee includes resolving of investor's complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate share certificates, transmission of shares and other shareholder related queries, complaints, maintaining investor relations etc.

The main objective of Stakeholders Relationship Committee is to ensure effective implementation and monitoring of framework devised to avoid insider trading and abusive self-dealing, ensure effective implementation of whistle blower mechanism offered to all the stakeholders to report any concerns about illegal or unethical practices, consider and resolve the grievances of security holders of the Company, approval of transfer, transmission of shares, and other securities of the Company, issue of duplicate certificates on split, carrying out any other function contained in the SEBI Listing Regulations, as and when amended from time to time.

Status of Investor Grievances during the year 2020-2021:

Description of Investors Grievances received during the year	No. of Grievances
Total Grievances Pending at the Beginning of Period as on 1 April 2020	0
Letters directly received from Investors	0
N.S.E.	0
B.S.E.	0
SEBI (Securities Exchange Board of India) (SCORES)	1
Total Grievances attended	1
Total Grievances pending as on 31 March 2021	0

All the Complaints received were promptly resolved and there was no outstanding complaint as on 31 March 2021.

**Share Transfer System:**

SEBI has mandated that, effective 1 April 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. Trading in equity shares of the Company is permitted only in dematerialised form.

During the year, the Company had obtained, on half-yearly basis, a certificate, from a Company Secretary in Practice, certifying that all certificates have been issued within thirty days of the date of lodgement of the transfer (for cases lodged prior to 1 April 2019), sub-division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and filed a copy of the said certificate with the Stock Exchanges.

Composition of the CSR Committee and the attendance of each member at the said Committee Meetings are set out in following table:

Name of Committee Member	Directors Identification No.(DIN)	Designation	Category	Number of Meetings attended
Mr. Dharendra Swarup	02878434	Chairman	Non-Executive Independent Director	1
Mr. Kishore Arjan Lulla	02303295	Member	Executive Director	0
Mr. Sunil Arjan Lulla	00243191	Member	Executive Vice Chairman & Managing Director	1
Mr. Rakesh Sood	07170411	Member	Non-Executive Independent Director	1

The Company Secretary and Compliance Officer acts as the Secretary to the Committee. The Chief Financial Officer of the Company is the permanent invitee to the Committee Meetings.

**MANAGEMENT COMMITTEE**

The Board of Directors of the Company have constituted the Management Committee to look after day to day affairs and

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility (CSR) Committee is constituted in accordance with Section 135 of the Act and applicable Rules thereto. As on 31 March 2021, the CSR Committee comprised of Four (4) Members. The Chairman of the CSR Committee is an Independent Director and he was present at last year's Annual General Meeting to address the queries of the shareholders, if any.

The objective of the CSR Committee is to implement the CSR activities as per the CSR policy of the Company as stated at length in Directors Report of the Company.

The detailed terms of reference of CSR Committee along with working procedure, charter and constitution are uploaded on website of the Company at [www.eiml.site](http://www.eiml.site).

**Meeting Details:**

During the year under review, Corporate Social Responsibility Committee met One (1) time in a year viz. on 30 July 2020. The necessary quorum was present at all the Meetings.

functioning of the Company. The Board have delegated certain powers to this Committee. As at 31 March 2021, the Management Committee comprised of directors and senior executives of the Company viz. Mr. Sunil Arjan Lulla, Mr. Kishore Arjan Lulla and Mr. Farokh P. Gandhi.

The Committee met Sixteen (16) times during the financial year for operational matters.

**INVESTORS INFORMATION****General Body Meeting****Details of location, date and time of last three Annual General Meetings and special resolution passed thereat:**

Financial Year	Date and Time	Venue	Special Resolution Passed
2017-18	27 September 2018 at 2:00 P.M.	The Club, 197, D. N. Nagar, Andheri West, Mumbai - 400 053	Appointment of Mr. Subramaniam Lakshminarayanan (DIN: 07972480) as an Independent Director of the Company.
2018-19	25 September 2019 at 2:00 P.M.	The Classic Club*, New Link Road, Behind Infinity Mall, Andheri West, Mumbai - 400 053	Re-appointment of Mr. Dharendra Swarup (DIN: 02878434) as an Independent Non-Executive Director to hold office for second term of five consecutive years.
2019-20	15 December 2020 at 3:00 P.M.	Through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility	1) Approval for waiver of excess remuneration for financial year 2019-20 to Mr. Sunil Lulla, an Executive Vice Chairman & Managing Director of the Company 2) Re-appointment of Mr. Sunil Lulla (DIN: 00243191) as an Executive Vice Chairman & Managing Director of the Company and payment of remuneration.

No Extra Ordinary General Meeting of the Shareholders of the Company was held during the financial year 2020-2021.

**RESOLUTIONS PASSED BY WAY OF CONDUCTING THE POSTAL BALLOT:**

During the year under review, no ordinary/special resolutions were passed through Postal Ballot pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Rule 22 of the Companies (Management and Administration) Rules, 2014.

No ordinary/special resolution is proposed to be conducted through postal ballot as on the date of this report.

**MEANS OF COMMUNICATION**

The Company has always promptly reported to both the stock exchanges where the securities of the Company are listed, all the material information including declaration of quarterly, half yearly and annual financial results in the prescribed formats and through press releases.

Financial results are published in "The Free Press Journal" and "Navshakti" as per the requirements of the SEBI Listing Regulations. The said results are also made available on Company's website at [www.eiml.site](http://www.eiml.site).

**Presentation to Institutional Investors/ Analysts**

The Corporate Presentations made to investors / analysts is displayed on the website of the Company.

**GENERAL SHAREHOLDERS INFORMATION:**

<b>Annual General Meeting</b>	
<b>Day</b>	Tuesday
<b>Date</b>	28 September 2021
<b>Time</b>	3:00 PM.
<b>Venue</b>	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")
<b>Financial Calendar (Tentative)</b>	
Audited Annual Results of previous year ended 31 March 2021	28 June 2021
1 <sup>st</sup> quarter results for quarter ending June 2021	14 August 2021
2 <sup>nd</sup> quarter results for quarter ending September 2021*	On or before 14 November 2021
3 <sup>rd</sup> quarter results for quarter ending December 2021*	On or before 14 February 2022
Last quarter results for quarter ending March 2022*	On or before 30 May 2023
<b>Financial year</b>	<b>1 April to 31 March</b>
<b>Book Closure Dates</b>	<b>From Tuesday, 21 September 2021 to Tuesday, 28 September 2021 (both days inclusive)</b>
<b>Listing of equity shares at Stock Exchanges</b>	<p><b>BSE Limited</b> Pheeroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. Tel No:- +91-22-22721233/1234 Fax No:- +91-22-22721919</p> <p>National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No- C Block, G Block, Bandra Kurla Complex, Mumbai - 400 051. Tel No:- +91-22-26598100-8114 Fax No:- +91-22-26598120</p>
<b>Stock Codes</b>	<b>BSE - 533261</b> <b>NSE - EROSMEDIA</b>
<b>ISIN Number</b>	INE416L01017
<b>Corporate Identification Number (CIN)</b>	<b>L99999MH1994PLC080502</b>

\*or any extended date as may be permitted by SEBI due to COVID-19.

The Annual Listing Fees for the financial year 2021-2022 to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) has been paid by the Company within prescribed time.

The Annual Custodian Fees for the financial year 2021-2022 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) has been paid by the Company within prescribed time.

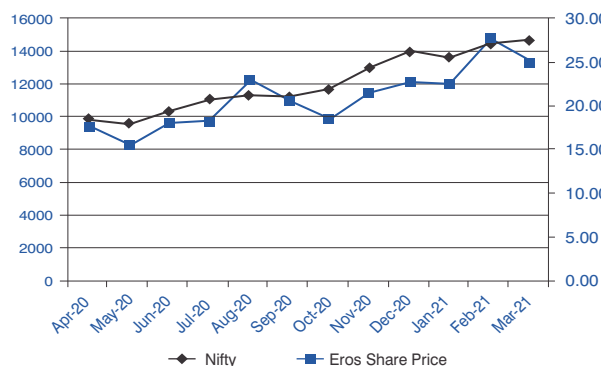
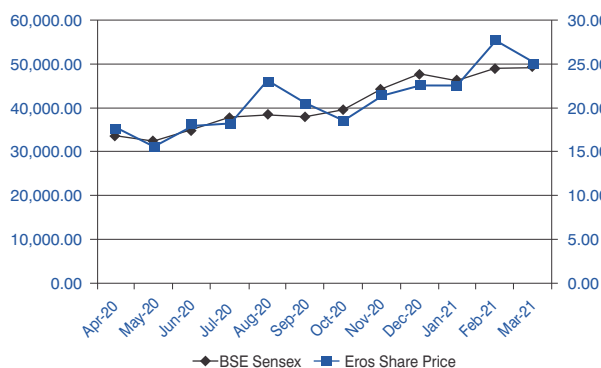
**MARKET PRICE DATA**

The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The monthly high and low share prices on both the exchanges for a period starting from April 2020 to March 2021 are as below:

Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High Price (₹)	Low Price (₹)	Volume	High Price (₹)	Low Price (₹)	Volume
April 2020	22.86	7.97	23,55,317	22.70	8.00	1,58,76,213
May 2020	17.50	13.00	12,47,857	17.45	13.10	80,38,277
June 2020	20.20	15.75	15,45,846	20.00	15.50	1,61,38,815
July 2020	20.90	16.60	27,46,129	20.90	16.75	1,76,94,458
August 2020	30.40	17.30	37,64,972	30.25	17.60	3,00,96,042
September 2020	23.90	19.45	4,86,482	23.70	19.45	22,25,046
October 2020	22.35	18.35	3,92,425	22.30	18.20	26,02,995
November 2020	21.55	17.55	5,57,070	21.60	17.75	26,12,596
December 2020	25.80	20.95	13,91,088	25.90	20.95	85,94,274
January 2021	24.55	22.00	6,38,524	24.65	22.00	47,62,023
February 2021	29.30	21.70	10,20,793	29.00	22.05	81,20,416
March 2021	33.90	24.30	17,12,296	34.15	24.10	1,07,64,402

[Source: This information is compiled from the data available from the website of BSE and NSE]

## PERFORMANCE IN COMPARISON TO BROAD BASED INDICES



## REGISTRAR AND SHARE TRANSFER AGENTS

## Address for Investor Correspondence

For any assistance regarding dematerialization of shares, re-materialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to:

## LINK INTIME INDIA PRIVATE LIMITED

Unit - Eros International Media Limited  
C 101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai 400 083, Maharashtra (India).  
Tel: +91 (22) 49186270  
Fax: +91 (22) 49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Web: [www.linkintime.co.in](http://www.linkintime.co.in)

## DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH 2021

Shares Holding of Shares	No. of Shareholders	% to Total
1-5000	46747	84.730
5001-10000	3789	6.867
10001-20000	2126	3.853
20001-30000	749	1.357
30001-40000	364	0.659
40001-50000	309	0.560
50001-100000	519	0.940
100001 and above	569	1.031
<b>Total</b>	<b>55172</b>	<b>100.000</b>

## Shareholding pattern as on 31 March 2021

Particulars	No. of Shares	% of Shareholding
Promoter & Promoter Group	5,95,84,302	62.15
FII's / Foreign Portfolio Investors	1,08,33,663	11.30
N.R.I.s / Non-Domestic Companies / Foreign National	19,27,074	2.01
Banks, Financial Institutions, NBFC Registered with RBI	11,498	0.01
Private Corporate Bodies	3,20,868	0.34
Individuals / Others	2,31,76,054	24.18
IEPF	11,359	0.01
<b>Total Paid Up Capital</b>	<b>9,58,64,818</b>	<b>100.00</b>

## PLEDGE OF SHARES

3,67,21,169 Equity Shares have been pledged by Eros Worldwide FZ LLC, Holding Company as on 31 March 2021.

## DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON 31 MARCH 2021

The securities of the Company are compulsorily traded in dematerialised form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 99.99% of the Company's Equity Share Capital are in dematerialised form as on 31 March 2021 and the entire promoters holding have been held in the dematerialised as on 31 March 2021.

## Break up of shares in physical and demat form as on 31 March 2021 is as follows:

	Number of Shares	% of Total number of Shares
<b>Physical Segment</b>	123	0.00
<b>Demat Segment</b>		
• NSDL	7,10,42,868	74.11
• CDSL	2,48,21,827	25.89
<b>Total</b>	<b>9,58,64,818</b>	<b>100.00</b>

The Company's Equity Shares are regularly traded on the BSE Limited and the National Stock Exchange of India Limited, in dematerialised form.

Under the Depository system, the International Security Identification Number (ISIN) allotted to the Company's shares is INE416L01017.

## OUTSTANDING ADRS/GDRS AND OTHER INSTRUMENTS

During the year under review, the Company did not issue any ADRs/GDRs/ other instruments, which are convertible into equity shares of the Company.

The Company has outstanding stock options in force which carries entitlement of equity shares of the Company, as and when exercised.

## COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company does not deal in Commodity and Foreign Exchange and hence the disclosure is not applicable.



**Address for General Correspondence**

Company Secretary &  
Compliance Officer  
**Eros International Media Limited**  
**Registered Office:**  
201, Kailash Plaza,  
Opp Laxmi industrial Estate,  
Off. Andheri Link Road,  
Andheri West,  
Mumbai- 400 053  
Maharashtra (India).

**Corporate Office:**  
901/902, Supreme Chambers,  
Off. Veera Desai Road,  
Andheri West,  
Mumbai-400 053  
Maharashtra (India).  
Tel: + (91 22) 6602 1500  
Fax: + (91 22) 6602 1540  
Email: [compliance.officer@erosintl.com](mailto:compliance.officer@erosintl.com)  
Web: [www.eiml.site](http://www.eiml.site)

**CREDIT RATING**

During the year under review, following ratings were reviewed by Acuité Ratings & Research Limited, a Credit Rating Agency on the Long-Term and Short-Term bank facility(ies) of the Company.

Facilities Rated	Ratings as on 1 April 2020	Rating as on 31 March 2021
Long-Term Bank Facilities	CARE D	ACUITE B
Short-Term Bank Facilities	CARE D	ACUITE B

**OTHER DISCLOSURES:****Disclosure on Material Related Party Transactions:**

During the year, there were no transactions of materially significant nature with the Promoters or Directors or the Management or the subsidiaries or relatives etc. that had potential conflict with the interests of the Company at large. A statement of summary of related party transactions is duly disclosed in the Notes to Accounts.

**Details of Non-Compliance:**

No penalties have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities on any matter related to capital markets during the last three years.

**Whistle Blower / Vigil Mechanism Policy:**

The Whistle Blower Mechanism (Vigil Mechanism) in the Company enables all the directors, employees and its stakeholders, to report concerns about unethical behaviour, report for leakage of unpublished price sensitive information, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. This mechanism has provided adequate safeguards against victimisation of directors/ employees of the Company who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. No personnel are denied access to this mechanism.

The Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company at [www.eiml.site](http://www.eiml.site).

**SUBSIDIARIES**

As on 31 March 2021, the Company has Eleven (11) direct subsidiaries. Out of Eleven (11) direct subsidiaries, Nine (9) are Indian and other Two (2) are foreign subsidiaries.

None of the subsidiary companies except Copsale Limited (a British Virgin Island Company) are material non-listed subsidiary in terms of Regulation 16(c) of the SEBI Listing Regulation. Ms. Bindu Saxena, the Company's Independent Director has been appointed as Independent Director on the Board of Copsale Limited, a material subsidiary company.

The Board of Directors of the Company have also formulated a policy for determining 'material' subsidiaries and the same has been uploaded on the website of the Company at [www.eiml.site](http://www.eiml.site).

The Financial Statements including investments made by the unlisted subsidiaries and all significant transactions and arrangements entered

into by the unlisted subsidiaries forming part of the financials are being reviewed by the Audit Committee of your Company on a quarterly basis.

**RELATED PARTY TRANSACTION**

A policy on materiality of Related Parties and dealings with Related Party Transactions has been formulated by the Board of Directors and has also been uploaded on the website of the Company at [www.eiml.site](http://www.eiml.site).

The objective of the Policy is to ensure due and timely identification, approval, disclosure reporting and transparency of transactions between Company and any of its Related Parties in compliance with the applicable laws and regulations, as may be amended from time to time.

**Insider Trading Regulations**

The Company has instituted a comprehensive code of conduct for its Directors, Key Managerial Personnel, Senior Management Personnel, Designated Persons and third parties such as auditors, consultants, etc. who are expected to have access to unpublished price sensitive information relating to the Company in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The objective of the Code is to prevent purchase and/or sale of securities of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Directors, Key Managerial Personnel and Senior Management Personnel, Designated Persons, their immediate relatives and such others connected person, are completely prohibited from dealing in the Company's shares during the closure of Trading Window. Further, the Code specifies the procedures to be followed and disclosures to be made by Directors, Key Managerial Personnel, Senior Management Personnel and such other Designated Persons, while dealing with the securities of the Company and enlists the consequences of any violations.

The Annual disclosures as required from Directors, Key Managerial Personnel, Senior Management Personnel and other Designated Employees for adherence to this Code during the financial year 2020-2021 have been received by the Company.

The Company Secretary has been appointed as the Compliance Officer for monitoring adherence to the Code.

The Code is uploaded on the Company's website at [www.eiml.site](http://www.eiml.site).

**SECRETARIAL AUDIT**

S.G & Associates, firm of Company Secretaries, carried out various compliance and secretarial audits during the year:

- Quarterly Secretarial Audit
- Annual Secretarial Audit as required under Section 204 of the Act & applicable Rules thereto.
- Secretarial Compliance Report to Stock Exchanges pursuant to SEBI's Circular CIR/CFD/CMD1/27/2019 dated 8 February, 2019.

Report issued by S.G & Associates in Form No. MR-3 is attached and forms part of Directors Report.

**GREEN INITIATIVE**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail

## CORPORATE GOVERNANCE REPORT

addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.

### CEO / CFO CERTIFICATION

Mr. Pradeep Dwivedi, Chief Executive Officer and Mr. Farokh P. Gandhi, Director & Chief Financial Officer of the Company has provided certification on financial reporting and internal controls to the Board as required under Regulation 17(8) of the SEBI Listing Regulations, copy of which is attached to this Report. The Chief Executive Officer and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations.

The Company has complied with all the mandatory requirements of Corporate Governance Report as stated under SEBI Listing Regulations.

### COMPLIANCE OF DISCRETIONARY REQUIREMENTS

The Company has adopted the following discretionary requirements stated under Part E of Schedule II of Regulation 27(1) of SEBI Listing Regulations: -

#### A. The Board

The Chairman i.e. Mr. Dharendra Swarup is a Non-Executive Independent Director and the Company maintains the Chairman's office at its expense and reimburses all expenses incurred in performance of duties by the Chairman.

#### B. Separate posts of chairperson and chief executive officer

The Company has appointed separate persons for the post of Chairperson of the Company and Chief Executive Officer. Mr. Dharendra Swarup act as the Chairperson of the Board whereas Mr. Pradeep Dwivedi is the Chief Executive Officer of the Company.

#### C. Reporting of Internal Auditor

The internal control systems of the Company are routinely tested and verified by Internal Audit Department and significant audit observations and follow-up actions are reported to the Audit Committee.

### COMPLIANCE WITH CORPORATE GOVERNANCE MANDATORY REQUIREMENTS

The Company has complied with the all the requirements specified under Regulation 17 to Regulation 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations and the disclosure of the compliance status forms part of this Report.

### OTHER DISCLOSURES

- No treatment different from the Indian Accounting Standards (IND AS), prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of financial statements.
- The Company has in place the mechanism to inform Board members about the risk assessment and minimisation procedures and periodical reviews to ensure that risk is controlled by the Executive Management.
- During the year, the Company did not make any public issue, right issue, preferential issue, etc. and hence it did not receive any proceeds from any such issues. The proceeds received from public issue made in 2010, were appropriately utilized.
- During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

- The Company is fully compliant with the applicable mandatory requirements under SEBI Listing Regulations, relating to Corporate Governance.
- The Company has laid down the Whistle Blower mechanism for employees and its stakeholders of the Company to report to the management about any instances of unethical behaviour, actual or suspected fraud, illegal or unethical practices in the Company.
- During the year under review, there was one audit qualification in the Company's Financial Statements with regards to Internal Financial Control. Your Company continues to adopt best practices to ensure a regime of unqualified Financial Statements.
- Certificate from a Company Secretary in Practice on confirming directors are not debarred or disqualified by SEBI/MCA or any statutory authority is published as an annexure to this Report.
- The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor is ₹ 146 Lakhs.
- During the year, there were no complaints filed, disposed or pending relating to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### Code of Conduct

The Board has laid down a Code of Business Conduct and Ethics for all the Directors, Key Managerial Personnel and Senior Managerial Personnel of the Company in accordance with the requirement under Regulation 17(5) of SEBI Listing Regulations. The Code has also been posted on the website of the Company at [www.eiml.site](http://www.eiml.site). All the Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed their compliance with the said Code for the financial year ending 31 March 2021.

A declaration to this effect signed by the Executive Vice Chairman & Managing Director of the Company is provided below in this Report.

In accordance with Schedule IV of the Act, a separate Code of Conduct for the Independent Directors has been adopted by the Company. The said Code states, *inter alia*, the duties, roles and responsibilities of Independent Directors and it has also been posted on the website of the Company at [www.eiml.site](http://www.eiml.site).

All Independent Directors have confirmed to the Company that they have adhered to and complied with the said Code for the financial year ended 31 March 2021.

### DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

To the best of my knowledge and belief, I hereby affirm that all the Board Members and Senior Management Personnel of the Company have fully complied with the provisions of the code of conduct as laid down by the Company for Directors and Senior Management Personnel during the financial year ended on 31 March 2021.

For and on behalf of the Board  
**Eros International Media Limited**

**Sunil Arjan Lulla**  
Executive Vice Chairman & Managing Director  
DIN: 00243191

Date: 14 August 2021  
Place: Mumbai

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

**The Members**

**Eros International Media Limited**

201, Kailash Plaza Opp Laxmi Industrial Estate Off  
Andheri Link Road, Andheri (W) Mumbai-400053, Maharashtra

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Eros International Media Limited having CIN: L99999MH1994PLC080502 and having registered office at 201, Kailash Plaza, Opp Laxmi Industrial Estate, Off. Andheri Link Road, Andheri (W) Mumbai-400053, Maharashtra (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Bindu Saxena	00167802	26/09/2019
2.	Sunil Srivastav	00237561	23/05/2018
3.	Sunil Arjan Lulla	00243191	19/08/1994
4.	Kishore Arjan Lulla	02303295	28/09/2009
5.	Dhirendra Swarup	02878434	10/02/2010
6.	Farokh Phiroz Gandhi	03112612	09/11/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For MNK and Associates LLP  
Company Secretaries  
FRN: L2018DE004900

Mohd Nazim Khan  
Designated Partner  
FCS: 6529, CP: 8245  
UDIN No.: F006529C000524354

Place: New Delhi  
Date: 28.06.2021

**CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To  
The Members of  
Eros International Media Limited

We have examined the compliance of conditions of corporate governance by Eros International Media Limited ("the Company"), for the year ended on 31 March 2021, as stipulated in Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 Para C, D and E of Schedule V and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**For SG & Associates  
Practicing Company Secretaries**

**Suhas S. Ganpule  
Proprietor  
ACS No: 12122  
CP No.5722  
UDIN: A012122C000785268**

Date: 14.08.2021  
Place: Mumbai

# Standalone Financial Statements

# INDEPENDENT AUDITOR'S REPORT

To the Members of

## **EROS INTERNATIONAL MEDIA LIMITED**

### **Report on the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of **Eros International Media Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### **Material Uncertainty related to Going Concern**

As stated in Note No.52 of the standalone financial statements, the economic uncertainty created by the novel coronavirus has resulted in significant business disruptions for film distributor and broadcasting companies. These conditions, along with other matter as set forth in the aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this above matter.

#### **Emphasis of Matter**

We draw attention to Note No. 51(a) of the standalone financial statements, which describes the Company's management evaluation of Covid 19 impact on the future business operations and future cash flows of the Company and its consequential effects on the carrying value of assets as on March 31, 2021. In view of uncertain economic conditions, the Company's management's evaluation of impact on subsequent periods is highly dependent upon conditions as they evolve. Our opinion is not modified in respect of this matter.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements:-

Key Audit Matters	Response to Key Audit Matters
<p><b>Revenue Recognition</b> (Refer note 1 and para 'a' of the significant accounting policies)</p> <p>The Company recognize theatrical income, license Fees and distribution revenue, net of sales related taxes, when control of the underlying products have been transferred along with satisfaction of performance obligation.</p> <p>Recognition of revenue is driven by specific terms of related contracts.</p> <p>The various streams of revenue, together with the level of judgement involved make its accounting treatment for revenue a significant matter for our audit.</p>	<p>Our audit procedures to assess the appropriateness of revenue recognised included and were not limited to following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of an assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process.</li> <li>• Examination of significant contracts entered into close to year end to ensure revenue recognition is made in correct period.</li> <li>• Testing a sample of contracts from various revenue streams by agreeing information back to contracts and proof of delivery or transmission as appropriate and ensure revenue recognition is in accordance with principles of Ind AS 115.</li> <li>• Assessing the adequacy of Company's disclosure in accordance with requirements of Ind AS 115.</li> </ul>
<p><b>Content Advances</b> (Refer note 4)</p> <p>Company enters into agreements with production houses to develop future film content. Advances are given as per terms of agreements. Such content advances are monitored by management of the Company for recoverability and appropriate write offs are taken when film production does not seem viable and refund of advance is not probable basis management evaluation.</p> <p>The Content advances are transferred to film and rights at the point at which the content is first exploited. Provision is made as per provision policy in respect of content advances against which content has not been delivered by vendor within agreed timelines or where projects are at standstill / put on hold for substantial period of time.</p> <p>Because of the significance of content advances to the balance sheet and of the significant degree of management judgment involved in evaluating the adequacy of the allowance for content advances, we identified this area as key audit matter.</p>	<p>Our audit procedures with respect to content advance, delivery of the content and it's impairment included and were not limited to following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key controls over the processes of authorisation of content advances and tracking of receipt of related content as per agreement.</li> <li>• Examination of contracts on sample basis entered by the Company and agreeing with the schedule of content advance.</li> <li>• Examination of the approvals of write off where amounts are not recoverable.</li> <li>• Testing of the amounts transferred to film and rights account on sample basis on delivery of content by vendor.</li> <li>• Circulating and obtaining independent confirmations from parties on the outstanding balances on sample basis. Testing the reconciliation, if any between the balances confirmed by party and balance in the books.</li> <li>• Conducting discussion with the management and reviewing, on sample basis, the project status prepared by management for determining the adequacy of impairment provisions where balances are still pending to be adjusted against the content to be delivered by the party.</li> </ul>
<p><b>Amortization of Film and Content Rights</b> (Refer note 1 and para 'c' of the significant accounting policies)</p> <p>The cost incurred on acquisition of film and content rights are amortized over the period. Company carries out stepped up amortization of film content, with higher amortization in year of film release and lower amortization in later periods as per the policy disclosed in significant accounting policy.</p> <p>Such amortization policy has been derived basis management's expectation of overall performance of films based on historical trends. The Company maintains detailed content wise information relating to historical trends and future benefits from content through theatrical sales, sale of satellite or television and other forms of monetisation of the content.</p> <p>Determination of amortization policy and assessing impairment of content asset involves significant judgement and estimates since it is dependent on various internal and external factors.</p> <p>Because of the significance of the amortization of content and film rights to balance sheet together with the level of judgement involved make its accounting treatment a significant matter for our audit.</p>	<p>Our audit procedures to test amortization/ impairment of film content included and were not limited to following:</p> <ul style="list-style-type: none"> <li>• Assessing the design, implementation and operating effectiveness of the Company's key internal controls over the processes of maintenance and updation of master files containing data on the film rights carrying value and the related amortization computations thereof.</li> <li>• Testing, on sample basis, the mathematical accuracy of the acquisition cost of film and content rights, associated amortization charge and additions and disposals to third party supporting documents.</li> <li>• Discussing the expectations of the selected films and shows with key personnel, including those outside of finance, to ensure its consistency of expected performance with key assumptions.</li> <li>• Determining the overall assumptions used by management for amortization policy is appropriate based on the expected utilisation of benefits of the underlying content.</li> <li>• Assessing management's historical forecasting accuracy by comparing past assumptions to actual outcomes.</li> <li>• The carrying value of the content and film cost were tested for impairment based on the valuation model. We tested the historical data used for valuation, challenged the terminal growth and discount rates used and considered the reasonableness of the sensitivity assessment applied.</li> </ul>

## STANDALONE FINANCIAL STATEMENTS

Key Audit Matters	Response to Key Audit Matters
<b>Trade Receivables</b> (Refer note 1 and para 'f' of the significant accounting policies)	
<p>The Company is required to regularly assess the recoverability of its trade receivables. Management assesses the level of allowance for expected credit loss required at each reporting date after taking into account the ageing analysis of trade receivables and other historical and current factors specific to individual accounts.</p> <p>The recoverability of trade receivables was significant to our audit because of the significance of trade receivables to balance sheet and involvement of significant degree of management judgement involved in evaluating the adequacy of the allowance for expected credit loss.</p>	<p>Our audit procedures to assess the recoverability of trade receivables included and were not limited to following:</p> <ul style="list-style-type: none"><li>• Tested the accuracy of aging of trade receivables at year end on a sample basis.</li><li>• Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers related to the recoverability of outstanding amount and to consider if any additional provision should be made.</li><li>• Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis, if any.</li><li>• Examination of the approvals of write off where amounts are not recoverable.</li><li>• Circulating and obtaining independent customers confirmation on the outstanding balances on sample basis. Testing the reconciliation, if any between the balances confirmed by customer and balance in the books on sample basis.</li><li>• In assessing the appropriateness of the overall provision for expected credit loss we considered the management's application of policy for recognizing provisions which included assessing whether the calculation was in accordance with IND AS 109 and comparing the Company's provisioning rates against historical collection data.</li></ul>
<b>Related party Transactions</b> (Refer Note 44)	
<p>The Company has undertaken transactions with its related parties in the ordinary course of business at arm's length. These include transactions in the nature of investments, loans, sales etc. as disclosed in note 44 to the standalone Ind AS financial statements.</p> <p>Considering the significance of transactions with related parties and regulatory compliances thereon, related party transactions and its disclosure as set out in respective notes to the financial statements has been identified as key audit matter.</p>	<p>Our procedures/testing included the following:</p> <ul style="list-style-type: none"><li>• Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, recording and disclosure of related party transactions.</li><li>• Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length;</li><li>• Tested, related party transactions with the underlying contracts, confirmation letters and other supporting documents;</li><li>• Agreed the related party information disclosed in the financial statements with the underlying supporting documents, on a sample basis.</li><li>• Also reviewed the assessment of the recoverability from the related parties based on group's cash flow plan prepared by the Management.</li></ul>

### Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Management Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated

in Section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going



concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning

the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
  - e) The matter described under Material Uncertainty Related to Going Concern paragraph above and under Qualified opinion paragraph in Annexure B to this report in our opinion, may have an adverse effect on the functioning of the Company.
  - f) On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act;
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an

## STANDALONE FINANCIAL STATEMENTS

qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Executive Vice Chairman and Managing Director for the year ended March 31, 2021 is in excess by ₹ 400 Lakhs vis-à-vis the limits specified in Section 197 of Act read with Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 41 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355

**Amit Chaturvedi**  
Partner  
Membership No. 103141

UDIN:- 21103141AAAAOK7616  
Place- Mumbai  
Date: 28<sup>th</sup> June, 2021

## ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF EROS INTERNATIONAL MEDIA LIMITED

(Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date)

### i) In respect of its Fixed Assets :

- The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- According to the information and explanations given to us, the title deeds of all the immovable properties are held in the name of the Company.

### ii) In respect of its inventories:

The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. (Films and Web Series where Company owns the rights are verified with reference to the title documents/ agreements). No differences were noticed on physical verification of inventory as compared to book records.

### iii) In respect of loans, secured or unsecured granted by the Company to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act:

- In our opinion the terms and conditions of the grant of such loans are prima facie, not prejudicial to the company's interest.
- The schedule of repayment of principal and interest has been stipulated wherein the principal and interest amounts are

repayable on demand. Since the repayment of such loans has not been demanded, in our opinion, the repayment of the principal and interest amount is regular.

- There is no overdue amount in respect of loans granted to such companies and firms.

iv) In respect of loans, investments, guarantees and security, the Company has complied with the provisions of Section 185 and 186 of the Act.

v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company. Accordingly, the provision of clause 3(vi) of the order is not applicable.

### vii) In respect of Statutory dues :

- According to the records of the Company, undisputed statutory dues including goods and service tax, employee's state insurance, provident fund, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and any other statutory dues as applicable to it have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. According to the information and explanations given to us, following are the undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2021 for a period of more than six months from the date of becoming payable:-

Sr. No.	Name of the statute	Nature of the dues	Amount ₹ in lakhs	Period to which the amount relates	Due Date	Date of Payment
1	Income Tax Act, 1961	Income tax	115	Assessment year 2016-17	31-03-2016	Unpaid
		Interest on Income Tax	762	Assessment year 2016-17	31-03-2016	Unpaid
		Income tax	18	Assessment year 2017-18	31-03-2017	Unpaid
		Interest on Income Tax	1,647	Assessment year 2017-18	31-03-2017	Unpaid
		Income tax	26	Assessment year 2018-19	31-03-2018	Unpaid
		Interest on Income Tax	221	Assessment year 2018-19	31-03-2018	Unpaid
		Income tax	3,446	Assessment year 2019-20	31-03-2019	Unpaid
		Interest on Income Tax	3,314	Assessment year 2019-20	31-03-2019	Unpaid
2	Goods and Services Tax Act, 2017	Interest on GST	54	For FY 2019-20	Various dates	Unpaid
		Interest on GST	204	For FY 2018-19	Various dates	Unpaid
		Interest on GST	69	For FY 2017-18	Various dates	Unpaid
3	Income Tax Act, 1961	Tax Deducted at Source	647	For FY 2020-21	Various dates	Unpaid
		Interest on TDS	120	For FY 2020-21	Various dates	Unpaid

- On the basis of our examination of accounts and documents on records of the Company and information and explanations given to us upon enquires in this regard, the following are the disputed amounts payable in respect of goods and service tax, income tax, sales tax, service tax, duty and cess as applicable to it, which have not been deposited on account of disputed matters pending before the appropriate authorities:-

## STANDALONE FINANCIAL STATEMENTS

Sr. No	Name of the statute	Nature of the dues	Amount ₹ in lakhs	Amount Paid under protest (Amount ₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Finance Act, 1994	Service Tax, Penalties and Interest	31,350	1,000	From FY 2009-10 to FY 2013-2014	Customs Excise and Service Tax Appellate Tribunal
			13,331	-	From FY 2014-15 to June 2017	Office of Commissioner of CGST/ Central Excise
		Reversal of CENVAT Credit	395	-	From FY 2013-14 to June 2017	Office of Commissioner of CGST/ Central Excise
		Non/Short Levy on Imports	69	-	From F.Y.2013-14 to F.Y.2015-16	Office of Commissioner of CGST/ Central Excise
2	Income Tax Act, 1961	Income Tax	5	-	AY 2014-15	Jurisdictional AO
			60	-	Various AY From 2012-13 to AY 2016-17	CIT (A)
			3	-	AY 2003-04 and AY 2004-05	Commissioner of Income Tax(Appeals)
			37	-	AY 2004-05	Bombay High Court
3	Maharashtra Value Added Tax, 2002/ Central Sales Tax	Sales Tax	1,476	80	Various Years From FY 2005-06 to FY 2016-17	Joint Commissioner of sales tax (Appeals)

- viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of loans or borrowings to banks and financial institutions as under:

Name of Bank/ Financial Institution	Amount ₹ in lakhs	
	Principal*	Interest*
Indian Overseas Bank	4,029	54
Punjab National Bank	3,985	142
Union Bank of India	3,314	4
IDBI Bank	1,333	73
Bank of Baroda	753	127
State Bank of India	429	75
Total	13,843*	476*

\*These all dues are related to post December 24, 2020 to March 31, 2021

One time restructuring under the Resolution Framework for COVID-19 related stress was invoked on December 24, 2020 by company and consortium bankers. The plan was approved for implementation by company's bankers on June 22, 2021, due to which the debt liabilities that were due after cut-off date of January 1, 2021 till approval date, including the above referred dues are restructured for payment. (Also refer note 51(b) of the standalone financial statement).

Company did not have any borrowing from government any outstanding debentures during the year.

- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and to the best of our information and according to explanation given to us, the remuneration paid by the Company to its Executive Vice Chairman and Managing Director for the year ended March 31, 2021 is in excess by ₹ 400 Lakhs vis-à-vis the limits specified in Section 197 of Act read with Schedule V thereto as the

Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

- xii) In our opinion Company is not a nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) In respect of transactions with related parties:  
In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or of fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under Section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi) Based on information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355

**Amit Chaturvedi**

Partner  
Membership No. 103141

UDIN:- 21103141AAAAOK7616  
Place- Mumbai  
Date: 28<sup>th</sup> June, 2021

## ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF EROS INTERNATIONAL MEDIA LIMITED

**(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Control over financial reporting of **Eros International Media Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year then ended.

### Management Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as

necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Qualified Opinion

According to the information and explanations given to us and based on our audit, we have identified material weakness as at March 31, 2021 with regards advances given for content development which has remained under production for a substantial period of time. The controls over assessing the further development or alternative arrangements needs to be strengthened failing which the advances may be potentially not recovered and written off in future.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objective of the control criteria, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Financial Statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 standalone financial statements of the Company, and the material weakness does not / do not affect our opinion on the standalone financial statements of the Company.

### For **Chaturvedi & Shah LLP**

Chartered Accountants  
Firm Registration No. 101720W/W100355

### **Amit Chaturvedi**

Partner  
Membership No. 103141

UDIN:- 21103141AAAAOK7616  
Place- Mumbai  
Date: 28<sup>th</sup> June, 2021

# Balance Sheet

as at 31 March 2021

Amount ₹ in lakhs

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	4,961	3,305
Intangible assets			
a) Content advances	4	35,437	41,525
b) Film rights	4	29,145	36,258
c) Other intangible assets	4	48	27
d) Intangible assets under development		324	5,874
Financial assets			
a) Investments	5	4,502	4,502
b) Loans	6	545	545
c) Restricted bank deposits	7	98	41
d) Other financial assets	8	280	279
Other non-current assets	9	6,634	3,838
<b>Total non-current assets</b>		<b>81,974</b>	<b>96,194</b>
<b>Current assets</b>			
Inventories	10	850	4
Financial assets			
a) Trade receivables	11	46,081	52,590
b) Cash and cash equivalents	12	874	102
c) Restricted bank deposits	13	2,754	3,609
d) Loans and advances	14	838	720
e) Other financial assets	15	90	69
Other current assets	16	110	142
<b>Total current assets</b>		<b>51,597</b>	<b>57,236</b>
<b>Total assets</b>		<b>1,33,571</b>	<b>1,53,430</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	17	9,586	9,563
Other equity	18	11,518	28,417
<b>Total equity</b>		<b>21,104</b>	<b>37,980</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
a) Borrowings	19	4	63
b) Trade payables	20		
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		17,999	118
c) Other financial liabilities	21	1,674	47
Employee benefit obligations	22	265	318
Deferred tax liabilities	23	-	-
Other non-current liabilities	24	2,521	4,424
<b>Total non-current liabilities</b>		<b>22,463</b>	<b>4,970</b>
<b>Current liabilities</b>			
Financial liabilities			
a) Borrowings	25	49,696	49,423
b) Acceptances	26	1,400	1,400
c) Trade payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		12,673	28,394
d) Other financial liabilities	27	10,345	10,932
Employee benefit obligations	28	239	301
Other current liabilities	29	8,112	13,054
Current tax liabilities	30	7,539	6,976
<b>Total current liabilities</b>		<b>90,004</b>	<b>1,10,480</b>
<b>Total liabilities</b>		<b>1,12,467</b>	<b>1,15,450</b>
<b>Total equity and liabilities</b>		<b>1,33,571</b>	<b>1,53,430</b>

Notes 1 to 54 form an integral part of these standalone financial statements

As per our report of even date

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No.: 101720W/W100355

For and on behalf of Board of Directors

**Amit Chaturvedi**

Partner

Membership No: 103141

**Sunil Lulla**

Executive Vice Chairman &amp;

Managing Director

(DIN: 00243191)

**Sunil Srivastav**

Non Executive Independent

Director

(DIN: 00237561)

**Pradeep Dwivedi**

Chief Executive Officer

**Farokh P. Gandhi**

Chief Financial Officer

(India)

**Vijay Thaker**

Vice President - Company Secretary

and Compliance Officer

Place: Mumbai

Date : 28 June 2021

Place: Mumbai

Date : 28 June 2021

# Statement of Profit and Loss

for the year ended 31 March 2021

Amount ₹ in lakhs

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
<b>Revenue</b>			
Revenue from operations (net)	31	24,450	66,900
Other income	32	6,814	5,547
<b>Total revenue</b>		<b>31,264</b>	<b>72,447</b>
<b>Expenses</b>			
Film right costs including amortization costs	33	22,386	23,556
Changes in inventories of film rights	34	(846)	297
Employee benefits expense	35	3,138	2,974
Finance costs (net)	36	10,943	7,075
Depreciation and amortisation expense	37	610	818
Other expenses	38	10,880	47,661
<b>Total expenses</b>		<b>47,111</b>	<b>82,381</b>
Profit/(Loss) before exceptional items and tax		(15,847)	(9,934)
Exceptional Items	39	-	1,27,850
Profit/(Loss) before tax		(15,847)	(1,37,784)
<b>Tax expense</b>			
Deferred tax		-	(18,790)
Short/(excess) provision of earlier years		1,136	(2,921)
		<b>1,136</b>	<b>(21,711)</b>
<b>Profit/(Loss) after tax for the year</b>		<b>(16,983)</b>	<b>(1,16,073)</b>
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(14)	127
Income tax effect (net)		-	(32)
<b>Total comprehensive income for the year</b>		<b>(16,997)</b>	<b>(1,15,978)</b>
<b>Earnings per share</b>			
Basic (in ₹) (nominal value ₹ 10)	40	(17.74)	(121.48)
Diluted (in ₹) (nominal value ₹ 10)		(17.74)	(121.48)

Notes 1 to 54 form an integral part of these standalone financial statements

As per our report of even date

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No.: 101720W/W100355

**Amit Chaturvedi**

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Membership No: 103141

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**Farokh P. Gandhi**

Chief Financial Officer

(India)

Place: Mumbai

Date : 28 June 2021

**Vijay Thaker**

Vice President - Company Secretary  
and Compliance Officer

Place: Mumbai

Date : 28 June 2021

# Statement of Changes in Equity

As at 31 March 2021

A. Equity share capital	Number	Amount ₹ in lakhs
<b>Balance as at 1 April 2019</b>	<b>9,55,08,140</b>	<b>9,551</b>
Add: Issued on exercise of employee share options	1,20,883	12
<b>Balance as at 31 March 2020</b>	<b>9,56,29,023</b>	<b>9,563</b>
Add: Issued on exercise of employee share options	2,35,795	24
<b>Balance as at 31 March 2021</b>	<b>9,58,64,818</b>	<b>9,586</b>

B. Other equity	Amount ₹ in lakhs					
Particulars	Share Premium Account	General Reserves	Share Options Outstanding	Retained Earnings	Other comprehensive income / (loss)	Total other equity
<b>Balance as at 1 April 2019</b>	<b>41,547</b>	<b>526</b>	<b>1,344</b>	<b>1,00,792</b>	<b>86</b>	<b>1,44,294</b>
Profit for the year	-	-	-	(1,16,073)	-	(1,16,073)
Actuarial gain / (loss) on employee benefit plans through OCI	-	-	-	-	94	94
<b>Total Comprehensive income/ (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,16,073)</b>	<b>94</b>	<b>(1,15,979)</b>
Transfer from/to share option outstanding account	230	-	(230)	-	-	-
Employee stock option compensation expense	-	-	85	-	-	85
Employee stock option compensation expense to employee's of subsidiary and Fellow subsidiary	-	-	16	-	-	16
<b>Balance as at 31 March 2020</b>	<b>41,777</b>	<b>526</b>	<b>1,215</b>	<b>(15,281)</b>	<b>180</b>	<b>28,417</b>
Profit/(loss) for the year	-	-	-	(16,983)	-	(16,983)
Actuarial gain / (loss) on employee benefit plans through OCI	-	-	-	-	(14)	(14)
<b>Total Comprehensive income/ (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16,983)</b>	<b>(14)</b>	<b>(16,997)</b>
Transfer from/to share option outstanding account	451	-	(451)	-	-	-
Employee stock option compensation expense	-	-	98	-	-	98
<b>Balance as at 31 March 2021</b>	<b>42,228</b>	<b>526</b>	<b>862</b>	<b>(32,264)</b>	<b>166</b>	<b>11,518</b>

As per our report of even date

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No.: 101720W/W100355

For and on behalf of Board of Directors

**Amit Chaturvedi**  
Partner  
Membership No: 103141

**Sunil Lulla**  
Executive Vice Chairman &  
Managing Director  
(DIN: 00243191)

**Sunil Srivastav**  
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Director  
(DIN: 00237561)

**Pradeep Dwivedi**  
Chief Executive Officer

**Farokh P. Gandhi**  
Chief Financial Officer  
(India)

**Vijay Thaker**  
Vice President - Company Secretary  
and Compliance Officer

Place: Mumbai  
Date : 28 June 2021

Place: Mumbai  
Date : 28 June 2021



# Cash Flow Statement

for the year ended 31 March 2021

Amount ₹ in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Cash flow from operating activities</b>		
<b>Profit/(loss) before tax</b>	<b>(15,847)</b>	<b>(1,37,784)</b>
Non-cash adjustments to reconcile Profit before tax to net cash flows		
Depreciation and amortization	13,873	17,579
Bad debts and trade receivables written off	1,069	44,966
Sundry balances written back	(1,648)	(882)
Content advances written off	5,596	-
Provision/(Reversal of provision) for doubtful advances	531	(1,687)
Reversal of Provision of Impairment of Content advance	(3,284)	-
Impairment of content advance provision (exceptional item)	-	1,06,812
Impairment of film rights (exceptional item)	-	17,251
Impairment of other advances provision (exceptional item)	-	762
Impairment of content advance written off (exceptional item)	-	3,025
Unwinding of interest on expected credit loss	(21)	-
Finance costs	11,150	7,366
Interest income	(578)	(290)
Gratuity	56	112
(Gain) on sale of tangible assets (net)	(1)	(0)
Impairment loss on Investment	-	332
Expense on employee stock option scheme	98	85
Unrealised foreign exchange gain	(652)	1,176
<b>Operating profit before working capital changes</b>	<b>10,342</b>	<b>58,823</b>
Movements in working capital:		
(Decrease) in current liabilities	(6,844)	(15,438)
Increase/(Decrease) in other financial liabilities	138	(109)
Increase/(Decrease) in trade payables	15,985	(397)
(Decrease) in employee benefit obligations	(184)	(103)
Decrease in inventories	0	0
(Increase)/Decrease in trade receivables	6,907	(28,431)
(Increase)/Decrease in other current assets	(184)	101
(Increase) /Decrease in other non- current assets	(2,796)	416
(Increase)/Decrease in short-term loans and advances	(118)	1,126
(Increase)/Decrease in other financial assets	1	(364)
<b>Cash generated from operations</b>	<b>23,247</b>	<b>15,624</b>
Taxes paid (net)	(2,301)	(2,951)
<b>Net cash generated from operating activities (A)</b>	<b>20,946</b>	<b>12,673</b>
<b>Cash flow from investing activities</b>		
Purchase of tangible assets	(146)	(40)
Purchase of intangible film rights and related content	(10,829)	(3,635)
Deposits with banks (net)	798	2,843
Proceeds from sale of fixed assets	6	1
Interest income	186	449
<b>Net cash used in investing activities (B)</b>	<b>(9,985)</b>	<b>(382)</b>

# Cash Flow Statement

for the year ended 31 March 2021

Amount ₹ in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares (net)	24	12
Repayment of long-term borrowings	(2,274)	(5,201)
Change in short-term borrowings	(2,189)	(1,741)
Finance charges (net)	(5,750)	(5,527)
<b>Net cash flow (used ) in financing activities (C)</b>	<b>(10,189)</b>	<b>(12,457)</b>
<b>Net Increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>772</b>	<b>(166)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>102</b>	<b>268</b>
<b>Cash and cash equivalents at the end of the year (refer note 12)</b>	<b>874</b>	<b>102</b>

\*amount represents less than ₹ one lakh

**Change in liability arising from financing activities :-**

Amount ₹ in lakhs

Particulars	Non current borrowings	Current borrowing	Acceptances	Total
<b>As on 1 April 2019</b>	<b>13,878</b>	<b>46,796</b>	<b>5,796</b>	<b>66,470</b>
Cash Flows	(5,201)	2,655	(4,396)	(6,942)
Adjustments	(0)	(28)	-	(28)
<b>As on 31 March 2020</b>	<b>8,677</b>	<b>49,423</b>	<b>1,400</b>	<b>59,500</b>
Cash Flows	(2,274)	(2,189)	-	(4,463)
Adjustments	-	2,462	-	2,462
<b>As on 31 March 2021</b>	<b>6,402</b>	<b>49,696</b>	<b>1,400</b>	<b>57,498</b>

Notes 1 to 54 form an integral part of these standalone financial statements

As per our report of even date

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No.: 101720W/W100355

**Amit Chaturvedi**

Partner

Membership No: 103141

For and on behalf of Board of Directors

**Sunil Lulla**

Executive Vice Chairman &amp;

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**Pradeep Dwivedi**

Chief Executive Officer

**Farokh P. Gandhi**Chief Financial Officer  
(India)

Place: Mumbai

Date : 28 June 2021

**Vijay Thaker**Vice President - Company Secretary  
and Compliance Officer

Place: Mumbai

Date : 28 June 2021

# Summary of Significant Accounting Policies

## Corporate Information

Eros International Media Limited (the 'Company') was incorporated in India, under the Companies Act, 1956. The Company is a global player within the Indian media and entertainment industry and is primarily engaged in the business of film production, exploitation and distribution. It operates on a vertically integrated studio model controlling content as well as distribution and exploitation across multiple formats globally, including cinema, digital, home entertainment and television syndication. Its shares are listed on leading stock exchanges in India (BSE Scrip Code: 533261; NSE Scrip Code: EROSMEDIA).

These separate financial statements were authorised for issue in accordance with a resolution passed in the Board of Directors meeting held on 28 June 2021.

## Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

## Basis of preparation

The financial statements have been prepared on accrual basis of accounting using historical cost basis, except certain investment, Employee Stock Option Plan ('ESOP') Compensation and forward contracts are measured at fair value.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The Company considers 12 months to be its normal operating cycle.

All values are rounded to the nearest rupees in Lakhs, except where otherwise indicated. Amount in zero (0) represents amount below rupees fifty thousand.

## 1. Significant accounting policies

### a. Revenue recognition

Revenue from contracts are recognized only when the contract has been approved by the parties to the contract and creates enforceable rights and obligations.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue do not include the taxes collected from the customer on behalf of taxing authorities. To ensure collectability of such consideration and financial stability of the counterparty, the Company performs certain standard Know Your Client (KYC) procedures based on their locations and evaluates trend of past collection.

Revenue is measured based on the transaction price, which is the consideration, adjusted for any discounts and incentives, if any, as specified in the contract with the customer. In case of variable consideration, the Company estimates, at the contract inception, the amount to be received using the "most likely amount" approach, or the "expected value" approach, as appropriate. This amount is then included in the Company's estimate of the transaction price only if it is highly probable that a significant reversal of revenue will not occur once any uncertainty associated with the variable consideration is resolved. In making this assessment the Company considers its historical performance on similar contracts.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred revenue under other current liabilities in the statement of financial position (see Note 29). Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its balance sheet, depending on whether something other than the passage of time is required before the consideration is due.

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 0-180 days from the shipment or delivery of goods or services as the case may be.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Company's performance may result in additional revenues based on the achievement of agreed targets.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The Company disaggregates revenue from contracts with customers by geography and nature of services.

The following additional criteria apply in respect of various revenue streams within filmed entertainment:

**Theatrical** - Contracted minimum guarantees are recognized on the theatrical release date. The Company's share of box office receipts in excess of the minimum guarantee is recognized at the point they are notified to the Company.

**Television** -. In arrangements for television syndication, license fees received in advance which do not meet the revenue recognition criteria, including commencement of the availability for broadcast under the terms of the related licensing agreement, are included in contract liability until the criteria for recognition is met. Revenues from television licensing arrangements are recognized when the feature film or television program is delivered and the period for the exploitation of rights has begun.

**Other** - DVD, CD and video distribution revenue is recognized on the date the product is delivered or if licensed in line with the above criteria. Provision is made for physical returns where applicable. Digital and ancillary media revenues are recognized at the earlier of when the content is accessed or declared. Visual effects, production and other fees for services rendered by the Company and overhead recharges are recognized in the period in which they are earned and in certain cases, the stage of production is used to determine the proportion recognized in the period.

### Other income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

## STANDALONE FINANCIAL STATEMENTS

### b. Property, plant and equipment and depreciation

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, Plant and Equipment comprises of its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing costs for assets that necessarily take a substantial period of time to get ready for their intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital Work-in-progress (CWIP) includes expenditure that is directly attributable to the acquisition/construction of assets, which are yet to be commissioned.

Depreciation is provided under written down value method at the rates and in the manner prescribed under Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from de-recognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognized.

### c. Intangible assets

Intangible assets acquired by the Company are stated at cost less accumulated amortization less impairment loss, if any, (film production cost and content advances are transferred to film and content rights at the point at which content is first exploited).

Investments in films and associated rights, including acquired rights and distribution advances in respect of completed films, are stated at cost less amortization less provision for impairment. Costs include production costs, overhead and capitalized interest costs net of any amounts received from third party investors. A charge is made to write down the cost of completed rights over the estimated useful lives, writing off more in year one which recognizes initial income flows and then the balance over a period of up to nine years, except where the asset is not yet available for exploitation. The average life of the assets is the lesser of 10 years or the remaining life of the content rights. The amortization charge is recognized in the statement of profit and loss within cost of sales. The determination of useful life is based upon Management's judgment and includes assumptions on the timing and future estimated revenues to be generated by these assets, which are summarized in Note 4.

Intangible assets comprising film scripts and related costs are stated at cost less amortization less provision for impairment. The script costs are amortized over a period of 3 years on a straight-line basis and the amortization charge is recognized in the statement of profit and loss within cost of sales. The determination of useful life is based upon Management's estimate of the period over which the Company explores the possibility of making films using the script.

Other intangible assets, which comprise internally generated and acquired software used within the Entity's digital, home entertainment and internal accounting activities, are stated at cost less amortization less provision for impairment. A charge is made to write down the cost of software over the estimated useful lives except where the software is not yet available for use. The

average life of the software is the lesser of 3 years or the remaining life of the software. The amortization charge is recognized in the statement of profit and loss.

### d. Impairment of non-financial assets

At each reporting date, for the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at the cash generating unit level. All individual assets or cash generating units are tested for impairment whenever events or changes in circumstances both internal and external indicate that the carrying amount may not be recoverable.

An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their 'value in use'.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Film and content rights are stated at the lower of unamortized cost and estimated recoverable amounts. In accordance with Ind AS 36 Impairment of Assets, film content costs are assessed for indication of impairment on a library basis as the nature of the Company's business, the contracts it has in place and the markets it operates in do not yet make an ongoing individual film evaluation feasible with reasonable certainty. Impairment losses on content advances are recognized when film production does not seem viable and refund of the advance is not probable. Irrespective of existence of indicators of impairment, company makes provision on Content Advances in accordance with the provisioning policy, such that, unadjusted advances are provided over a period of 3 to 5 years.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist.

### e. Borrowing costs

The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized costs with any difference between the proceeds (net of transaction costs) and the redemption value recognised in the income statement within Finance costs over the period of the borrowings using the effective interest method. Finance costs in respect of film productions and other assets which take a substantial period of time to get ready for use or for exploitation are capitalized as part of the assets. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

### f. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of

impairment loss on risk exposure arising from financial assets like debt instruments measured at amortized cost e.g., trade receivables and deposits.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'Other income or other expenses' in the P&L.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

#### g. Inventories

Inventories primarily comprise of music CDs and DVDs are valued at the lower of cost and net realizable value. Cost in respect of goods for resale is defined as all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost in respect of raw materials is purchase price.

Purchase price is assigned using a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale .

#### h. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligations and can be reliably measured. Provisions are measured at Management's best estimate of the expenditure required to settle the obligations at the balance sheet date. If the effect of the time value of money is material, provisions are

discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognized in the financial statements but are disclosed by way of notes to accounts unless the possibility of an outflow of economic resources is considered remote.

Contingent assets are not recognized in financial statements. However, the same is disclosed, where an inflow of economic benefit is virtual.

#### i. Employee Benefits

##### Short term employee benefits obligations

Short-term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which related services are rendered.

Post-employment benefits and other long-term employee benefits

##### Defined contribution plan

Provident fund & National Pension scheme: The Company's contributions paid or payable during the year to the provident fund, employee's state insurance corporation and National pension scheme are recognized in the Statement of Profit and Loss. This fund is administered by the respective Government authorities, and the Company has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.

##### Defined benefit plan

Gratuity: The Company's liability towards gratuity is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The cost for past services is recognized on a straight-line basis over the average period until the amended benefits become vested. Re-measurement gains and losses are recognized immediately in the Other Comprehensive Income as income or expense and are not reclassified to profit or loss in subsequent periods. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Compensated absences: Accumulated compensated absences are expected to be availed or encashed within 12 months from the end of the year and are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

##### Employee stock option plan

In accordance with Ind AS 102 Share Based Payments, the fair value of shares or options granted is recognized as personnel costs with a corresponding increase in equity. The fair value is measured at the grant date and spread over the period during which the recipient becomes unconditionally entitled to payment unless forfeited or surrendered.

The fair value of share options granted is measured using the Black Scholes model, each taking into account the terms and conditions upon which the grants are made. At each Balance Sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a result of non-market

## STANDALONE FINANCIAL STATEMENTS

based vesting conditions. The amount recognized as an expense is adjusted to reflect the revised estimate of the number of equity instruments that are expected to become exercisable, with a corresponding adjustment to equity. The Company's share option plan does not feature any cash settlement option.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares are allocated to equity share capital with any excess being recorded as securities premium.

### j. Leases

The Company adopted Ind AS 116 'Leases' on April 1, 2019, utilizing the modified retrospective approach, and therefore, results for reporting periods beginning after April 1, 2019 are presented under the new lease standard, while prior periods have not been adjusted.

#### The Company as a lessee:

The Company assesses, whether the contract is, or contains, a lease at the inception of the contract or upon the modification of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which the underlying asset is of low value (low-value leases). For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any initial direct costs incurred by the Company, any lease incentives received and expected costs for obligations to dismantle and remove right-of-use assets when they are no longer used.

Subsequently, the right-of-use assets is measured at cost less any accumulated amortization and accumulated impairment losses, if any. The right-of-use assets are amortized on a straight-line basis from the commencement date of the lease over the shorter of the end of the lease term or useful life of the right-of-use asset.

Right-of-use assets are assessed for impairment whenever there is an indication that the balance sheet carrying amount may not be recoverable using cash flow projections for the useful life.

For lease liabilities at commencement date, the Company measures the lease liability at the present value of the future lease payments as from the commencement date of the lease to end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company's incremental borrowing rate for the asset subject to the lease in the respective markets.

Subsequently, the Company measures the lease liability by adjusting carrying amount to reflect interest on the lease liability and lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease terms or expected payments under the lease, or a modification that is not accounted for as a separate lease

The portion of the lease payments attributable to the repayment of lease liabilities is recognized in cash flows used in financing

activities. Also, the portion attributable to the payment of interest is included in cash flows from financing activities. Further, Short-term lease payments, payments for leases for which the underlying asset is of low-value and variable lease payments not included in the measurement of the lease liability is also included in cash flows from operating activities.

#### The Company as a lessor:

In arrangements where the Company is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of the risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognized as income in the statement of profit and loss on a straight-line basis over the lease term or another systematic basis. The Company applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

### k. Foreign Currency Transactions

Transactions in foreign currencies are translated at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated at the prevailing rates of exchange at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognized in the statement of profit and loss in the period in which they arise. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The Company's functional currency and the presentation currency is same i.e. Indian Rupee.

### l. Financial instrument

#### Non-derivative financial instruments

Financial assets and financial liabilities are recognized when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets or liabilities (other than financial assets and liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognized immediately in profit or loss. Financial assets and financial liabilities are offset against each other and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

#### Financial Assets

Financial assets are divided into the following categories:

- financial assets carried at amortized cost
- financial assets at fair value through other comprehensive income
- financial assets at fair value through profit and loss;

Financial assets are assigned to the different categories by Management on initial recognition, depending on the nature and purpose of the financial assets. The designation of financial assets is re-evaluated at every reporting date at which a choice of classification or accounting treatment is available. Financial Assets like Investments in Subsidiaries are measured at Cost as allowed by Ind-AS 27 - Separate Financial Statements and hence are not fair valued.

#### **Financial assets carried at amortized cost**

The Financial asset is measured at amortized cost if both the following conditions are met:

1. The asset is held within a business model whose objective is to hold the assets for collecting contractual cash flows; and
2. Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (the "EIR") method. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income/other income in the Statement of Profit & Loss.

In accordance with Ind AS 109: Financial Instruments, the Company recognizes impairment loss allowance on trade receivables and content advances based on historically observed default rates. Impairment loss allowance recognized during the year is charged to Statement of Profit and Loss.

#### **Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income are non-derivative financial assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. It includes non-derivative financial assets that are either designated as such or do not qualify for inclusion in any of the other categories of financial assets. Gains and losses arising from investments classified under this category is recognized in the statement of profit and loss when they are sold or when the investment is impaired.

In the case of impairment, any loss previously recognized in other comprehensive income is transferred to the statement of profit and loss. Impairment losses recognized in the statement of profit and loss on equity instruments are not reversed through the statement of profit and loss. Impairment losses recognized previously on debt securities are reversed through the statement

of profit and loss when the increase can be related objectively to an event occurring after the impairment loss was recognized in the statement of profit and loss.

When the Company considers that fair value of financial assets can be reliably measured, the fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Company applies its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date. Equity instruments measured at fair value through profit or loss that do not have a quoted price in an active market and whose fair value cannot be reliably measured are measured at cost less impairment at the end of each reporting period.

An assessment for impairment is undertaken at least at each balance sheet date.

A financial asset is derecognized only where the contractual rights to the cash flows from the asset expire or the financial asset is transferred, and that transfer qualifies for derecognition. A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the Company retains the contractual rights to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients. A financial asset that is transferred qualifies for derecognition if the Company transfers substantially all the risks and rewards of ownership of the asset, or if the Company neither retains nor transfers substantially all the risks and rewards of ownership but does transfer control of that asset.

#### **Financial liabilities**

All financial liabilities are recognised initially at its fair value, adjusted by directly attributable transaction costs.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading such as a derivative, except for a designated and effective hedging instrument, or if upon initial recognition it is thus designated to eliminate or significantly reduce measurement or recognition inconsistency or it forms part of a contract containing one or more embedded derivatives and the contract is designated as fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value. Any gains or losses arising of held for trading financial liabilities are recognized in profit or loss. Such gains or losses incorporate any interest paid and are included in the "other gains and losses" line item.

#### **Financial liabilities at amortized cost**

After initial recognition, other financial liabilities (including borrowing and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

A financial liability is derecognized only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires. Changes in liabilities fair value that are reported in profit or loss are included in the statement of profit and loss within finance costs or finance income.

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Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognized amount and there is intention either to settle on net basis or to realize the assets and to settle the liabilities simultaneously.

### Equity Instrument

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss with all changes recognized in the Statement of Profit and Loss. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income, the subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at fair value through other comprehensive income, then all fair value changes on the instrument, excluding dividends and impairment loss, are recognized in other comprehensive income. There is no recycling of the amounts from the other comprehensive income to the Statement of Profit and Loss, even on sale of the investment. However, the Company may transfer the cumulative gain or loss within categories of equity.

### m. Taxes

Taxation on profit and loss comprises current tax and deferred tax. Tax is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income in which case tax impact is also recognized in equity or other comprehensive income.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date along with any adjustment relating to tax payable in previous years.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax is not recognized for all taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. MAT credit entitlement is recognised as a deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, which is the period for which MAT credit is allowed to be carried forward. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer

probable that sufficient taxable profit will be available to utilize all or part of the deferred tax asset. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will be available to utilize the deferred tax asset.

### n. Earnings per share

Basic EPS is computed by dividing net profit after taxes for the year by weighted average number of equity shares outstanding during the financial year, adjusted for bonus share elements in equity shares issued during the year and excluding treasury shares, if any.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### o. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments which are readily convertible into known amounts of cash and are subject to insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Deposits held with banks as security for overdraft facilities are included in restricted deposits held with bank.

### p. Segment reporting

Ind-AS 108 Operating Segments requires operating segments to be identified on the same basis as is used internally for the review of performance and allocation of resources by the Chief Operating Decision Maker. The revenues of films are earned over various formats; all such formats are functional activities of filmed entertainment and these activities take place on an integrated basis. The management team reviews the financial information on an integrated basis for the Company as a whole. The management team also monitors performance separately for individual films or for at least 12 months after the theatrical release.

The Company has identified three geographic markets: India, UAE and Rest of the world.

### q. Statement of cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### r. Dividends

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorized, and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### s. Event occurring after the reporting date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non-adjusting



events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed by way of notes in financial statements.

#### t. Standards Issued but not yet Effective

At the date of approval of these financial statements, the Company has not applied the amendments to IndAS made by Ministry of Corporate Affairs vide Notification dated 18<sup>th</sup> June 2021 that have been issued but are not yet effective.

Major amendments applicable to company notified in the notification are provided below:

- (i) Ind AS 116 - Leases – The amendment extends the benefits of the COVID 19 related rent concession that were introduced in the previous year (which allowed lessees to recognize COVID 19 related rent concessions as income rather than as lease modification) from 30<sup>th</sup> June 2021 to 30<sup>th</sup> June, 2022.
- (ii) Ind AS 109 - Financial Instruments – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.
- (iii) Ind AS 101 - Presentation of Financial Statements – The amendment substitutes the item (d) mentioned in paragraph B1 as 'Classification and measurement of financial instruments'. The term 'financial asset' has been replaced with 'financial instruments'.
- (iv) Ind AS 102 - Share-Based Payment – The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term 'Equity Instrument' which shall be applicable for the annual reporting periods beginning on or after 1<sup>st</sup> April 2021.
- (v) Ind AS 103 - Business Combinations – The amendment substitutes the definition of 'assets' and 'liabilities' in accordance with the definition given in the framework for the Preparation and Presentation of Financial Statements in accordance with Ind AS for qualifying the recognition criteria as per acquisition method.
- (vi) Ind AS 105 - Non-current assets held for sale and discontinued operations – The amendment substitutes the definition of – "fair value less costs to sell" with "fair value less costs of disposal".
- (vii) Ind AS 107 - Financial Instruments: Recognition, Presentation and Disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform; the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.
- (viii) Ind AS 111 - Joint Arrangements – In order to maintain consistency with the amendments made in Ind AS 103, respective changes have been made in Ind AS 111.
- (ix) Ind AS 115 - Revenue from Contracts with Customers – Certain amendments have been made in order to maintain consistency with number of paragraphs of IFRS 15.
- (x) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with the amendments made in Ind AS 114 and to substitute the word 'Framework' with the 'Conceptual Framework of Financial Reporting in Ind AS', respective changes have been made in the standard.
- (xi) Ind AS 16 - Property, Plant and Equipment – The amendment has been made by substituting the words "Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use" with "Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use".
- (xii) Ind AS 34 - Interim Financial Reporting – The amendments to this standard are made in reference to the conceptual framework of Financial Reporting in Ind AS.
- (xiii) Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets – The amendment substitutes the definition of the term 'Liability' as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.
- (xiv) Ind AS 38 - Intangible Assets – The amendment substitutes the definition of the term 'Asset' as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

The Company is evaluating the impact of these amendments.

## 2. Significant accounting judgements estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and reviewed at each balance sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures.

### a. Estimation of uncertainties relating to global health pandemic from COVID-19:

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Government announced lockdown across the country to contain the spread of the virus. Further, lockdown like conditions have been imposed by government to curtail the second wave in April 5, 2021. This pandemic and response thereon have impacted most of the industries. The film industry has been impacted due to closures of theatres and restrictions on film shoots. The impact on company's future operations would, to a large extent, depend on how the pandemic further develops and its resultant impact on the operations of the Company.

The Management has evaluated the impact on its financial statements and have made appropriate adjustments, wherever required. The extent of the impact on Company's operations remains uncertain and may differ from that estimated as at the date of approval of these standalone financial statements and will be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unknowable duration of COVID-19 and among other things, the impact of governmental actions imposed in response to the pandemic. The Company is monitoring the rapidly evolving situation and its potential impacts on the Company's financial position, results of operations, liquidity, and cash flows.

**b. Intangible Assets**

The Company is required to identify and assess the useful life of intangible assets and determine their income generating life. Judgment is required in determining this and then providing an amortization rate to match this life as well as considering the recoverability or conversion of advances made in respect of securing film content or the services of talent associated with film production.

Accounting for the film content requires Management's judgment as it relates to total revenues to be received and costs to be incurred throughout the life of each film or its license period, whichever is the shorter. These judgments are used to determine the amortization of capitalized film content costs. The Company uses a stepped method of amortization on first release film content writing off more in year one which recognizes initial income flows and then the balance over a period of up to nine years. In the case of film content that is acquired by the Company after its initial exploitation, commonly referred to as Library, amortization is spread evenly over the lesser of 10 years or the license period. Management's policy is based upon factors such as historical performance of similar films, the star power of the lead actors and actresses and others. Management regularly reviews, and revises when necessary, its estimates, which may result in a change in the rate of amortization and/or a write down of the asset to the recoverable amount.

Intangible assets are tested for impairment in accordance with the accounting policy. These calculations require judgments and estimates to be made, and in the event of an unforeseen event these judgments and assumptions would need to be revised and the value of the intangible assets could be affected. There may be instances where the useful life of an asset is shortened to reflect the uncertainty of its estimated income generating life.

**c. Employee benefit plans**

The cost of the employment benefit plans, and their present value are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. For further details refer to Note 42.

**d. Fair value measurement of ESOP Liability**

The fair value of ESOP Liability is determined using valuation methods which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 42.

**e. Trade receivable**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision

against those receivables is required. Factors considered include the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**f. Depreciation**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

**g. Impairment of non-financial assets**

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

**h. Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**i. Fair value measurement**

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

## Notes

### to the standalone financial statements and other explanatory information

#### 3 Property, plant and equipment

Details of the Company's property, plant and equipment and their carrying amounts are as follows:

Amount ₹ in lakhs

Gross carrying amount	Buildings	Leasehold improvements	Furniture and fixtures	Motor vehicles	Office equipment	Data processing equipment	Studio equipment	Leasehold assets	Right of Use	Capital work in progress	Total
<b>Balance as at 1 April 2019</b>	<b>3,317</b>	<b>443</b>	<b>275</b>	<b>480</b>	<b>196</b>	<b>390</b>	<b>287</b>	<b>169</b>	<b>-</b>	<b>6</b>	<b>5,563</b>
Additions	-	-	0	-	2	2	-	47	986	-	1,037
Adjustments/disposals	-	-	(1)	-	(1)	(0)	-	-	-	-	(2)
Capitalized during the year	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>3,317</b>	<b>443</b>	<b>274</b>	<b>480</b>	<b>197</b>	<b>392</b>	<b>287</b>	<b>216</b>	<b>986</b>	<b>6</b>	<b>6,599</b>
Additions	-	-	-	-	-	150	-	-	2,474	-	2,624
Adjustments/disposals	-	-	(25)	-	(66)	(88)	(28)	(1)	(36)	-	(243)
<b>Balance as at 31 March 2021</b>	<b>3,317</b>	<b>443</b>	<b>249</b>	<b>480</b>	<b>131</b>	<b>454</b>	<b>259</b>	<b>215</b>	<b>3,424</b>	<b>6</b>	<b>8,980</b>
<b>Accumulated depreciation</b>											
<b>Balance as at 1 April 2019</b>	<b>599</b>	<b>323</b>	<b>198</b>	<b>212</b>	<b>141</b>	<b>342</b>	<b>219</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>2,064</b>
Depreciation charge	132	89	22	78	25	18	19	70	357	-	810
Adjustments/disposals	-	-	(1)	-	(1)	(0)	-	-	421	-	419
<b>Balance as at 31 March 2020</b>	<b>731</b>	<b>412</b>	<b>219</b>	<b>290</b>	<b>165</b>	<b>360</b>	<b>238</b>	<b>100</b>	<b>778</b>	<b>-</b>	<b>3,294</b>
Depreciation charge	126	-	15	51	13	32	13	72	277	-	599
Adjustments/disposals	-	-	(25)	-	(66)	(84)	(28)	(1)	329	-	126
<b>Balance as at 31 March 2021</b>	<b>857</b>	<b>412</b>	<b>209</b>	<b>341</b>	<b>112</b>	<b>308</b>	<b>224</b>	<b>171</b>	<b>1,384</b>	<b>-</b>	<b>4,019</b>
<b>Net carrying amount</b>											
<b>Balance as at 31 March 2020</b>	<b>2,586</b>	<b>31</b>	<b>55</b>	<b>191</b>	<b>32</b>	<b>32</b>	<b>48</b>	<b>116</b>	<b>208</b>	<b>6</b>	<b>3,305</b>
<b>Balance as at 31 March 2021</b>	<b>2,460</b>	<b>31</b>	<b>40</b>	<b>140</b>	<b>19</b>	<b>146</b>	<b>35</b>	<b>44</b>	<b>2,040</b>	<b>6</b>	<b>4,961</b>

1. The Company's immovable property situated in Mumbai, India is pledged against the borrowings as explained in note 19 and 25

2. The Company has used Indian GAAP carrying value of its Property, plant and equipment on date of transition as deemed cost, accordingly, the net carrying amount as per Indian GAAP as on 1 April 2015 has been considered as gross carrying amount under Ind-AS 101. Details of accumulated depreciation as on 1 April 2015 are as under:-

<b>Accumulated depreciation as on 1 April 2015</b>	<b>791</b>	<b>-</b>	<b>426</b>	<b>191</b>	<b>95</b>	<b>435</b>	<b>1,220</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,158</b>
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## Notes

### to the standalone financial statements and other explanatory information

#### 4 Intangible assets

Details of the Company's Intangible assets and their carrying amounts are as follows:

Amount ₹ in lakhs

Gross carrying amount	Content advances	Film rights	Other intangible assets	Total
<b>Balance as at 1 April 2019</b>	<b>1,44,435</b>	<b>2,02,962</b>	<b>72</b>	<b>2,03,034</b>
Additions	15,331	3,296	15	3,311
Transfer to film and content rights	(10,091)	-	-	-
Impairment of content advance	(1,06,812)	-	-	-
Impairment of content advance written off	(3,025)	-	-	-
Reversal of provision for doubtful advances	1,687	-	-	-
<b>Balance as at 31 March 2020</b>	<b>41,525</b>	<b>2,06,258</b>	<b>87</b>	<b>2,06,345</b>
Additions	12,028	6,151	32	6,183
Transfer to film and content rights	(15,273)	-	-	-
Amount written off	(5,596)	-	-	-
Provision for doubtful advances	(531)	-	-	-
Impairment of content advance written off	6,074	-	-	-
Advance written off against impairment	(6,074)	-	-	-
Reversal Impairment of content advance	3,284	-	-	-
<b>Balance as at 31 March 2021</b>	<b>35,437</b>	<b>2,12,409</b>	<b>119</b>	<b>2,12,528</b>
<b>Accumulated amortization</b>				
<b>Balance as at 1 April 2019</b>		<b>1,35,988</b>	<b>52</b>	<b>1,36,040</b>
Amortization charge		16,761	8	16,769
Impairment of film rights		17,251	-	17,251
<b>Balance as at 31 March 2020</b>		<b>1,70,000</b>	<b>60</b>	<b>1,70,060</b>
Amortization charge		13,264	11	13,275
<b>Balance as at 31 March 2021</b>		<b>1,83,264</b>	<b>71</b>	<b>1,83,335</b>
<b>Net carrying amount</b>				
Balance as at 31 March 2020	41,525	36,258	27	36,285
<b>Balance as at 31 March 2021</b>	<b>35,437</b>	<b>29,145</b>	<b>48</b>	<b>29,193</b>

1. The Company has used Indian GAAP carrying value of its intangible assets on date of transition as deemed cost, accordingly, the net carrying amount as per Indian GAAP as on 1 April 2015 has been considered as gross carrying amount under Ind-AS 101. Details of accumulated depreciation as on 1 April 2015 are as under:-

<b>Accumulated depreciation as on 1 April 2015</b>	<b>2,23,210</b>	<b>119</b>	<b>2,23,329</b>
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2. The closing balance of content advances are net of provision for impairment ₹97,454 lakhs (31 March 2020:- ₹106,812 lakhs)

#### 5 Investments

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>A Non current investments</b>		
Unquoted equity shares		
<b>i) Investment in equity shares of subsidiaries measured at cost</b>		
<b>Eros International Films Private Limited</b>		
19,930,300 (31 March 2020: 19,930,300) equity shares of ₹ 10 each, fully paid-up	1,993	1,993
<b>Eros Animation Private Limited</b>		
9,300 (31 March 2020: 9,300) equity shares of ₹ 10 each, fully paid-up	1	1
<b>Copsale Limited</b>		
105,000 (31 March 2020: 105,000) equity shares of USD 1 each, fully paid-up	45	45
<b>Big Screen Entertainment Private Limited</b>		
6,400 (31 March 2020: 6,400) equity shares of ₹ 10 each, fully paid-up	1	1
<b>EyeQube Studios Private Limited</b>		
9,999 (31 March 2020: 9,999) equity shares of ₹ 10 each, fully paid-up	1	1

## Notes to the standalone financial statements and other explanatory information

5 Investments (Cont)		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
<b>EM Publishing Private Limited</b>			
9,900 (31 March 2020: 9,900) equity shares of ₹ 10 each, fully paid-up	1	1	
<b>Digicine PTE Limited*</b>			
100 (31 March 2020: 100) equity shares of USD 1 each, fully paid-up	0	0	
<b>Colour Yellow Productions Private Limited</b>			
5,000 (31 March 2020: 5,000) equity shares of ₹ 10 each, fully paid-up	1	1	
<b>Investment in Reliance Eros Production LLP</b>			
<b>ii) Investment in equity shares of subsidiaries measured at fair value through profit and loss</b>			
<b>ErosNow Private limited (Formerly know as Universal Power Systems Private Limited)</b>			
1,000 (31 March 2020: 1,000) equity shares of ₹ 100 each, fully paid-up	5,546	5,546	
Less: Provision for impairment in the value of investment	(3,086)	(3,086)	
<b>Total</b>	<b>4,502</b>	<b>4,502</b>	
*amount represents less than ₹ one lakh			
Aggregate value of unquoted investments	7,588	7,588	
Aggregate value of impairment in the value of investment	3,086	3,086	

6 Loans		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
<b>Unsecured considered good, unless otherwise stated</b>			
Other loans and advances			
Considered good	545	545	
<b>Total</b>	<b>545</b>	<b>545</b>	

7 Restricted bank deposits		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
Bank deposits with maturity of more than twelve months*	98	41	
<b>Total</b>	<b>98</b>	<b>41</b>	

\* Given as securities to bank for margin

8 Other financial assets		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
Unsecured and considered good			
Security deposits to			
- Related parties (refer note 44)	268	268	
- Others	12	11	
<b>Total</b>	<b>280</b>	<b>279</b>	

## Notes

### to the standalone financial statements and other explanatory information

9 Other non-current assets		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
(a) Advance payment of income taxes (net of provision)	177	177	
(b) Balances due with Statutory Authorities	6,457	3,661	
<b>Total</b>	<b>6,634</b>	<b>3,838</b>	

10 Inventories		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
VCD/ DVD/ Audio CDs*	0	0	
Film rights	850	4	
<b>Total</b>	<b>850</b>	<b>4</b>	

\*amount represents less than ₹ one lakh

11 Trade receivables		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
Secured, considered good	-	1,327	
Unsecured, considered good	976	2,497	
Dues from related parties (refer note 44)	41,664	49,012	
Unbilled Income	3,922	907	
	<b>46,562</b>	<b>53,743</b>	
Less : Expected credit loss*	(481)	(1,153)	
<b>Total</b>	<b>46,081</b>	<b>52,590</b>	
*Movement of Expected credit loss			
<b>Opening balance</b>	<b>1,153</b>	<b>8,361</b>	
Addition/(Reversal) of expected credit loss	(21)	44,790	
Less : transfer to bad debts	(651)	(51,998)	
<b>Closing balance</b>	<b>481</b>	<b>1,153</b>	

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

All accounts receivable are pledged against borrowing which are shown under note 19 and 25.

12 Cash and cash equivalents		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
a. Cash on hand	72	72	
b. Balances with Bank			
In current account	802	30	
<b>Total</b>	<b>874</b>	<b>102</b>	

13 Restricted bank deposits		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
Unclaimed dividend account	-	1	
Margin money accounts with:*			
maturity less than 12 months	2,754	3,608	
maturity more than 12 months	98	41	
	<b>2,852</b>	<b>3,650</b>	
Less: disclosed under non current financial assets - Restricted deposits (refer note 7)	(98)	(41)	
<b>Total</b>	<b>2,754</b>	<b>3,609</b>	

\* Given as securities to bank for margin

## Notes to the standalone financial statements and other explanatory information

14 Loans and advances		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
Unsecured and considered good			
Amounts due from related parties (refer note 44)	55	61	
Loans and advances to employees	197	88	
Other loans	581	565	
Security deposits	5	6	
<b>Total</b>	<b>838</b>	<b>720</b>	

15 Other financial assets		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
Accrued interest on fixed deposits	90	69	
<b>Total</b>	<b>90</b>	<b>69</b>	

16 Other current assets		Amount ₹ in lakhs	
Particulars	As at 31 March 2021	As at 31 March 2020	
Prepaid expenses	110	62	
Deferred expenses	-	80	
<b>Total</b>	<b>110</b>	<b>142</b>	

17 Equity share capital		Amount ₹ in lakhs, except share data			
Particulars	As at 31 March 2021		As at 31 March 2020		
	Number	Amount	Number	Amount	
<b>Authorised share capital</b>					
Equity shares of ₹ 10 each	125,000,000	12,500	125,000,000	12,500	
	<b>125,000,000</b>	<b>12,500</b>	<b>125,000,000</b>	<b>12,500</b>	
<b>Issued, subscribed and fully paid- up</b>					
Equity shares of ₹ 10 each	95,864,818	9,586	95,629,023	9,563	
<b>Total</b>	<b>95,864,818</b>	<b>9,586</b>	<b>95,629,023</b>	<b>9,563</b>	

a) Reconciliation of paid-up share capital (Equity Shares)		Amount ₹ in lakhs, except share data			
Particulars	As at 31 March 2021		As at 31 March 2020		
	Number	Amount	Number	Amount	
Balance at the beginning of the year	95,629,023	9,563	95,508,140	9,551	
Add: Issued on exercise of employee share options	2,35,795	24	1,20,883	12	
<b>Balance at the end of the year</b>	<b>95,864,818</b>	<b>9,586</b>	<b>95,629,023</b>	<b>9,563</b>	

During the year, the Company has issued total 235,795 equity shares (31 March 2020: 120,883) on exercise of options granted under the employees stock option plan (ESOP) wherein part consideration was received in the form of employees services.

b) Shares held by holding company, ultimate holding company, subsidiaries / associates of holding company or ultimate holding company		Amount ₹ in lakhs, except share data			
Particulars	As at 31 March 2021		As at 31 March 2020		
	Number	Amount	Number	Amount	
Equity shares of ₹ 10 each					
Eros Worldwide FZ LLC - Holding company	37,877,302	3,788	37,877,302	3,788	
Eros Digital Private Limited - Fellow subsidiary	21,700,000	2,170	21,700,000	2,170	

## Notes

### to the standalone financial statements and other explanatory information

#### 17 Equity share capital (Cont...)

##### c) Details of Shareholders holding more than 5% of the shares in the Company

Amount ₹ in lakhs, except share data

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹ 10 each				
Eros Worldwide FZ LLC - Holding company	37,877,302	39.51%	37,877,302	39.61%
Eros Digital Private Limited - Fellow subsidiary	21,700,000	22.64%	21,700,000	22.69%

##### d) Details of employee stock options issued during the last 5 years

During the period of five years immediately preceding the reporting date, the Company has issued total 2,276,267 equity shares ( 31 March 2020: 2,220,779) on exercise of options granted under the employees stock option plan (ESOP) wherein part consideration was received in the form of employee services.

##### e) Details of equity share issued for consideration other than cash during the last 5 years

During the period of five years immediately preceding the reporting date, the Company has issued total 900,970 equity shares ( 31 March 2020:900,970) to the shareholders of ErosNow Pvt Ltd (ENPL) (formerly known as Universal Power Systems Pvt Ltd ) at a premium of ₹ 586 per share in exchange for the entire shareholding of ENPL.

##### f) Rights, preferences, restrictions of equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Every holder is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors and approved by the Shareholders in the Annual General Meeting is paid in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### 18 Other equity

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Securities premium</b>		
Balance at the beginning of the year	41,777	41,547
Add : Transfer from share option outstanding account	451	230
<b>Balance at the end of the year</b>	<b>42,228</b>	<b>41,777</b>
<b>Share options outstanding account</b>		
Balance at the beginning of the year	1,215	1,344
Less: Transfer to securities premium account	(451)	(230)
Add: Employee stock option compensation expense	98	85
Add: Employee stock option compensation expense to employee's of fellow subsidiary	-	0
Add: Employee stock option compensation expense to employee's of subsidiary	-	16
<b>Balance at the end of the year</b>	<b>862</b>	<b>1,215</b>
<b>General reserve</b>		
Balance at the beginning of the year	526	526
<b>Balance at the end of the year</b>	<b>526</b>	<b>526</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	(15,281)	1,00,792
Add: Net profit/(loss) after tax for the year	(16,983)	(1,16,073)
<b>Balance at the end of the year</b>	<b>(32,264)</b>	<b>(15,281)</b>
<b>Other comprehensive income</b>		
Balance at the beginning of the year	180	86
Actuarial gain / (loss) on employee benefit plans through OCI	(14)	94
<b>Balance at the end of the year</b>	<b>166</b>	<b>180</b>
<b>Total</b>	<b>11,518</b>	<b>28,417</b>

1 Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium.

2 General Reserve: General Reserve was created by transferring a portion of the net profit of the Company as per the requirements of the Companies Act, 2013.

3 Share Options Outstanding: Share Options Outstanding relates to the stock options granted by the company to employees under a Employee Stock Option Plan.

4 Retained Earnings: Remaining portion of profits earned by the Company till date after appropriations.



## Notes to the standalone financial statements and other explanatory information

### 19 Long-term borrowings

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Secured</b>		
Term loan from banks*	3,576	5,541
Car loans **	5	86
Others***	69	141
<b>Unsecured</b>		
Term loan from others#	2,765	2,940
	<b>6,415</b>	<b>8,708</b>
Less: Cumulative effect of unamortized cost	(13)	(31)
Less: Current maturities disclosed under other current financial liabilities (refer note 27)	(6,398)	(8,614)
<b>Total</b>	<b>4</b>	<b>63</b>

\* Term loans from banks carry an interest rate between 11.95% - 15.75% are secured by pari passu first charge on the satellite rights acquired for the domestic market, actionable claims, revenue and receivables arising on sales of the rights and negatives of films. Term loans are further secured by equitable mortgage of Company's immovable properties situated at Mumbai (India), amounts held as margin money, corporate guarantee of Eros STX Global Corporation (formerly known as Eros International PLC) (the ultimate holding company), residual value of equipments and vehicles and existing rights of hindi films with nil book value.

\*\* Car loans are secured by hypothecation of vehicles acquired there against, carrying rate of interest of 7.48%-9.50% which are repayable as per maturity profile set out below.

\*\*\* Other loans are secured by hypothecation of assets acquired there against, carrying rate of interest of 10.50%-11.50% which are repayable as per maturity profile set out below.

# Term loan from others carry an interest rate between 15.5% - 17% are secured against the pledge of company's shares held by holding company, current assets of a subsidiary company and corporate guarantee of holding company and subsidiary company.

Maturity profile of long term borrowing is set out below:-

Amount ₹ in lakhs

Particulars	Less than 1 year	1-3 years	3-5 years
<b>Secured</b>			
Term loan from banks	3,563	-	-
Car loan	5	-	-
Others	65	4	-
<b>Unsecured</b>			
Term loan from others	2,765	-	-
<b>Total</b>	<b>6,398</b>	<b>4</b>	<b>-</b>

#### Default in repayment as on 31 March 2021

Principal due

Term loan from banks	951
<b>Total</b>	<b>951</b>

The above defaults stands rectified on approval of restructuring of loan facilities by bankers on 22<sup>nd</sup> June, 2021. The revised terms of the borrowings, applicable from the cut off date of 1<sup>st</sup> January, 2021 are given in Note 51 (b).

### 20 Trade payable - non current

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Payable to related parties (refer note 44)	17,999	118
<b>Total</b>	<b>17,999</b>	<b>118</b>

### 21 Other financial liabilities

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Security deposits	25	25
Lease liabilities	1,649	22
<b>Total</b>	<b>1,674</b>	<b>47</b>

## Notes

### to the standalone financial statements and other explanatory information

#### 22 Employee benefit obligations - non current

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for gratuity (refer note 42)	265	318
<b>Total</b>	<b>265</b>	<b>318</b>

#### 23 Deferred tax (assets)/liabilities (net)

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Deferred tax liability on</b>		
Depreciation on tangible assets	91	48
Amortization of intangible assets	8,754	9,080
<b>Total</b>	<b>8,845</b>	<b>9,128</b>
<b>Deferred tax asset on</b>		
Provision for expenses allowed on payment basis	1,111	821
Others	-	30
Impairment	40,349	31,417
Business loss	1,722	48
<b>Total</b>	<b>43,182</b>	<b>32,316</b>
<b>Deferred tax (Assets)/liabilities (net)</b>	<b>(34,337)</b>	<b>(23,188)</b>
<b>Restricted to and consequent impact</b>	<b>-</b>	<b>-</b>

Significant management judgement is considered in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax asset. Net deferred tax assets have been restricted to NIL on conservative basis. Unused tax losses for which no deferred tax asset (DTA) is recognised in Balance Sheet. The business loss for AY 2021-22 amounting to ₹ 4,929 Lakhs (including unabsorbed depreciation / amortization ₹ 2,639 lakhs), deferred tax relating that to ₹ 1,722 Lakhs can be carried forward till AY 2029-2030.

#### Reconciliation of statutory rate of tax and effective rate of tax

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Profit before tax	(15,847)	(1,37,784)
Tax expense	1,136	(21,711)
<b>Tax rate as a % of profit before tax</b>	<b>(7.17%)</b>	<b>15.76%</b>
<b>Adjustments</b>		
Non-deductible expenses for tax purposes	15.49%	0.32%
Effect of change in deferred tax balances due to change in tax rates	19.86%	(3.81%)
Tax impact of earlier years	7.17%	(2.12%)
Effect of unrecognised deferred tax assets	0.00%	16.89%
Effect of Items deductible for tax purpose	0.00%	(1.85%)
Others	(0.41%)	(0.02%)
<b>At India's statutory income tax rate of 34.94% (31 March 2020: 25.17%)</b>	<b>34.94%</b>	<b>25.17%</b>

#### 24 Other non-current liabilities

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred revenue	2,521	4,424
<b>Total</b>	<b>2,521</b>	<b>4,424</b>

## Notes to the standalone financial statements and other explanatory information

### 25 Short-term borrowings

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Repayable on demand</b>		
<b>Secured</b>		
From banks	39,995	39,942
<b>Unsecured</b>		
From others*	1,237	1,537
From related parties (refer note 44)	8,464	7,944
<b>Total</b>	<b>49,696</b>	<b>49,423</b>

Secured short term borrowings include :

Cash credit/FITL/WCDL carry an interest rate between 10.5% - 16.5% , secured by way of hypothecation of inventories and receivables relating to domestic rights operations on pari passu basis.

Bills discounted carry an interest rate between 9% - 10.5% for INR bills and 6M MCLR+Spread or 6M LIBOR+ Spread for USD bills , secured by document of title to goods and accepted hundis with first pari passu charge on current assets.

Packing credit carry an interest rate between 8% - 10% for INR and 6M MCLR+Spread or 6M LIBOR+ Spread for USD, secured by hypothecation of films and film rights with first pari passu charge on current assets.

Short term borrowings are further secured by equitable mortgage of company's immovable properties situated at Mumbai (India), amount held in margin money, corporate guarantee of Eros STX Global Corporation (formerly known as Eros International PLC) (the ultimate holding company), residual value of equipments and existing rights of Hindi films with nil book value.

\*Loan from others carry an interest rate between 15% - 16.5% , secured by security provided by holding company.

Default in repayment as on 31 March 2021	Principal due
Packing Credit/Export Bill	9,279
FITL	2,213
<b>Total</b>	<b>11,492</b>

The above defaults stands rectified on approval of restructuring of loan facilities by bankers on 22<sup>nd</sup> June, 2021. The revised terms of the borrowings, applicable from the cut off date of 1<sup>st</sup> January, 2021 are given in Note 51(b).

### 26 Acceptances

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Payable under the film financing arrangements	1,400	1,400
<b>Total</b>	<b>1,400</b>	<b>1,400</b>

Acceptances comprise of credit availed from banks for payment to film producers for film co-production arrangement entered by the group. The carrying value of acceptances are considered a reasonable approximation of fair value.

The facility was overdue as at year end by 76 days. However, the default stands rectified on approval of restructuring of facility into Working Capital facility by bankers on 22<sup>nd</sup> June, 2021.

### 27 Other financial liabilities

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long term borrowings (refer note 19)	6,398	8,614
Interest accrued but not due	-	452
Interest accrued and due	1,468	23
Unclaimed dividend	-	1
Employee dues	583	483
Other payables	527	671
Other payable to related party (refer note 44)	881	473
Lease liabilities	488	215
<b>Total</b>	<b>10,345</b>	<b>10,932</b>

## Notes

### to the standalone financial statements and other explanatory information

<b>28 Employee benefit obligations - current</b>		Amount ₹ in lakhs	
<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	
Gratuity	110	73	
Compensated absences	129	228	
<b>Total</b>	<b>239</b>	<b>301</b>	

<b>29 Other current liabilities</b>		Amount ₹ in lakhs	
<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	
Advance from customers- related parties (refer note 44)	311	311	
Advances from customers- others	2,124	1,171	
Deferred revenue	2,356	5,176	
Duties and taxes payable	3,321	6,396	
<b>Total</b>	<b>8,112</b>	<b>13,054</b>	

<b>30 Current tax liabilities</b>		Amount ₹ in lakhs	
<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	
Provision for corporate taxes (net)	7,539	6,976	
<b>Total</b>	<b>7,539</b>	<b>6,976</b>	

<b>31 Revenue from operations (net)</b>		Amount ₹ in lakhs	
<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>	
Revenue from distribution and exhibition of film and other rights	24,446	66,896	
Revenue from services	4	4	
<b>Total</b>	<b>24,450</b>	<b>66,900</b>	

<b>32 Other income</b>		Amount ₹ in lakhs	
<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>	
Sundry balances written back	1,648	882	
Interest income on advances	372	102	
Interest income on Income tax refund	-	28	
Reversal of expected credit loss	21	-	
Reversal of provision for doubtful advances(refer note 4 )	-	1,687	
Other non-operating income	547	1,301	
Gain on foreign currency transactions and translation (net)	-	1,020	
Gain on sale of tangible assets (net)	1	0	
Reversal of Provision of Impairment of Content advance	3,284	-	
Income from export incentives	941	527	
<b>Total</b>	<b>6,814</b>	<b>5,547</b>	

<b>33 Film right cost including amortization costs</b>		Amount ₹ in lakhs	
<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>	
Amortization of film rights (refer note 4)	13,264	16,761	
Film rights cost	9,122	6,795	
<b>Total</b>	<b>22,386</b>	<b>23,556</b>	

## Notes

### to the standalone financial statements and other explanatory information

34 Changes in inventories of film rights		Amount ₹ in lakhs	
Particulars	Year ended 31 March 2021	Year ended 31 March 2020	
Opening stock			
- Finished goods	4	301	
	4	301	
Closing stock			
- Finished goods	850	4	
	850	4	
<b>Total</b>	<b>(846)</b>	<b>297</b>	

35 Employee benefits expense		Amount ₹ in lakhs	
Particulars	Year ended 31 March 2021	Year ended 31 March 2020	
Salaries and bonus	2,831	2,557	
Contribution to provident and other funds (refer note 42)	142	136	
Gratuity expense (refer note 42)	56	112	
Employee stock option compensation (refer note 42)	98	85	
Staff welfare expenses	11	84	
<b>Total</b>	<b>3,138</b>	<b>2,974</b>	

36 Finance cost		Amount ₹ in lakhs	
Particulars	Year ended 31 March 2021	Year ended 31 March 2020	
Interest expense	8,604	7,643	
Other borrowing costs	235	485	
Interest on late payment of taxes	2,311	2,619	
	11,150	10,747	
Less: Interest capitalised to film rights	-	(3,382)	
Less: Interest income	(207)	(290)	
<b>Total</b>	<b>10,943</b>	<b>7,075</b>	

The capitalisation rate of interest was NIL % (31 March 2020 : 13.03 %)

37 Depreciation and amortization expense		Amount ₹ in lakhs	
Particulars	Year ended 31 March 2021	Year ended 31 March 2020	
Depreciation on tangible assets (refer note 3)	599	810	
Amortisation on intangible assets (refer note 4)	11	8	
<b>Total</b>	<b>610</b>	<b>818</b>	

38 Other expenses		Amount ₹ in lakhs	
Particulars	Year ended 31 March 2021	Year ended 31 March 2020	
Print and digital distribution cost	35	198	
Selling and distribution expenses	742	503	
Processing and other direct cost & Home entertainment products related cost	291	105	
Shipping, packing and forwarding expenses	16	25	
Power and fuel	19	49	
Rent	40	31	
Repairs and maintenance	117	134	

## Notes

### to the standalone financial statements and other explanatory information

#### 38 Other expenses (Cont...)

Amount ₹ in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Insurance	24	19
Rates and taxes	23	34
Legal and professional	945	577
Payments to auditors (refer note 48)	106	107
Provision for doubtful advances (refer note 4)	531	-
Communication expenses	51	64
Travelling and conveyance	77	111
Commission Payable to Independent Directors	48	-
Content advances written off (refer note 4)	5,596	-
Bad debts and trade receivables written off	1,069	44,966
Provision for impairment in the value of investment	-	332
Loss on foreign currency transactions and translation (net)	933	-
CSR expenditure (refer note 50)	8	3
Miscellaneous expenses	209	403
<b>Total</b>	<b>10,880</b>	<b>47,661</b>

#### 39 Exceptional Items\*

Amount ₹ in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Impairment of content advance provision	-	1,06,812
Impairment of film rights	-	17,251
Impairment of other advances provision	-	762
Impairment of content advance written off	-	3,025
	-	<b>1,27,850</b>

\*Exceptional item comprises of the following:

In 2019-20, the COVID-19 outbreak and resulting measures taken by the Government of India to contain the virus have already significantly affected the business in the first quarter of fiscal 2020. Further, in 19-20, the Company has witnessed a significant decline in market capitalization as compared with the previous year. Because of unexpected decline in the market capitalization and disruptions in the business caused by the outbreak of COVID-19, the Company has performed the annual impairment assessment following the requirements of Ind AS 36 'Impairment of Assets'. Value in use was determined based on future cash flows after considering current economic conditions and trends, estimated future operating results, growth rates (which is lower than those considered in previous years) and anticipated future economic conditions. The approach and key (unobservable) assumptions used to determine the cash generating unit's value comprises of growth rate beyond explicit period (4%) and post-tax discount rate of 16.5%. Based on the assessment, the management has recorded the impairment charge of ₹ 127,850 lakhs and disclosed the same under the exceptional item. The impairment loss has been allocated between component of CGU i.e. content advance ₹ 109,837 lacs and film right ₹ 17,251 lakhs. Company has also impaired certain advances of ₹ 762 lakhs.

As on 31 March 2021, the company has carried out impairment assessment. The approach and key (unobservable) assumptions used to determine the cash generating unit's value comprises of growth rate beyond explicit period (4%) and post-tax discount rate of 16.5%. No, impairment has been recorded in current year.

#### 40 Earnings per share

Amount ₹ in lakhs, except share data

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>a) Computation of net profit for the year</b>		
Net profit/(loss) after tax attributable to equity shareholders (₹ in lakhs)	(16,983)	(1,16,073)
<b>b) Computation of number of shares for Basic Earnings per share</b>		
Weighted average number of equity shares	9,57,12,501	9,55,51,002
<b>Total</b>	<b>9,57,12,501</b>	<b>9,55,51,002</b>
<b>c) Computation of number of shares for Diluted Earnings per share</b>		
Weighted average number of equity shares used in the calculation of basic earning per share	9,57,12,501	9,55,51,002
Add:- Weighted average potential equity shares (dilutive impact of ESOPs)	1,31,418	1,24,695
<b>Weighted average number of equity shares used in the calculation of diluted earning per share</b>	<b>9,58,43,919</b>	<b>9,56,75,697</b>

## Notes

### to the standalone financial statements and other explanatory information

#### 40 Earnings per share (Cont...)

Particulars	Year ended	
	31 March 2021	31 March 2020
<b>d) Nominal value of shares (in ₹)</b>	<b>10</b>	<b>10</b>
<b>e) Computation</b>		
Basic (in ₹)	(17.74)	(121.48)
Diluted (in ₹)	(17.74)	(121.48)

#### 41 Contingent liabilities and commitments (to the extent not provided for)

Amount ₹ in lakhs

Particulars	As at	
	31 March 2021	31 March 2020
<b>(a) Contingent liabilities</b>		
<b>(i) Claims against the Company not acknowledged as debt</b>		
Sales tax claims disputed by the Company	1,476	1,315
Service tax claim disputed by the Company	44,945	34,305
Income tax liability that may arise in respect of matters in appeal	105	105
<b>(ii) Guarantees</b>		
Guarantee given in favour of various government authorities	25	25
	<b>46,551</b>	<b>35,750</b>

#### Notes:

- During the year ended 31 March 2021, the Company received a show cause notice from the Commissioner of Service Tax to show cause why an amount aggregating to ₹ 5,317 lakhs for the period 1 April 2015 to 30<sup>th</sup> June 2017 should not be levied on and paid by the Company for service tax arising on temporary/perpetual transfer of copyright services and other matters. Company is in process of filing of reply for the same
- During the year ended 31 March 2015, the Company received a show cause notice from the Commissioner of Service Tax to show cause why an amount aggregating to ₹ 15,675 lakhs for the period 1 April 2009 to 31 March 2014 should not be levied on and paid by the Company for service tax arising on temporary/perpetual transfer of copyright services and other matters. In connection with the aforementioned matters, on 19 May 2015, the Company received an Order-in-original issued by the Principal Commissioner, Service Tax, wherein the department confirmed the demand of ₹ 15,675 lakhs along with interest and penalty amounting to ₹ 15,675 lakhs resulting into a total demand of ₹ 31,350 lakhs. On 3 September 2015, the Company filed an appeal against the said order before the authorities. The Company has paid ₹ 1,000 Lakhs under protest. Considering the facts and nature of levies and the ad-interim protection for the period 1 July 2010 to 30 June 2012 granted by the Honorable High Court of Mumbai, the Company expects that the final outcome of this matter will be favourable. Accordingly, based on the assessment made after taking appropriate legal advice, the provision of ₹ 88.52 Lakhs only has been recorded and no additional liability has been recorded in the financial statements.
- Company has received show cause notice for reversal of CENVAT credit for the period 2013-14 to 2015-16 ₹ 187 lakhs. no additional liability has been accounted in financial statements for this show cause notice. Further Company also received show cause notice for Non levy of Service tax on Import of Services for the period 2013-14 to 2015-16 for ₹ 70 Lakhs. the Company has recorded liability ₹ 51.51 lakhs on account of this show cause notices.
- On 8 October 2018, the Company received a show cause notice from the Commissioner of Service Tax to show cause why an amount aggregating to ₹ 2,695 lakhs for the period 1 April 2014 to 31 March 2015 should not be levied on and paid by the Company for service tax with equal penalty arising on temporary / perpetual transfer of copyright services and other matters. The provision of ₹ 60.77 lakhs has been recorded and no additional liability has been recorded in the financial statements.
- In addition, the Company is liable to pay service tax on use on temporary transfer of copyright in the period 1 July 2010 to 30 June 2012. The Company filed a writ petition in Mumbai High Court challenging the constitutionality and the legality of this entry and received ad-interim protection and accordingly, no amounts were provided for by the Company for the period 1 April 2011 to 30 June 2012.
- It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.
- From time to time, the 'Company' is involved in legal proceedings arising in the ordinary course of its business, typically intellectual property litigation and infringement claims related to the Company's feature films and other commercial activities, which could cause the Company to incur expenses or prevent the Company from releasing a film. While the resolution of these matters cannot be predicted with certainty, the Company does not believe, based on current knowledge or information available, that any existing legal proceedings or claims, including those made under IBC 2016, are likely to have a material and adverse effect on its financial position, results of operations or cash flows.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.

Amount ₹ in lakhs

Particulars	As at	
	31 March 2021	31 March 2020
<b>b) Commitments</b>		
Estimated amount of contracts remaining to be executed on content commitments	1,52,456	176,640
	<b>1,52,456</b>	<b>176,640</b>
<b>Total</b>	<b>1,99,007</b>	<b>212,390</b>

## Notes

### to the standalone financial statements and other explanatory information

#### 42 Employment benefits

##### a) Gratuity (unfunded)

The following table set out the status of the gratuity plan as required under Indian Accounting Standard (Ind AS) - 19, Employee benefits, and the reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Amount ₹ in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>I Change in projected benefit obligation</b>		
Liability at the beginning of the year	391	489
Interest cost	22	36
Current service cost	34	76
Liability transferred	(69)	-
Benefits paid	(17)	(83)
Actuarial loss/(gain) on obligations	14	(127)
<b>Liability at the end of the year</b>	<b>375</b>	<b>391</b>
Current portion	110	73
Non-current portion	265	318
<b>II Recognised in Balance Sheet</b>		
Liability at the end of the year	375	391
<b>Amount recognised in Balance Sheet</b>	<b>375</b>	<b>391</b>
<b>III Expense recognised in Statement of Profit and loss</b>		
Current service cost	34	76
Interest cost	22	36
Past service cost	-	-
<b>Expense recognised in Statement of Profit and loss</b>	<b>56</b>	<b>112</b>
<b>IV. Expense recognised in Other Comprehensive Income</b>		
Arising from changes in experience	12	(71)
Arising from changes in financial assumptions	2	(38)
Arising from changes in demographic assumptions	(0)	(18)
<b>Expense/(income) recognised in Other comprehensive income</b>	<b>14</b>	<b>(127)</b>
*Actuarial (gain)/loss of ₹ 14 lakhs (31 March 2020: ₹ (127) lakhs) is included in other comprehensive income.		
<b>IV Assumptions used</b>		
Discount rate	5.58%	5.76%
Long-term rate of compensation increase	4.76%	4.76%
Attrition Rate	17%	19%
Expected average remaining working life in years	4.00	6.00



## Notes

### to the standalone financial statements and other explanatory information

#### 42 Employment benefits (Cont...)

##### V A quantitative sensitivity analysis for significant assumption as shown below: Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Impact on defined benefit obligation</b>		
<b>Projected benefit obligation on current assumption</b>	<b>375</b>	<b>391</b>
Discount rate		
1.00 % increase	(12)	(12)
1.00 % decrease	13	13
<b>Salary growth rate</b>		
1.00 % increase	11	12
1.00 % decrease	(10)	(11)
<b>Employee turnover</b>		
1.00 % increase	0	(0)
1.00 % decrease	(0)	0

##### VI Maturity profile of defined benefit obligation Amount ₹ in lakhs

Year	Year ended 31 March 2021	Year ended 31 March 2020
Year 1	112	74
Year 2	62	98
Year 3	40	55
Year 4	45	40
Year 5	30	41
Sum of Years 6-10	108	112
Sum of Years 11 and above	69	68

**VII Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

**VIII Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**IX Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds

**X Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

#### b) Compensated absences

The Company incurred ₹ (23) lakhs (31 March 2020 : ₹ 66 lakhs) towards accrual for compensated absences during the year.

#### c) Provident fund

The Company contributed ₹ 138 lakhs (31 March 2020 : ₹ 131 lakhs) to the provident fund plan, ₹ 3 lakh (31 March 2020 : ₹ 4 lakhs) to the Employee state insurance plan and ₹ 1 lakhs (31 March 2020 : ₹ 1 lakhs) to the National Pension Scheme during the year.

## Notes

### to the standalone financial statements and other explanatory information

#### 42 Employment benefits (Cont...)

##### d) Share-based payment transactions

The Company has instituted Employees' Stock Option Plan "ESOP 2009" and "ESOS 2017" under which the stock options have been granted to employees. The scheme was approved by the shareholders at the Extra Ordinary General Meeting held on 17 December 2009 and Annual General Meeting held on 29 September 2017 respectively. The details of activities under the ESOP 2009 and ESOS 2020 scheme are summarized below:

The expense recognized for employee services received during the year is shown in the following table:

Amount ₹ in lakhs

Particulars	Year ended	Year ended
	31 March 2021	31 March 2020
Expense arising from equity-settled share-based payment transactions	98	85
There were no cancellations or modifications to the awards in 31 March 2021 or 31 March 2020.		

##### Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	WAEP*	Number	WAEP*
<b>Outstanding at 1 April</b>	<b>4,79,614</b>	<b>45</b>	<b>7,57,885</b>	<b>32</b>
Granted during the year	-	-	-	-
Forfeited during the year	(43,896)	10	(1,56,775)	10
Exercised during the year	(2,35,795)	10	(1,21,496)	10
<b>Outstanding at 31 March</b>	<b>1,99,923</b>	<b>94</b>	<b>4,79,614</b>	<b>45</b>
Exercisable at 31 March	1,99,923	94	3,25,740	59
Range of exercise price of outstanding options (₹)		₹ 10-150		₹ 10-150
Weighted average remaining contractual life of option		2.96 Years		2.96 Years

\*WAEP denotes weighted average exercise price of the option

Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	Date of grant									
	17-Dec-09	12-Aug-10	1-Jul-12	14-Oct-13	12-Nov-14	12-Feb-15	9-Feb-16	10-Feb-17	14-Nov-17	10-Feb-18
Dividend yield (%)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expected volatility	75.00%	60.00%	44.00%	35.00%	40.11%	37.84%	46.46%	48.66%	56.53%	53.15%
Risk free interest rate	6.30%	6.50%	8.36%	8.57%	8.50%	7.74%	7.49%	6.51%	6.90%	7.38%
Exercise price	75-175	75-135	75	150	10	10	10	10	10	10
Expected life of options granted in years	5.25	5.25	5.50	4.50	As per Table 1.1			4.27	3.50	4.50

**Table 1.1**

Expected life of options granted in years

Option Grant date	9-Feb-16		12-Feb-15		12-Nov-14		
	Old Employees	New Employees	Old Employees	New Employees	Old Employees	New Employees	
Year I		3.50	4.50	3.00	3.00	3.50	4.50
Year II		4.50	5.50	3.50	4.00	4.50	5.50
Year III		5.50	6.50	4.00	4.50	5.50	6.50

The expected life of options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may differ from the actual.

## Notes to the standalone financial statements and other explanatory information

### 43 Operating Segment

Description of segment and principal activities

The Company acquires, co-produces and distributes Indian films in multiple formats worldwide. Film content is monitored and strategic decisions around the business operations are made based on the film content, whether it is new release or library. Hence, management identifies only one operating segment in the business, film content. The Company distributes film content to the Indian population in India and worldwide and to non-Indian consumers who view Indian films that are subtitled or dubbed in local languages. As a result of these distribution activities, the management examines the performance of the business from a geographical market perspective.

Amount ₹ in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Revenue by region of domicile of customer's location</b>		
India	7,191	11,629
United Arab Emirates*	14,420	47,742
Rest of the world	2,839	7,529
<b>Total revenue</b>	<b>24,450</b>	<b>66,900</b>

For the year ended 31 March 2021 and 31 March 2020 no external customers accounted for more than 10% of the entity's total revenues.

\*Sales to United Arab Emirates includes sales to its related party Eros Worldwide FZ LLC.

Non-current assets other than financial instruments, investments accounted for using equity method and income taxes

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-current assets</b>		
India	76,372	90,651
<b>Total non-current assets</b>	<b>76,372</b>	<b>90,651</b>

## Notes

### to the standalone financial statements and other explanatory information

#### 44 Related party disclosures

Related party where control exists:

##### a) Parent entity

Relationship	Name
Ultimate holding Company	<b>Eros STX Global Corporation</b> (formerly known as Eros International PLC)
Holding Company	<b>Eros Worldwide FZ LLC</b>

##### b) Subsidiaries

Relationship	Name
Subsidiary companies	Eros International Films Private Limited
	Copsale Limited
	Big Screen Entertainment Private Limited
	EyeQube Studios Private Limited
	EM Publishing Private Limited
	Eros Animation Private Limited
	Digicine PTE Limited
	Colour Yellow Productions Private Limited
	ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)

#### Related party having transactions :

a) List of Key management personnel (KMP)	Mr. Sunil Lulla – Executive Vice Chairman and Managing Director
	Mr. Kishore Lulla – Executive Director
	Mr. Farokh Gandhi - Executive Director & Chief Financial Officer (India) (Appointed as Director of the Company w.e.f. 9 November 2020)
	Mr. Pradeep Dwivedi - Chief Executive Officer (w.e.f. 10 February 2020)
	Mr. Abhishek Kanoi - Vice President Company Secretary and Compliance Officer (upto 12 August 2019)
	Mr. Vijay Jayantilal Thaker - Vice President Company Secretary and Compliance Officer (w.e.f. 13 August 2019)
b) Relatives of KMP with whom transactions exist	Mrs. Manjula K Lulla (wife of Mr. Kishore Lulla)
	Mrs. Krishika Lulla (wife of Mr. Sunil Lulla)
	Mrs. Meena Lulla (wife of Mr. Arjan Lulla)
c) Entities over which KMP exercise significant influence	Shivam Enterprises
	Eros International Distribution LLP
	Eros Television India Private Limited
	Eros International Distribution LLP
d) Fellow subsidiary company	Eros Digital Private Limited
	Eros International Limited, United Kingdom
	Eros Digital FZ LLC
	Eros International USA Inc, USA

## Notes

to the standalone financial statements and other explanatory information

## 44 Related party disclosures (Cont...)

Particulars	c (i) Transactions during the year with related parties												Amount ₹ in lakhs	
	Holding Company		Subsidiary		Fellow subsidiary company		Key Management Personnel including transactions with relatives of Key Management Personnel		Entities over which Key Management Personnel exercise significant influence		Total			
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	
Sale of film rights	11,650	47,828	12	80	2,269	-	-	-	-	-	13,931	-	47,908	
Revenue attributable to Eros Digital FZ LLC	-	-	-	-	(367)	(8,271)	-	-	-	-	(367)	-	(8,271)	
Purchase of film rights	-	-	187	3,161	-	-	-	-	-	-	187	-	3,161	
Re-imbursment of administrative expense	98	333	12	12	2,286	4,887	-	-	-	-	2,396	-	5,232	
Re-imbursment given	15	70	-	137	-	-	-	-	-	-	15	-	207	
Assets Usage Charges paid	-	-	7	7	-	-	-	-	-	-	7	-	7	
Commission expenses	-	-	5	4	-	-	-	-	-	-	5	-	4	
Investment in	-	-	-	16	-	-	-	-	-	-	-	-	16	
Rent expenses	-	-	-	-	-	-	-	768	768	-	768	-	768	
Interest income	372	-	-	102	-	-	-	-	-	-	372	-	102	
Interest expenses	-	-	1,065	648	62	57	-	-	-	-	1,127	-	705	
Salary, commission and perquisites* to KMPs	-	-	-	-	-	-	-	952	779	-	952	-	779	
Content advances given	-	-	-	1,104	-	-	-	-	-	-	-	-	1,104	
Loan and advances given	-	-	-	1,866	-	-	-	-	-	-	-	-	1,866	
Loan transferred	-	-	0	-	-	-	-	-	-	-	0	-	-	
Gratuity/Lease encashment transferred	-	-	123	-	-	-	-	-	-	-	123	-	-	
Sale of assets	-	-	4	-	-	-	-	-	-	-	4	-	-	
Recovery of loans and advances given	-	-	-	2,638	-	-	-	-	-	42	-	-	2,680	
Trade advances/ loans taken	-	-	3,260	5,275	-	25	-	-	-	-	3,260	-	5,300	
Repayment of advances/ loans	-	13,738	3,776	4,334	-	43	-	-	-	-	3,776	-	18,115	
Refund of deposits	-	-	-	-	-	-	-	314	-	-	-	-	314	

## Notes

### to the standalone financial statements and other explanatory information

#### 44 Related party disclosures (Cont...)

##### c) (ii) Transactions during the year with related parties

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Sale of film rights</b>		
Eros Worldwide FZ LLC	11,650	47,828
Eros International Ltd United Kingdom	2,269	-
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	12	80
<b>Total</b>	<b>13,931</b>	<b>47,908</b>
Revenue attributable to Eros Digital FZ LLC	(367)	(8,271)
<b>Purchase of film rights</b>		
Eros International Films Private Limited	49	68
Colour Yellow Productions Private Limited	138	3,092
<b>Total</b>	<b>187</b>	<b>3,160</b>
<b>Re-imbursment of administrative expense</b>		
Eros Worldwide FZ LLC	98	333
Eros Digital FZ LLC	2,286	4,678
Eros International Films Private Limited	12	12
Eros International Ltd United Kingdom	-	142
Eros International Ltd USA INC	-	67
<b>Total</b>	<b>2,396</b>	<b>5,232</b>
<b>Re-imbursment given</b>		
Colour Yellow Productions Private Limited	-	137
Eros Worldwide FZ LLC	15	70
<b>Total</b>	<b>15</b>	<b>207</b>
<b>Assets Usage Charges paid</b>		
EyeQube Studios Private Limited	7	7
<b>Total</b>	<b>7</b>	<b>7</b>
<b>Commission expenses</b>		
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	-	2
EM Publishing Private Limited	5	2
<b>Total</b>	<b>5</b>	<b>4</b>
<b>Investment in</b>		
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	-	16
<b>Total</b>	<b>-</b>	<b>16</b>
<b>Rent expenses</b>		
Mr. Sunil Lulla	384	384
Mrs. Manjula K Lulla	36	36
Mr. Kishore Lulla	348	348
<b>Total</b>	<b>768</b>	<b>768</b>
<b>Interest income</b>		
EyeQube Studios Private Limited	-	1
Eros Worldwide FZ LLC	372	-
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	-	101
<b>Total</b>	<b>372</b>	<b>102</b>
<b>Interest expenses</b>		
Eros Digital Private Limited	62	57
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	173	9
EyeQube Studios Private Limited	4	3
Eros International Films Private Limited	888	636
<b>Total</b>	<b>1,127</b>	<b>705</b>

## Notes

### to the standalone financial statements and other explanatory information

#### 44 Related party disclosures (Cont...)

##### c) (ii) Transactions during the year with related parties (Cont...)

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Salary, commission and perquisites* to KMPs</b>		
Mr. Sunil Lulla***	521	527
Mrs. Krishika Lulla	86	86
Mr. Farokh Gandhi - Executive Director & Chief Financial Officer (India)	84	84
Mr. Vijay Jayantilal Thaker (w.e.f. 12 August 2019)	36	23
Mr. Abhishek Kanoj** (upto 12 August 2019)	-	18
Mr. Pradeep Dwivedi - Chief Executive Officer (w.e.f. 10 February 2020)	225	41
<b>Total</b>	<b>952</b>	<b>779</b>

\* Perquisites to KMP have been valued as per Income tax Act, 1961 and rules framed thereunder or at actuals as the case may be.

\*\* Excludes ₹ NIL (31 March 2020 : ₹ 1 lakhs) charged to Statement of Profit and loss on account of stock compensation for awards granted.

\*\*\* The remuneration accrued/paid by the company to its Vice Chairman and Managing Director for the year ended 31 March 2021 is in excess by ₹ 400 lakhs vis-a-vis the limits specified in section 197 of Companies Act, 2013 ('the act') read with schedule V thereto, as the Company does not have profits. The Company is in process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary. Until then, the said excess amount is held in trust by the Vice Chairman and Managing Director.

##### d) Transactions with related parties

Amount ₹ in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Content advances given</b>		
Colour Yellow Productions Private Limited	-	1,104
<b>Total</b>	<b>-</b>	<b>1,104</b>
<b>Loan and advances given</b>		
EyeQube Studios Private Limited	-	9
Eros Animation Private Limited	-	0
EM Publishing Private Limited	-	3
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	-	1,854
<b>Total</b>	<b>-</b>	<b>1,866</b>
<b>Loan and advances Transferred</b>		
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	0	-
<b>Total</b>	<b>0</b>	<b>-</b>
<b>Gratuity/Leave encashment transferred</b>		
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	123	-
<b>Total</b>	<b>123</b>	<b>-</b>
<b>Sale of Assets</b>		
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	4	-
<b>Total</b>	<b>4</b>	<b>-</b>
<b>Recovery of loans and advances given</b>		
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	-	2,572
Eros Television India Private Limited	-	3
EyeQube Studios Private Limited	-	66
Shivam Enterprises	-	39
<b>Total</b>	<b>-</b>	<b>2,680</b>
<b>Trade advances/ loans taken</b>		
Eros Digital Private Limited	-	25
Eros International Films Private Limited	510	5,275
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	2,750	-
<b>Total</b>	<b>3,260</b>	<b>5,300</b>

## Notes

### to the standalone financial statements and other explanatory information

#### 44 Related party disclosures (Cont...)

##### d) Transactions with related parties (Cont...)

Amount ₹ in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Repayment of advances/ loans</b>		
Eros Worldwide FZ LLC	-	13,738
Eros Digital Private Limited	-	43
Big Screen Entertainment Private Limited	-	1
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	2,425	-
Eros International Films Private Limited	1,351	4,333
<b>Total</b>	<b>3,776</b>	<b>18,115</b>
<b>Refund of deposits</b>		
Mr. Sunil Lulla	-	254
Mr. Kishore Lulla	-	60
<b>Total</b>	<b>-</b>	<b>314</b>

##### e) Balances with related parties

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Trade balances due from</b>		
Eros Worldwide FZ LLC	35,124	37,884
Eros International Limited	2,195	-
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	18	-
Eros Digital FZ LLC	4,327	11,128
<b>Total</b>	<b>41,664</b>	<b>49,012</b>
<b>Trade balances due to</b>		
Eros International Limited	282	118
Big Screen Entertainment Private Limited	96	96
Colour Yellow Productions Private Limited	3,227	3,074
Eros International Films Private Limited	54	-
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	123	-
Eros Digital FZ LLC	18,518	18,682
<b>Total</b>	<b>22,300</b>	<b>21,970</b>
<b>Advances due to</b>		
Eros Worldwide FZ LLC	311	311
<b>Total</b>	<b>311</b>	<b>311</b>
<b>Loans due to</b>		
Eros Digital Private Limited	619	562
Eros International Films Private Limited	6,800	6,832
ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)	996	512
EyeQube Studios Private Limited	49	38
<b>Total</b>	<b>8,464</b>	<b>7,944</b>
<b>Content advances given to</b>		
Colour Yellow Productions Private Limited	4,782	4,782
<b>Total</b>	<b>4,782</b>	<b>4,782</b>



## Notes

### to the standalone financial statements and other explanatory information

#### 44 Related party disclosures (Cont...)

##### e) Balances with related parties (Cont...)

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Loans and advances due from</b>		
EM Publishing Private Limited	15	20
Digicine Pte Limited	38	39
Eros Animation Private Limited	2	2
<b>Total</b>	<b>55</b>	<b>61</b>
<b>Security Deposits/Amounts due from KMPs or their relatives</b>		
Mr. Sunil Lulla	13	13
Mrs. Manjula Lulla	75	75
Mr. Kishore Lulla	180	180
<b>Total</b>	<b>268</b>	<b>268</b>
<b>Amounts due to KMPs or their relatives</b>		
Mr. Sunil Lulla	488	225
Mr. Kishore Lulla	241	143
Mrs. Manjula Lulla	124	103
Mrs. Krishika Lulla	21	2
Mrs. Meena Lulla	7	-
<b>Total</b>	<b>881</b>	<b>473</b>

#### Terms and conditions

All outstanding balances are unsecured and repayable in cash.

#### 45 Categories of financial assets and financial liabilities

The carrying value of financial instruments by categories are as follows:

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Financial assets</b>		
<b>Measured at fair value through profit and loss</b>		
Investments*	2,460	2,460
<b>Total</b>	<b>2,460</b>	<b>2,460</b>
<b>Measured at amortised cost</b>		
Loans	1,383	1,265
Restricted deposits	2,852	3,650
Other financial assets	370	348
Trade receivables	46,081	52,590
Cash and cash equivalents	874	102
<b>Total</b>	<b>51,560</b>	<b>57,955</b>
<b>Measured at amortised cost</b>		
Borrowings	49,700	49,486
Acceptance	1,400	1,400
Trade payables	30,672	28,512
Other financial liabilities	12,019	10,979
<b>Total</b>	<b>93,791</b>	<b>90,377</b>

\* Exclude financial instruments of investment in subsidiaries carried at cost.

## Notes

### to the standalone financial statements and other explanatory information

#### 46 Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based in the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as price) or indirectly (i.e. derived from price)

Level 3: unobservable inputs for the asset or liability

#### a. The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

Amount ₹ in lakhs

Particulars	As at 31 March 2021	Level 1	Level 2	Level 3
<b>Financial assets</b>				
<b>Measured at fair value through Statement of Profit and Loss</b>				
Investments*	2,460	-	-	2,460
<b>Total</b>	<b>2,460</b>	<b>-</b>	<b>-</b>	<b>2,460</b>

#### b. The following table shows the financial assets and liabilities measured at amortised cost on a recurring basis:

Amount ₹ in lakhs

Particulars	As at 31 March 2021	Level 1	Level 2	Level 3
<b>Measured at amortised cost</b>				
<b>Financial assets</b>				
Loans	1,383			
Restricted bank deposits	2,852			
Other financial assets-Non Current	280		280	
Other financial assets- Current	90			
Trade receivables	46,081			
Cash and cash equivalents	874			
<b>Total</b>	<b>51,560</b>	<b>-</b>	<b>280</b>	<b>-</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
Borrowings-Non Current	4		4	
Borrowings- Current	49,696			
Acceptance	1,400			
Trade payables	30,672			
Other financial liabilities	12,019			
<b>Total</b>	<b>93,791</b>	<b>-</b>	<b>4</b>	<b>-</b>

\* Exclude financial instruments of investment in subsidiaries carried at cost.

During the year ended 31 March 2021 there was no transfers between level 2 and level 3 fair value hierarchy.

Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities and short term borrowings carried at amortised cost is not materially different from its carrying cost largely due to short term maturities of these financial assets and liabilities

Fair value of the borrowing items fall within level 2 of the fair value hierarchy and is calculated on the basis of discounted future cash flows.

Non-listed shares and other securities fall within level 3 of the fair value hierarchy. Valuation is based on the discounted future cash flow method.

Financial instruments with fixed and variable interest rate fall within level 2 of the fair value hierarchy and are evaluated by Company based on parameters such as interest rate, credit rating or assessed credit worthiness.

## Notes

### to the standalone financial statements and other explanatory information

#### 46 Fair value measurement of financial instruments (Cont...)

- a. The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

Particulars	Amount ₹ in lakhs			
	As at 31 March 2020	Level 1	Level 2	Level 3
<b>Financial assets</b>				
<b>Measured at fair value through profit and loss</b>				
Investments*	2,460	-	-	2,460
<b>Total</b>	<b>2,460</b>	<b>-</b>	<b>-</b>	<b>2,460</b>

- b. The following table shows the financial assets and liabilities measured at amortised cost on a recurring basis:

Particulars	Amount ₹ in lakhs			
	As at 31 March 2020	Level 1	Level 2	Level 3
<b>Measured at amortised cost</b>				
Loans	1,265			
Restricted bank deposits	3,650			
Other financial assets-Non current	279		279	
Other financial assets-Current	69			
Trade receivables	52,590			
Cash and cash equivalents	102			
<b>Total</b>	<b>57,955</b>	<b>-</b>	<b>279</b>	<b>-</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
Borrowings-Non Current	63		63	
Borrowings- Current	49,423			
Acceptance	1,400			
Trade payables	28,512			
Other financial liabilities	10,979			
<b>Total</b>	<b>90,377</b>	<b>-</b>	<b>63</b>	<b>-</b>

\*Exclude financial instruments of investment in subsidiaries carried at cost.

During the year ended 31 March 2020 there was no transfers between level 2 and level 3 fair value hierarchy.

Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities and short term borrowings carried at amortized cost is not materially different from its carrying cost largely due to short term maturities of these financial assets and liabilities

Following table shows the reconciliation from the opening balances to the closing balances of the level 3 values:-

Particulars	Amount ₹ in lakhs
	<b>Balance as on 1 April 2019</b>
Add: Employee stock option compensation expense to employee's of subsidiary	16
Less: Fair value loss recognised through profit and loss	(332)
<b>Balance as on 31 March 2020</b>	<b>2,460</b>
Add: Employee stock option compensation expense to employee's of subsidiary	-
Less: Fair value loss recognised through profit and loss	-
<b>Balance as on 31 March 2021</b>	<b>2,460</b>

## Notes

### to the standalone financial statements and other explanatory information

#### 46 Fair value measurement of financial instruments (Cont...)

Financial asset	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input	Relationship of unobservable input to fair value
	31 March 2021	31 March 2020				
Investment in unquoted equity share	Equity share of :- ErosNow Private limited (Formerly known as Universal Power Systems Private Limited) ₹ 2,460 lakhs	Equity share of :- ErosNow Private limited (Formerly known as Universal Power Systems Private Limited) ₹ 2,460 lakhs	Level 3	Income approach - In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefit to be derived from the ownership of these equity instruments.	The significant inputs were:- a) the estimated cash flow; and b) the discount rate to compute the present value of the expected future cash flow.	A 1 % increase / decrease in the discount rate used would decrease/ increase the fair value of unquoted equity instruments by ₹ NIL / ₹ 160 lakhs / ₹ 180 lakhs As at 31 March 2020).

#### 47 Financial instruments and Risk management

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in note 45. The main types of risks are market risk, credit risk and liquidity risk.

The Company's risk management is coordinated in close cooperation with the board of directors and audit committee.

The Company has established objectives concerning the holding and use of financial instruments. The underlying basis of these objectives is to manage the financial risks faced by the Company.

Formal policies and guidelines have been set to achieve these objectives. The Company does not enter into speculative arrangements or trade in financial instruments and it is the Company's policy not to enter into complex financial instruments unless there are specific identified risks for which such instruments help mitigate uncertainties.

##### Management of Capital Risk and Financial Risk

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. Net debt is calculated as borrowing (refer note 19,25,26 and 27) less cash and cash equivalents.

The gearing ratio at the end of the reporting period was as follows:

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Debt	57,511	59,531
Less: Cash and cash equivalents	(874)	(102)
<b>Net debt</b>	<b>56,637</b>	<b>59,429</b>
Equity	21,104	37,980
<b>Net debt to equity</b>	<b>268.37%</b>	<b>156.47%</b>

##### Financial risk management objectives

Based on the operations of the Company, Management considers that key financial risks that it faces are credit risk, currency risk, liquidity risk and interest rate risk. The objectives under each of these risks are as follows

- credit risk: minimize the risk of default and concentration.
- currency risk: reduce exposure to foreign exchange movements principally between INR and USD.
- liquidity risk: ensure adequate funding to support working capital and future capital expenditure requirements.
- interest rate risk: mitigate risk of significant change in market rates on the cash flow of issued variable rate debt.

##### Credit Risk

The Company's credit risk is principally attributable to its trade receivables, loans and bank balances. As a number of the Company's trading activities require third parties to report revenues due to the Company this risk is not limited to the initial agreed sale or advance amounts. The amounts shown within the Balance Sheet in respect of trade receivables and loans are net of allowances for doubtful debts based upon objective evidence that the Company will not be able to collect all amounts due.

Trading credit risk is managed on a customer by customer basis by the use of credit checks on new clients and individual credit limits, where appropriate, together with regular updates on any changes in the trading partner's situation. In a number of cases trading partners will be required to make advance payments or minimum guarantee payments before delivery of any goods. The Company reviews reports received from third

## Notes

### to the standalone financial statements and other explanatory information

#### 47 Financial instruments and Risk management (Cont...)

parties and in certain cases as a matter of course reserve the right within the contracts it enters into to request an independent third party audit of the revenue reporting.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings as signed by credit rating agencies.

The Company from time to time will have significant concentration of credit risk in relation to individual theatrical releases, television syndication deals or digital licenses. This risk is mitigated by contractual terms which seek to stagger receipts and/or the release or airing of content. As at 31 March 2021 91% (31 March 2020: 97%) of trade account receivables were represented by the top 5 customer, out of which as at 31 March 2021 90% (31 March 2020: 93%) of trade account receivables were represented by the related parties. The maximum exposure to credit risk is that shown within the statement of financial position.

As at 31 March 2021, the Company did not hold any material collateral or other credit enhancements to cover its credit risks associated with its financial assets.

#### Currency Risk

The Company is exposed to foreign exchange risk from foreign currency transactions. As a result it faces both translation and transaction currency risks which are principally mitigated by matching foreign currency revenues and costs wherever possible.

The Company has identified that it will need to utilize hedge transactions to mitigate any risks in movements between the US Dollar and the Indian Rupee and has adopted an agreed set of principles that will be used when entering into any such transactions. No such transactions have been entered into to date and the Company has managed foreign currency exposure to date by seeking to match foreign currency inflows and outflows as much as possible such as packing credit repayment in USD is matched with remittances from UAE in USD. Details of the foreign currency borrowings that the Company uses to mitigate risk are shown within Interest Risk disclosures.

The Company adopts a policy of borrowing where appropriate in the foreign currency as a hedge against translation risk. The table below shows the Company's net foreign currency monetary assets and liabilities position in the main foreign currencies, translated to Indian Rupees(INR) equivalents, as at the year end:

Particulars	Amount ₹ in lakhs			
	Net balance receivables / (payables)			
	INR	USD	SGD*	EUR
As at 31 March 2021	369,736	5,046	8	1
As at 31 March 2020	26,839	355	1	-

\*amount represents less than one lakh

The above foreign currency arises when the Company holds monetary assets and liabilities denominated in a currency other than INR.

A uniform decrease of 10% in exchange rates against all foreign currencies in position as of 31 March 2021 would have decreased in the Company's net profit before tax by approximately ₹ 36,974 lakhs (31 March 2020: profit of ₹ 2,684 lakhs). An equal and opposite impact would be experienced in the event of an increase by a similar percentage.

#### Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves and agreed committed banking facilities. Management of working capital takes account of film release dates and payment terms agreed with customers.

A maturity analysis for financial liabilities is provided below. The amounts disclosed are based on contractual undiscounted cash flows. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rates as at 31 March, in each year.

Particulars	Amount ₹ in lakhs				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
<b>As at 31 March 2021</b>					
Borrowing principal payments	56,098	56,094	4	-	-
Borrowing interest payments	7,481	7,481	0	-	-
Acceptance	1,400	1,400	-	-	-
Trade and other payables	33,810	14,137	19,673	-	-

## Notes

### to the standalone financial statements and other explanatory information

#### 47 Financial instruments and Risk management (Cont...)

Amount ₹ in lakhs

Particulars	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
<b>As at 31 March 2020</b>					
Borrowing principal payments	58,100	58,037	63	-	-
Borrowing interest payments	7,160	7,158	2	-	-
Acceptance	1,400	1,400	-	-	-
Trade and other payables	30,186	30,021	165	-	-

At 31 March 2021, the Company had facilities available of ₹ 49,034 Lakhs (31 March 2020: ₹ 51,556 Lakhs) and had net undrawn amounts of ₹ 1,995 Lakhs (31 March 2020: ₹ 189 Lakhs) available. The borrowing facility with bankers have been restructured on 22 June 2021. (Refer Note 51 (b))

#### Interest rate risk

The Company is exposed to interest rate risk as the Company has borrowed funds at floating interest rates. The risk is managed as the loans are at floating interest rates which is aligned to the market.

A uniform increase of 100 basis points in interest rates against all borrowings in position as of 31 March 2021 would have decreased in the Company's net profit before tax by approximately ₹ 485 Lakhs (31 March 2020: decrease net profit before tax of ₹ 204 Lakhs). An equal and opposite impact would be experienced in the event of a decrease by a similar basis.

#### 48 Auditors' remuneration

Amount ₹ in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>As auditor</b>		
Statutory audit	80	80
Limited review	15	15
Tax audit	7	7
	<b>102</b>	<b>102</b>
<b>In other capacity</b>		
Other services (certification fees)	4	5
	<b>4</b>	<b>5</b>
<b>Total</b>	<b>106</b>	<b>107</b>

49 Based on the information available with the Company, there are no dues payable as at the year end to micro, small and medium enterprises as defined in The Micro, Small & Medium Enterprises Development Act, 2006. This information has been relied upon by the statutory auditors of the Company.

50 As per the provision of the Act, a Corporate Social Responsibility (CSR) committee has been formed by the Company. CSR objects chosen by the Company primarily consist of promoting education, promoting gender equality, empowering women, setting up homes and hostels for women and orphans etc. As per the provisions of the Act, gross amount required to be spent by the Company is ₹ NIL (31 March 2020 : ₹ 485 lakh), of which ₹ 8 lakh (31 March 2020 : ₹ 3 lakhs) have been spent during the current year details as ₹ 8 lacs to Late Shree Himmatlal Harjivand (31 March 2020: ₹ 3 lakhs to Vardhaman Sanskar Dham)

#### 51 Post reporting date events

(a) The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Government announced lockdown across the country to contain the spread of the virus. Further, lockdown like conditions have been imposed by government to curtail the second wave in April 5, 2021. This pandemic and response thereon have impacted most of the industries. The film industry has been impacted due to closures of theatres and restrictions on film shoots. The impact on company's future operations would, to a large extent, depend on how the pandemic further develops and its resultant impact on the operations of the Company.

The Management has evaluated the impact on its financial statements and have made appropriate adjustments, wherever required. The extent of the impact on Company's operations remains uncertain and may differ from that estimated as at the date of approval of these standalone financial statements and will be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unknowable duration of COVID-19 and among other things, the impact of governmental actions imposed in response to the pandemic. The Company is monitoring the rapidly evolving situation and its potential impacts on the Company's financial position, results of operations, liquidity, and cash flows.

(b) The company has obtained the lenders approval on 22<sup>nd</sup> June, 2021 for restructuring of the borrowing facilities under the RBI's Resolution Framework for COVID-19-related Stress dated August 6, 2020 and Resolution Framework for COVID-19-related Stress – Financial Parameters dated September 7, 2020 with the cut-off date of 1<sup>st</sup> January, 2021. The defaults in the repayments of term loans instalments stands rectified on restructuring of the facilities. The impact of the restructuring has not been considered in these financial results, pending issue of revised sanction letters and other documents from all bankers. Pursuant to restructuring, the interest rate is revised to 9% p.a. link to one year MCLR. The revised repayment schedule will be as under:

## Notes

### to the standalone financial statements and other explanatory information

#### 51 Post reporting date events (Cont...)

Amount ₹ in lakhs

Particulars	FY 22-2023	FY 21-2022	FY 2023-24
Term Loans	-	231	4,395
Funded Interest Term Loans	856	1,589	-
Working Capital Facilitates	1,606	4,417	2,008

- 52 The company has incurred loss for the year amounting ₹ 16,997 lakhs in current year and ₹ 115,978 lakhs [after considering the impact of an impairment loss amounting ₹ 127,850 lakhs]. The company is dependent upon external borrowings for its working capital needs and investment in content and film rights. Given the economic uncertainty created by the novel coronavirus coupled with significant business disruptions for film distributor and broadcasting companies, there is likely be an increase in events and circumstances which may cast doubt on a Company's ability to continue as a going concern. The merger of STX Filmworks Inc with subsidiary of ultimate holding company Eros International Plc will result into equity infusion of US\$ 125 million in combined entity. These funds would improve liquidity within the group. The company has considered the impact of these uncertainties and factored them into their financial forecasts, including renewal of short-term borrowings. For this reason, Management continues to adopt the going concern basis in preparing the consolidated financial statements.

#### 53 Leases

Company as a lessee

The company's leased assets primarily consist of offices. Lease of the office premises generally have lease term of 5 years.

(a) The carrying amount of Right to use assets and the movements during the year are given in note 3.

(b) The carrying amount of lease liabilities and the movements during the year:-

Amount ₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Opening balance</b>	<b>237</b>	<b>-</b>
Addition	2,474	986
Accretion of Interest	-	-
Payment made	574	749
<b>Closing balance</b>	<b>2,137</b>	<b>237</b>
c) The amount relating to leases recognized in statement of profit and loss		
Depreciation of right of use of assets	277	357
Interest expense on lease liability'	89	24
<b>Total</b>	<b>366</b>	<b>381</b>
(d) Undiscounted maturity analysis of lease liabilities as at end of the year		
Less than 1 year	4	-
One to five year	2,133	-
More than 5 year	-	-

#### 54 Post reporting date events

No adjusting or significant non-adjusting events have occurred between 31 March 2021 and the date of authorisation of these standalone financial statements.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No.: 101720W/W100355

For and on behalf of Board of Directors

**Amit Chaturvedi**

Partner

Membership No: 103141

**Sunil Lulla**

Executive Vice Chairman &  
Managing Director

(DIN: 00243191)

**Sunil Srivastav**

Non Executive Independent  
Director

(DIN: 00237561)

**Pradeep Dwivedi**

Chief Executive Officer

**Farokh P. Gandhi**

Chief Financial Officer  
(India)

Place: Mumbai

Date : 28 June 2021

**Vijay Thaker**

Vice President - Company Secretary  
and Compliance Officer

Place: Mumbai

Date : 28 June 2021

**Intentionally kept blank**



# Consolidated Financial Statements

# INDEPENDENT AUDITOR'S REPORT

To the Members of

**EROS INTERNATIONAL MEDIA LIMITED**

## Report on the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Eros International Media Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated Statement of Profit and Loss, including consolidated Other Comprehensive Income, consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements including and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Material Uncertainty related to Going Concern

As stated in Note No. 52 of the consolidated financial statements, the economic uncertainty created by the novel coronavirus has resulted in significant business disruptions for film distributor and broadcasting companies. These conditions, along with other matter as set forth in the aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

**Our opinion is not modified in respect of this above matter.**

### Emphasis of Matter

We draw attention to Note No. 51 of the consolidated financial statements, which describes the Company's management evaluation of Covid 19 impact on the future business operations and future cash flows of the Company and its consequential effects on the carrying value of assets as on March 31, 2021. In view of uncertain economic conditions, the Company's management's evaluation of impact on subsequent periods is highly dependent upon conditions as they evolve. Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements:-

Key Audit Matters	Response to Key Audit Matters
<p><b>Revenue Recognition</b> (Refer note 1 and para 'a' of the significant accounting policies)</p> <p>The Group recognize theatrical income, license Fees and distribution revenue, net of sales related taxes, when control of the underlying products have been transferred along with satisfaction of performance obligation.</p> <p>Recognition of revenue is driven by specific terms of related contracts.</p> <p>The various streams of revenue, together with the level of judgement involved make its accounting treatment for revenue a significant matter for our audit.</p>	<p>Our audit procedures to assess the appropriateness of revenue recognised included and were not limited to following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of an assessing the design, implementation and operating effectiveness of the Group's key internal controls over the revenue recognition process.</li> <li>• Examination of significant contracts entered into close to year end to ensure revenue recognition is made in correct period.</li> <li>• Testing a sample of contracts from various revenue streams by agreeing information back to contracts and proof of delivery or transmission as appropriate and ensure revenue recognition is in accordance with principles of Ind AS 115.</li> <li>• Assessing the adequacy of Groups's disclosure in accordance with requirements of Ind AS 115.</li> </ul>
<p><b>Content Advances</b> (Refer note 3)</p> <p>Group enters into agreements with production houses to develop future film content. Advances are given as per terms of agreements. Such content advances are monitored by the respective management of the companies included in the Group for recoverability and appropriate write offs are taken when film production does not seem viable and refund of advance is not probable basis management evaluation.</p> <p>The Content advances are transferred to film and rights at the point at which the content is first exploited. Provision is made as per provision policy in respect of content advances against which content has not been delivered by vendor within agreed timelines or where projects are at standstill/put on hold for substantial period of time.</p> <p>Because of the significance of content advances to the balance sheet and of the significant degree of management judgment involved in evaluating the adequacy of the allowance for content advances, we identified this area as key audit matter.</p>	<p>Our audit procedures with respect to content advance, delivery of the content and it's impairment included and were not limited to following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Group's key controls over the processes of authorisation of content advances and tracking of receipt of related content as per agreement.</li> <li>• Examination of contracts on sample basis entered by the Group and agreeing with the schedule of content advance.</li> <li>• Examination of the approvals of write off where amounts are not recoverable.</li> <li>• Testing of the amounts transferred to film and rights account on sample basis on delivery of content by vendor.</li> <li>• Circulating and obtaining independent confirmations from parties on the outstanding balances on sample basis. Testing the reconciliation, if any between the balances confirmed by party and balance in the books.</li> <li>• Conducting discussion with the management and reviewing, on sample basis, the project status prepared by management for determining the adequacy of impairment provisions where balances are still pending to be adjusted against the content to be delivered by the party.</li> </ul>
<p><b>Amortisation of Film and Content Rights</b> (Refer note 1 and para 'c' of the significant accounting policies)</p> <p>The cost incurred on acquisition of film and content rights are amortised over the period. Group carries out stepped up amortisation of film content, with higher amortisation in year of film release and lower amortisation in later periods as per the policy disclosed in significant accounting policy.</p> <p>Such amortisation policy has been derived basis management's expectation of overall performance of films based on historical trends. The Group maintains detailed content wise information relating to historical trends and future benefits from content through theatrical sales, sale of satellite or television and other forms of monetisation of the content.</p> <p>Determination of amortisation policy and assessing impairment of content asset involves significant judgement and estimates since it is dependent on various internal and external factors.</p> <p>Because of the significance of the amortisation of content and film rights to balance sheet together with the level of judgement involved make its accounting treatment a significant matter for our audit.</p>	<p>Our audit procedures to test amortisation/ impairment of film content included and were not limited to following:</p> <ul style="list-style-type: none"> <li>• Assessing the design, implementation and operating effectiveness of the Group's key internal controls over the processes of maintenance and updation of master files containing data on the film rights carrying value and the related amortisation computations thereof.</li> <li>• Testing, on sample basis, the mathematical accuracy of the acquisition cost of film and content rights, associated amortisation charge and additions and disposals to third party supporting documents.</li> </ul> <p>Discussing the expectations of the selected films and shows with key personnel, including those outside of finance, to ensure its consistency of expected performance with key assumptions.</p> <p>Determining the overall assumptions used by management for amortisation policy is appropriate based on the expected utilisation of benefits of the underlying content.</p> <ul style="list-style-type: none"> <li>• Assessing management's historical forecasting accuracy by comparing past assumptions to actual outcomes.</li> <li>• The carrying value of the content and film cost were tested for impairment based on the valuation model. We tested the historical data used for valuation, challenged the terminal growth and discount rates used and considered the reasonableness of the sensitivity assessment applied.</li> </ul>

## CONSOLIDATED FINANCIAL STATEMENTS

Key Audit Matters	Response to Key Audit Matters
<p><b>Trade Receivables</b> (Refer note 1 and para 'f' of the significant accounting policies)</p> <p>The Group is required to regularly assess the recoverability of its trade receivables. Management assesses the level of allowance for expected credit loss required at each reporting date after taking into account the ageing analysis of trade receivables and other historical and current factors specific to individual accounts.</p> <p>The recoverability of trade receivables was significant to our audit because of the significance of trade receivables to balance sheet and involvement of significant degree of management judgement involved in evaluating the adequacy of the allowance for expected credit loss.</p>	<p>Our audit procedures to assess the recoverability of trade receivables included and were not limited to following:</p> <ul style="list-style-type: none"> <li>• Tested the accuracy of aging of trade receivables at year end on a sample basis.</li> <li>• Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers related to the recoverability of outstanding amount and to consider if any additional provision should be made.</li> <li>• Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis, if any.</li> <li>• Examination of the approvals of write off where amounts are not recoverable.</li> <li>• Circulating and obtaining independent customers confirmation on the outstanding balances on sample basis. Testing the reconciliation, if any between the balances confirmed by customer and balance in the books on sample basis.</li> <li>• In assessing the appropriateness of the overall provision for expected credit loss we considered the management's application of policy for recognizing provisions which included assessing whether the calculation was in accordance with IND AS 109 and comparing the Group's provisioning rates against historical collection data.</li> </ul>
<p><b>Related party Transactions</b> (Refer Note 44)</p> <p>The Company has undertaken transactions with its related parties in the ordinary course of business at arm's length. These include transactions in the nature of investments, loans, sales etc. as disclosed in note 44 to the consolidated Ind AS financial statements.</p> <p>Considering the significance of transactions with related parties and regulatory compliances thereon, related party transactions and its disclosure as set out in respective notes to the financial statements has been identified as key audit matter.</p>	<p>Our procedures/ testing included the following:</p> <ul style="list-style-type: none"> <li>• Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, recording and disclosure of related party transactions.</li> <li>• Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length;</li> <li>• Tested, related party transactions with the underlying contracts, confirmation letters and other supporting documents;</li> <li>• Agreed the related party information disclosed in the financial statements with the underlying supporting documents, on a sample basis.</li> <li>• Also reviewed the assessment of the recoverability from the related parties based on group's cash flow plan prepared by the Management.</li> </ul>

### Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Management Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the

preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial

statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of the two subsidiaries, whose financials results/statements reflect total assets of ₹ 23,474 Lakhs as at March 31, 2021 and total revenue of ₹ 182 Lakhs and ₹ 1,020 Lakhs and total net profit of ₹ 278.69 Lakhs and net loss of ₹ 132 Lakhs, and total comprehensive income of ₹ 278.69 Lakhs and net loss of ₹ 132 Lakhs, each for the quarter ended March 31, 2021 and for the year ended on that date respectively, and net cash inflows of ₹ 881 Lakhs for the year ended March 31, 2021, as considered in the Statement.

These financial statements and other financial information have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

## CONSOLIDATED FINANCIAL STATEMENTS

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
- e) The matter described under Material Uncertainty Related to Going Concern paragraph above and under Qualified opinion paragraph in Annexure A, in our opinion, may have an adverse effect on the functioning of the Company.
- On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an qualified opinion on the adequacy and operating effectiveness of the Group;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its Executive Vice Chairman and Managing

Director for the year ended March 31, 2021 is in excess by Rs. 400 Lakhs vis-à-vis the limits specified in Section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Holding Company does not have profits. The Holding Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 40 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2021, and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355

**Amit Chaturvedi**  
Partner  
Membership No. 103141  
UDIN:- 21103141AAAAOL8807  
Place- Mumbai  
Date: 28<sup>th</sup> June, 2021

## ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF EROS INTERNATIONAL MEDIA LIMITED

**(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Control over financial reporting of **Eros International Media Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies incorporated in India as of March 31, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year then ended.

### Management Responsibility for the Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company and its subsidiary companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Qualified Opinion

According to the information and explanations given to us and based on our audit, we have identified material weakness as at March 31, 2021 with regards advances given for content development which has remained under production for a substantial period of time. The controls over assessing the further development or alternative arrangements needs to be strengthened failing which the advances may be potentially not recovered and written off in future.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Group annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objective of the control criteria, the Group has, in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by ICAI.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 Consolidated financial statements, and the material weakness does not / do not affect our opinion on the Consolidated financial statements.

### Other Matters

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355

**Amit Chaturvedi**  
Partner  
Membership No. 103141  
UDIN:- 21103141AAAAOL8807  
Place- Mumbai  
Date: 28<sup>th</sup> June, 2021

# NOTICE OF THE 27<sup>TH</sup> ANNUAL GENERAL MEETING

**Regd. Office:** 201, Kailash Plaza, Opp. Laxmi Industrial Estate, Off. Andheri Link Road, Andheri West, Mumbai - 400 053, Maharashtra (India).

**Corporate Office:** 901/902, Supreme Chambers, Off. Veera Desai Road, Andheri West, Mumbai -400053, Maharashtra (India).

Phone: +91 22 66021500 | Fax: +91 22 66021540 | Email: [compliance.officer@erosintl.com](mailto:compliance.officer@erosintl.com) | Website: [www.eiml.site](http://www.eiml.site)

**CIN:** L99999MH1994PLC080502

**NOTICE** is hereby given that the 27<sup>th</sup> Annual General Meeting (AGM) of the Members of Eros International Media Limited will be held on Tuesday, the 28<sup>th</sup> day of September, 2021 through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") facility, at 3:00 P.M., to transact the following business:

## ORDINARY BUSINESS:

1. **To receive, consider and adopt:**
  - a. the Audited Financial Statements of the Company for the financial year ended 31 March 2021, together with the Report of the Directors' and Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2021, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Kishore Arjan Lulla (DIN: 02303295), who retires by rotation, and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS:

3. **Approval for waiver of excess remuneration paid for the financial year 2020-2021 to Mr. Sunil Lulla, Executive Vice Chairman & Managing Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 197 and 198 read with Schedule V of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such approval as may be required, the approval of the members of the Company be and is hereby accorded to ratify and confirm the waiver of recovery of the excess remuneration amounting to ₹ 400.16 Lakhs paid to Mr. Sunil Lulla (DIN: 00243191), Executive Vice Chairman & Managing Director for the financial year 2020-2021, which is in excess of the limits prescribed under Schedule V of the Act in view of loss for the financial year 2020-2021 and within the limits as approved by the Members of the Company at their 26<sup>th</sup> Annual General Meeting held on 15 December 2020.

**RESOLVED FURTHER THAT** the Board and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution."

4. **Payment of remuneration to Independent Director of the Company in accordance with the provisions of Schedule V of the Act**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 197, Schedule V and other applicable provisions of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as amended from time to time, read with the Articles of Association of the Company, consent of the Company be and is hereby accorded for payment of remuneration to the Non-

Executive Directors, including Independent Directors, of the Company (i.e. Directors other than the Managing Director and/or Whole Time Directors) in case of no / inadequate profits, as calculated under Section 198 of the Act, for the three Financial Years 2020-21, 2021-22 and 2022-23, in accordance with the limits prescribed under Schedule V of the Act and the same be paid and distributed amongst such Directors in such a manner as the Board of Directors may from time to time determine."

5. **Appointment of Mr. Pradeep Dwivedi (DIN: 07780146) as a Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Director) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Pradeep Dwivedi (DIN: 07780146) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 14 August 2021 in terms of Section 161(1) of the Act, and Article 153 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director in addition to the Chief Executive Officer of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee / Board of Director thereof be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, expedient or desirable to give effect to this Resolution."

6. **Appointment of Mr. Manmohan Kumar Sardana (DIN: 09294639) as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** Mr. Manmohan Kumar Sardana (DIN: 09294639), who was appointed as an Additional Director of the Company with effect from 31 August 2021 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Article 153 of the Articles of Association of the Company, being eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the appointment of Mr. Manmohan Kumar Sardana, meets the criteria for independence as provided in



Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, for a term of Five (5) consecutive years from the conclusion of this 27<sup>th</sup> Annual General Meeting till the conclusion of 32<sup>nd</sup> Annual General Meeting of the Company to be held in the Calendar Year 2026 and who would not be liable to retire by rotation, be and is hereby approved.

**RESOLVED FURTHER THAT** pursuant to Regulation 17(1A) of SEBI Listing Regulations and other applicable provisions, if any, of the Act and the applicable Rules framed thereunder, consent of Members be and is hereby accorded for appointing / continuing the directorship of Mr. Manmohan Kumar Sardana who has exceeded the age of 75 years as an Independent Director.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings with the appropriate authorities and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto."

#### 7. Conversion of Loan into Equity Shares

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Section 62 (3) of the Companies Act, 2013 ("the Act") and any other applicable provisions of the Act and rules made thereunder and in accordance with the Memorandum of Association and Articles of Association of the Company, and subject to all such consent(s), permission(s), sanction(s) of the concerned authorities, as may be required, including any such condition(s) and modification(s) as may be prescribed or imposed, while granting such consent(s), permission (s), the consent of the members be and is hereby accorded to the Board of Directors of the Company for conversion of the outstanding amount of the Restructured Facilities along with interest and any other outstanding secured obligation, in relation to the Restructured Facilities (whether then due and payable or not) (the "Loan") as on that date of conversion in accordance with the terms of the Sanction Letter, at the valuation as per the applicable provisions of the Act, as amended from time to time and the Income-tax Act, 1961, as amended from time to time and in accordance with the following conditions:

- (i) the conversion right reserved as aforesaid shall be exercised by the Lenders only in case the default in repayment of loan/advances or in the payment off the interest thereon or any agreed installments of loan is not corrected within 30 days.
- (ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of financing documents, issue and allot the requisite number of fully paid up equity shares to the Lenders or any other person identified by the Lenders as from the date of conversion and the Lenders shall accept the same in satisfaction of the part of the Loan so converted.
- (iii) the part of the Loan so converted shall cease to carry interest as from the date of conversion and the Restructured Facilities shall stand correspondingly reduced. Upon such conversion, the repayment installments of the Restructured Facilities payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amount of the Loan so converted. The equity shares so allotted and issued to the Lenders or such other person identified by the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Company in all respects, provided, further that the Company shall increase, if required, the authorized share capital of the Company to satisfy the conversion for the time being available to the Lenders.

- (iv) The conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions according to the provisions of the common loan agreement or any other financing documents executed in relation to the Restructured Facilities.

**RESOLVED FURTHER THAT** the consent of members is hereby given for any amendment, change, modification to the Memorandum of Association and Articles of Association of the Company to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalize the terms and conditions to convert the Loan into equity shares of the Company on the terms specified in the financing documents.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution and matters flowing from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board of Directors be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to create, offer, issue and allot the aforesaid fully paid up equity shares and to resolve and settle all questions and difficulties or doubts that may arise in this regard including in the proposed allotment, utilization of the proceeds and to do all acts, deeds and things in connection therewith as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to offer, issue and allot from time to time to the Lenders such number of equity shares for conversion of such portion of the Loans as may be desired by the Lenders on the terms and conditions under the common loan agreement and other financing documents.

**RESOLVED FURTHER THAT** the Board of Directors are also authorized to increase the authorized share capital of the Company accordingly and will take necessary steps to complete the compliance in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and execute such deeds and things as may be necessary to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorised to delegate all or any of the power herein conferred by this resolution on it, to any committee of Directors or person or persons, as it may in its absolute discretion deem fit on order to give effect to this resolution.

**RESOLVED FURTHER THAT** the copies of the foregoing resolutions, certified to be true by any one of the directors of the Company, be furnished to the Lenders and their consultants or agents."

By Order of the Board of Directors  
For **Eros International Media Limited**

**Vijay Thaker**  
Vice President- Company Secretary &  
Compliance Officer

Date: 14 August 2021  
Place: Mumbai

## NOTES

1. In view of the outbreak of the COVID-19 pandemic, Ministry of Corporate Affairs ("MCA") has vide its Circular dated 5 May 2020 read with circulars dated 8 April 2020, 13 April 2020 and 13 January 2021 (collectively referred to as "MCA Circulars") permitted the holding of the ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the special business set out at Item Nos. 3 to 7 of this Notice is annexed as Annexure I. The relevant details as required under Regulation 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 (SS-2), in respect of Director seeking appointment/re-appointment/fixation of remuneration at this AGM is annexed as Annexure II.
3. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. However, pursuant to MCA Circulars and SEBI Circular, the AGM will be held through VC/OAVM and the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form is not annexed to this Notice.
4. Pursuant to Section 113 of the Act representatives of Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM. Corporate Members intending to attend the Meeting through their authorised representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney, (PDF/ JPG Format) if any, authorizing its representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorisation shall be sent to the Company by email through its registered email address, i.e. [compliance.officer@erosintl.com](mailto:compliance.officer@erosintl.com).
5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the Meeting along with the Annual Report for FY 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for FY 2020-21 will also be available on website of the Company, i.e. [www.eiml.site](http://www.eiml.site), website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of the CDSL [www.evotingindia.com](http://www.evotingindia.com).
6. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 12.
7. Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Relevant documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode during business hours on all days except Saturdays, Sundays and public holidays upto the date of the AGM. Members can inspect the same by sending an email to the Company at [compliance.officer@erosintl.com](mailto:compliance.officer@erosintl.com).
9. Notice is also given under Section 91 of the Act read with Regulation 42 of the SEBI Listing Regulations, that the Register of Members and the Share Transfer Book of the Company will remain closed from Tuesday, 21 September 2021 to Tuesday, 28 September 2021 (both days inclusive).
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their Depository Participants ("DPs") in case the shares are held by them in dematerialized form and to the Registrar and Share Transfer Agents of the Company i.e. Link Intime India Private Limited in case the shares are held by them in physical form.
11. Members seeking any information/desirous of asking any questions at the Meeting with regard to the accounts or any matter to be placed at the Meeting are requested to send email to the Company at [compliance.officer@erosintl.com](mailto:compliance.officer@erosintl.com) at least 10 days before the Meeting. The same will be replied by the Company suitably.
12. Information and other instructions relating to e-voting are as under
  - i. Pursuant to the provisions of Section 108 and other applicable provisions of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI Listing Regulations, MCA Circulars and SEBI Circular the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
  - ii. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide evoting facility to the Members.
  - iii. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/ beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., Tuesday, 21 September 2021. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
  - iv. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Tuesday, 21 September 2021, only shall be entitled to avail the facility of e-voting.
  - v. Members who are holding shares in physical form or who have not registered their email address with the Company/ Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as on the cut-off date, i.e. Tuesday, 21 September 2021; such Member may obtain the User ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or may temporarily get their email registered with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited. In case of any queries, members may contact Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, Unit - Eros International Media Limited, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400 083.  
  
It is further clarified that for permanent registration of Email address, Members are required to register their Email address in respect of Electronic holdings with their concerned Depository Participant(s) and in respect of Physical Holdings with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited by sending an email at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or at Co's email Id [compliance.officer@erosintl.com](mailto:compliance.officer@erosintl.com) by following due procedure.  
  
However, if a Member is already registered with CDSL for e-voting then existing User ID and password can be used for casting vote
  - vi. Mr. Suhas Ganpule, Practicing Company Secretary, (Membership No. 12122, CP No: 5722) proprietor of S G. & Associates has been appointed as the Scrutinizer for

providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

vii. The Scrutinizer, after scrutinizing the votes, will, not later than forty eight hours from the conclusion of the Meeting; make a consolidated scrutinizer's report which shall be placed on the website of the Company, i.e. [www.eiml.site](http://www.eiml.site) and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.

viii. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. Tuesday, 28 September 2021.

ix. Information and other instructions relating to e-voting are as under

a) The remote e-voting facility will be available during the following period:

Commencement of e-voting: From 9:00 a.m. (IST) on Friday, 24 September 2021. End of e-voting: Up to 5:00 p.m. (IST) on Monday, 27 September 2021. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of the aforesaid period.

b) The Members who have cast their vote by remote e-voting prior to the Meeting may also attend/ participate in the Meeting through VC/OAVM but shall not be entitled to cast their vote again.

c) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

d) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Pursuant to above said SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>After successful login the Easi / Easiest user will be able to see the e-voting Menu. On clicking the e-voting menu, the user will be able to see the respective e-voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-voting Service Providers, so that the user can visit the e-voting service providers' site directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress during or before the AGM.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown</li> </ol>

Type of shareholders	Login Method
	on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider's website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

**Important note :** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- e) Login method for e-voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company OR Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-voting option and proceed directly to cast your vote electronically.
- 4) Next enter the Image Verification as displayed and Click on Login.

- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- 6) If you are a first time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- f) After entering these details appropriately, click on "SUBMIT" tab.
- g) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- i) Click on the EVSN of the "EROS INTERNATIONAL MEDIA LIMITED".
- j) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- k) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- l) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- n) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- o) If Demat account holder has forgotten the changed password then enter the User ID and the image

verification code and click on Forgot Password & enter the details as prompted by the system.

- p) If you have any queries or issues regarding attending AGM & e-voting from the e-voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- q) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (E), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43
- r) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [compliance.officer@erosintl.com](mailto:compliance.officer@erosintl.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES & COMPANY/RTA :**

- a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
  - b. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
  - c. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the Meeting.

14. Share transfer documents and all correspondence relating thereto, should be addressed to the Link Intime India Private Limited, Unit - Eros International Media Limited, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400 0839, Registrars and Transfer Agent of the Company.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified
16. SEBI has mandated the submission of PAN by every participant of the securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Link Intime India Private Limited
17. As mandated by SEBI, effective 1 April 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised mode with a depository. Accordingly, the Members of the Company were requested to open a demat account and submit physical securities to their DPs.
18. As per Regulation 40(7) of the Listing Regulations, read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax PAN Card. Additionally, for securities market transactions and / or for off market / private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company/ Link Intime India Private Limited for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / nominee(s). In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/139 dated 6 November 2018.
19. Pursuant to Section 72 of the Companies Act, 2013, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH- 13, to Link Intime India Private Limited. Further, Members desirous of cancelling/varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to Link Intime India Private Limited. These forms will be made available on request.
20. Since the Meeting will be held through VC/OAVM, the Route Map and Attendance Slip are not annexed to this Notice

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the Meeting through VC/OAVM through the CDSL e-voting system. Shareholders may access the same at <https://www.evotingindia.com> under Shareholders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Shareholders/ Members login where the EVSN of the Company will be displayed.
2. The Members can join the Meeting through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Meeting through VC/OAVM will be made available to at least 1000 members on first come first served basis. However the participation of large Shareholders

- (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. are not restricted on first come first served basis.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience
  4. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
  5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  6. Members who would like to express their views or ask questions during the Meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [compliance.officer@erosintl.com](mailto:compliance.officer@erosintl.com). Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
  7. The Shareholders who have not registered themselves can put the question on the chatbox available on the screen at the time of the Meeting.
  8. Members who need technical assistance before or during the Meeting can send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

By Order of the Board of Directors  
For **Eros International Media Limited**

**Vijay Thaker**  
Vice President- Company Secretary &  
Compliance Officer

Date: 14 August 2021  
Place: Mumbai

## Annexure I to the Notice

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

**Item No. 3:**

The Company at its 26<sup>th</sup> Annual General Meeting re-appointed Mr. Sunil Lulla, as Executive Vice Chairman & Managing Director of the Company for a period of five years with effect from 28 September 2020 till 27 September 2025, by means of Special Resolution passed by the Members at 26<sup>th</sup> AGM of the Company held on 15 December 2020 on the terms and conditions including payment of remuneration as mentioned therein.

On account of COVID-19 outbreak, the Company was unable to release its films in theatres due to total lockdown or operations of theatres with limited capacity. Owing to the above, it has adversely impacted the revenue and profitability of the Company during financial year 2020-21 and it is possible that the Company may also have inadequate profits in coming years.

As a result of the above, the remuneration paid to Mr. Sunil Lulla for the financial year 2020-21 exceeded the limits specified under Section 197 of the Companies Act, 2013 (the Act) read with Schedule V thereto. Pursuant to Section 197(10) of the Act, the members of the Company can waive the recovery of excess remuneration by passing a special resolution.

The management of the Company believes that the remuneration as previously approved by the members of the Company and paid to Mr. Sunil Lulla is justified in terms of their key role within the Company.

The Nomination and Remuneration Committee and the Board have at their respective meeting(s) held on 28 June 2021, subject to the approval of the members of the Company, accorded their approvals for waiver of the recovery of excess managerial remuneration paid by the Company to Mr. Sunil Lulla and, in the interest of the Company have also recommended the aforesaid resolution as set out in this Notice for approval of the Members.

Accordingly, it is proposed that approval of the members of the Company by way of a special resolutions be obtained for the waiver of recovery of excess remuneration paid to Mr. Sunil Lulla.

The Company has as on date not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives except Mr. Sunil Lulla and Mr. Kishore Lulla and their relatives to the extent of their shareholding interest, if any are concerned or interested, financially or otherwise, in the resolution set out at item No. 3 of the accompanying Notice.

**Item No. 4:**

The Members at the 21<sup>st</sup> Annual General Meeting held on 3 September 2015 had approved, under the provisions of Section 197 and other applicable provisions of the Act, payment of commission to the Non-Executive Directors, an amount not exceeding 1% of the net profits of the Company in terms of Section 197 of the Act, computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified from time to time. However, taking into consideration the financial loss of the Company, no commission was paid to the Non-Executive Directors for FY 2019-20. The Company has incurred a loss as computed under Section 198 of the Act and therefore no commission would be payable to the Non-Executive Directors for FY 2020-21.

With the recent amendments in Sections 149(9), 197(3) and Section II of Part II of Schedule V of the Act notified by MCA vide circulars dated 18 March, 2021, companies having no / inadequate profits can pay remuneration to its Non-Executive Directors (including Independent Directors) within the limits based on the 'effective capital' of a company in accordance with the provisions contained in the amended Schedule V to the Act.

With the enhanced Corporate Governance requirements under the Act and the SEBI Listing Regulations coupled with the size, complexity and global operations of Eros Group, the role and responsibilities of the Board, particularly Independent Directors has become more onerous, requiring greater time commitments, attention as also a higher level of oversight. In view of the above, to incentivize them for their time, contribution rich experience and critical guidance provided, including at the Board and Committee meetings and pursuant to the amended provisions of Sections 149(9), 197(3) and Section II of Part II of Schedule V of the Act and based on the recommendations of the NRC at its meeting held on 18 May 2021, the Board of Directors at its meeting held on 28 June 2021 have recommended and approved payment of remuneration to the Non-Executive Directors (including Independent Directors) of the Company within the limits prescribed under Section II of Part II of Schedule V of the Act for the Financial Years 2020-21, 2021-22 and 2022-23 in case of inadequacy of profits/ losses for in any of the said financial year(s).

**STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V TO THE ACT****I. GENERAL INFORMATION:****A) Nature of Industry**

The Indian Media and Entertainment ("M&E") sector fell 24% in the calendar year 2020 to ₹ 1.38 trillion (US\$ 18.9 billion). The report estimated, basis the improvement seen in the last quarter of 2020, that the sector would grow 25% in the calendar year 2021, to ₹ 1.73 trillion (US\$ 23.7 billion), and would continue on the growth trajectory to the calendar year 2023, growing 17% CAGR (from 2020) to ₹ 2.23 trillion. However, given that these expectations were prior to India's second COVID-19 wave in April-May '21, these expectations may be severely impacted.

Television proved to be resilient and continued to be the largest segment, Digital Media overtook the print segment as the second-largest segment, the only segment that saw growth during this period. However, most of this growth came from record growth in subscription revenue, while revenue from advertising for digital media continued to be stable over 2019.

Digital media grow by 6.5% to reach ₹ 235 billion and is projected to grow at 22% CAGR to reach ₹ 425 billion by 2023. In 2020, owing to the pandemic due to the subsequent lockdowns, the revenues from digital subscriptions grew 49% to reach ₹ 43.5 billion. The lockdowns significantly impacted the creation of fresh content on television, especially in the first three quarters of 2020.

**B) Date of commencement of commercial production:**

The Company was incorporated on 19 August 1994. Immediately after incorporation, the Company had engaged in the activities of production and distribution of films and other entertainment programs.

**C) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable****D) Financial performance based on given indicators:**

	(₹ in Lakhs)		
Particulars	FY 2020-21	FY 2019-20	FY 2018-19
Revenue from Operations (Net)	24,450	66,900	83,564
Profit/(Loss) Before Tax	(15,847)	(137,784)	13,677
Profit/(Loss) After Tax	(16,983)	(116,073)	8,736

**E) Foreign investments or collaborators, if any:**

The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company. Foreign investors, mainly comprising FII holders, are investors in the Company on account of past issuances of securities and secondary market purchases.

**II. Given below is the information about the appointees as required under Schedule V of the Act, the effective capital of the Company for various financial years as applicable to the Non-Executive Directors and the maximum amount of remuneration that may be payable to them:**

Name of Director	Mr. Dharendra Swarup	Mr. Sunil Srivastav	Ms. Bindu Saxena
Background Details, Job Profile, Suitability, Recognition and Rewards	The details for each of these Directors can be found on the website of the company at <a href="http://www.eiml.site">www.eiml.site</a> . Please also refer to the Report on Corporate Governance, which forms part of this Annual Report.		
Date of appointment in the Company	10/02/2010	23/05/2018	26/09/2019
Past Remuneration (Amount in ₹)	-	-	-
FY 2019-20	7,20,000	3,60,000	80,000
FY 2018-19	55,56,209	3,20,000	Nil
FY 2017-18	31,67,500	Nil	Nil
*Maximum amount of remuneration for FY 2020-21 (Amount in ₹)	24,00,000	24,00,000	24,00,000
Remuneration proposed (Amount in ₹)	24,00,000	12,00,000	12,00,000
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration has been considered by the NRC and the Board of Directors of the Company and is in line with the remuneration being drawn by similar positions in the media industry		
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	The Non-Executive Directors do not have any pecuniary relationship with the Company except to the extent of Sitting Fees, Commission or Remuneration, as applicable, and reimbursement of out of pocket expenses received by them for attending the meetings.		

\* The limit on remuneration is based on Effective Capital which shall be calculated as of the last date of the financial year preceding the financial year in which the appointment of the Director is made as per Schedule V to the Act (Base amount of ₹ 24 Lakhs plus 0.1% of the Effective Capital in excess of ₹ 250 crores).

**III. Other Information****A. Reasons of loss or inadequate profits:**

On account of COVID-19 outbreak and resulting measures taken by government of India to contain the virus and the said lockdown has significantly affected our business during financial year 2020-21.

The Company was unable to release its films in theaters due to total lockdown or operation of theaters with limited capacity. The film 'Haathi Mere Saathi' was released in

theaters on 26 March 2021. However due to second wave of COVID the said release was also impacted. Considering the present circumstances of COVID-19 pandemic, we are left with no option but to defer the release of our above said film indefinitely till the situation is improved, so that revenues of our said film can be optimized and improve our cashflows to better serve our commitments to our stakeholders.

**B. Steps taken or proposed to be taken for improvement:**

The Company holds in its library aggregated rights to more than 2,000 films, including both recent titles, as well as classic titles that span different genres, budgets and languages. In addition, the Company has also co-produced/acquired a portfolio of over 130+ new films over the years.

This impressive library and its monetization through various channels, including Satellite TV, Overseas, In-flight and other channels, provide Company with multiple sources of revenue.

The Company has also started formulating innovative ways of updating its existing content libraries. Given a rise in demand for content and increasing viewership on OTT platforms, coupled with the limited production of new content, existing library content is likely to become more valuable.

**C. Expected increase in productivity and profits in measurable terms:**

We believe all the initiatives listed above will bring and create further value for our shareholders. It will also enhance the revenue potential of the Group, resulting in better and improved profit for the companies of the Eros Group.

Regulation 17(6) of the SEBI Listing Regulations authorises the Board of Directors to recommend all fees and compensation, if any, paid to Non-Executive Directors, including Independent Directors and the same would require approval of members in general meeting.

This remuneration will be distributed amongst all or some of the Non-Executive Directors, taking into consideration parameters such as attendance at Board and Committee meetings, contribution at or other than at meetings, etc. in accordance with the directions given by the Board as prescribed under the Remuneration Policy of the Company. Kindly refer website of the company at [www.eiml.site](http://www.eiml.site).

The above resolution would be valid for a period of 3 years i.e. upto and including remuneration to be paid for the financial year 2022-23. It is clarified that in case of adequate profits, the Company would pay commission to its Non-Executive Directors upto an amount not exceeding 1% of the profits for that financial year as approved by the Members at the AGM held on 3 September 2015.

The above remuneration shall be in addition to fees payable to the Director(s) for attending meetings of the Board/ Committees or for any other purpose whatsoever, as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor.

Your Director recommends the resolution set out at Item No. 4 of the Notice for approval by the members. Accordingly, members approval is sought by way of an Ordinary Resolution for payment of remuneration to the Non-Executive Directors as set out in the said resolution.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives except Mr. Dharendra Swarup, Mr. Sunil Srivastav and Ms. Bindu Saxena are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice.

**Item No. 5:**

The Board of Directors of the Company on recommendation of Nomination and Remuneration Committee, at its meeting held on 14 August 2021, appointed Mr. Pradeep Dwivedi who holds office as Chief



## AGM NOTICE

Executive Officer and Key Managerial Personnel as an Additional Director of the Company subject to approval of members of the Company. In terms of the provisions of Section 161(1) of the Act, he holds office upto the date of this Annual General Meeting and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing candidature of Mr. Pradeep Dwivedi for the office of Director of the Company.

Mr. Pradeep Dwivedi is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director.

Mr. Pradeep Dwivedi shall not be entitled to receive any sitting fees for attending any Meetings of the Board or any committee constituted by the Board except annual remuneration of ₹ 3,00,00,000/- payable as Chief Executive Officer of the Company and subject to increment from time to time as per Company's policy.

Your Director recommends the resolution set out at Item No. 5 of the accompanying Notice for the approval of members.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives except Mr. Pradeep Dwivedi is concerned or interested, financially or otherwise, in the resolution set out at item No. 5 of the accompanying Notice.

### Item No. 6:

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, had appointed Mr. Manmohan Kumar Sardana (DIN: 09294639) as an Additional Independent Director, not liable to retire by rotation w.e.f. 31 August 2021.

Pursuant to the provisions of Section 161(1) of the Act and Article 153 of the Articles of Association of the Company, Mr. Sardana shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director. The profile and specific areas of expertise of Mr Sardana are provided as Annexure to this Notice.

Mr. Sardana has given his declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

In the opinion of the Board, Mr. Sardana is a person of integrity, possesses the relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the management.

As per the Regulation 17 (1A) of SEBI Listing Regulations, approval of the Members is required by way of special resolution for continuing the Directorship of any Non-Executive Director who have attained the age of 75 years.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Sardana on the Board of the Company and accordingly the Board recommends the appointment of Mr. Sardana as an Independent Director as proposed in the resolution set out at Item No. 6 for approval by the Members.

Electronic copy of the terms and condition of appointment of the Independent Directors is available for inspection. Please refer to Note 8 given in the Notice on inspection of documents.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives except Mr. Manmohan Kumar Sardana is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice.

### Item No. 7:

The Company has availed various credit facilities aggregating to a sum not exceeding ₹ 468.06 Crores (both fund based and non-fund based) (the "Facilities") from consortium banks (the "Lenders") for the purposes and upon the terms and conditions set out in the financing documents executed in this regard between the Company and the Lenders.

The Media and Entertainment industry is one of the affected sectors due to the COVID-19 pandemic. With uncertainty looming over the resumption of shooting schedules and opening of theatres, industry players, like Eros, are finding it difficult to service debt obligations due to lower revenues. Considering the widespread impact of the pandemic on almost all sectors of the economy, the RBI has announced the Resolution Framework for COVID-19 related Stress to enable lenders to implement a resolution plan in respect of eligible corporate exposures without change in ownership, while classifying such exposures as standard, subject to specified conditions.

Due to the prolonged COVID-19 stress and to mitigate the cash flow challenges, Company approached the Lenders to implement a resolution plan to restructure the existing secured financial debt from the consortium bankers of the Company, as permitted under the Resolution Framework for COVID 19 related Stress announced by the Reserve Bank of India vide circular No. RBI/2020-21/16 DOR. No. BPBC/3/21.04.048/2020-21 dated 6 August, 2020 (the "Resolution Plan"). The said resolution plan was approved and implemented on 22 June 2021.

As per the terms of the Resolution Plan, bankers can convert the outstanding debt into equity shares of the Company. Thus, approval of the members of the Company is being sought under Section 62(3) of the Companies Act, 2013 to authorise the Lenders to convert their outstanding lenders debt to equity shares in the Company. Further, it is clarified that the security to be created in favour of the lenders as part of Resolution Plan shall in no manner less than the security been offered to them in respect of the earlier borrowings made by the Company which are proposed to be restructured in terms of Resolution Plan as per Restructuring Circular.

Your Director recommends the resolution set out at Item No. 7 of the accompanying Notice for conversion of loan into Equity Shares by way of a Ordinary resolution.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the accompanying Notice.

## Annexure II to the Notice

### Details of Directors seeking appointment/ re-appointment/ fixation of remuneration of Director furnished pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2.

Name	Mr. Kishore Arjan Lulla	Mr. Sunil Arjan Lulla	Mr. Pradeep Dwivedi	Mr. Manmohan Kumar Sardana
<b>DIN</b>	02303295	00243191	07780146	09294639
<b>Designation</b>	Executive Director	Executive Vice Chairman & Managing Director	Executive Director	Independent Director
<b>Date of Birth</b>	4 September 1961	29 June 1964	10 December 1970	15 September 1944
<b>Age</b>	60 Years	57 Years	50 Years	77 Years
<b>Date of First Appointment on the Board</b>	28 September 2009	19 August 1994	14 August 2021	31 August 2021
<b>Qualifications</b>	Bachelor of Arts, University of Mumbai	Bachelor of Commerce, University of Mumbai	B.Sc., MBA	MSc (Hons School) in Physics
<b>Profile</b>	<p>Mr. Kishore Lulla received a bachelor's degree in arts from the Mumbai University. He has over 37 years of experience in the media and film industry. He is a member of the British Academy of Film and Television Arts and Young Presidents' Organization and is also a board member of the School of Film at the University of California, Los Angeles. He has been honored at the Asian Business Awards 2007 and the Indian Film Academy Awards 2007 for his contribution in taking Indian cinema global. In 2010, Mr. Lulla was awarded the "Entrepreneur of the Year" at the GG2 Leadership and Diversity Awards and in 2014, Forbes Asia featured Mr. Lulla in the list of 'Best under a Billion'. He was also honored with the 2014 Global Citizenship Award by the American Jewish Committee, a leading global Jewish advocacy organization. Mr. Lulla also received the Entertainment Visionary award at the 2015 Annual Gala Dinner from the Asia Society Southern California. In 2015, he was invited to attend the "billionaires' summer camp" in Sun Valley, an annual gathering of the world's most powerful entrepreneurs and business executives. He has been instrumental in expanding our presence in the United Kingdom, the United States, Dubai, Australia and other international markets. In 2018, he was featured in the Variety 500 list of "influential business leaders shaping the global \$2 trillion entertainment industry".</p>	<p>Mr. Sunil Lulla holds a commerce degree from the University of Mumbai. Possessing an expansive 28 years long experience in the Media &amp; Entertainment industry, he has been associated with Eros since its inception. He led the Company's growth within India for many years before being appointed Executive Vice Chairman &amp; Managing Director of Eros India.</p> <p>During his stint, he has contributed tremendously in developing and expanding the Company's business in India. Under his able leadership, the Company continued to achieve milestones. He has been instrumental in developing the Company's distribution business along with its home entertainment and music segments.</p>	<p>Mr. Pradeep Dwivedi is a senior media industry professional and Group CEO of the Company since January 2020. He is an accomplished industry leader with an experience of over two decades in Advertising &amp; Media Business, Telecom &amp; Technology Enterprises, Banking &amp; Financial services Institutions and Automotive sector, with established credentials in digital infotainment business as well as Print Publication, News Television channels and Experiential Events. He has a demonstrated track record in Revenue growth, Sales &amp; Marketing, Value creation, Joint ventures &amp; Partnerships, Investments, product &amp; service delivery, risk operations &amp; general management. In the past, he has been Group CEO of Sakal Media Group, Chief Corporate Sales &amp; Marketing Officer of Danik Bhaskar Group, and worked with organisations such as Tata Teleservices, American Express, GE Capital, Standard Chartered Bank &amp; Eicher Motors India. He is an active participant in many media industry associations as Director of IAA (India Chapter) and a managing committee member of The Advertising Club of India.</p>	<p>Mr. Manmohan Kumar Sardana was serving as teaching assistant in the Physics Department of the Panjab University from 1965 to 1967, thereafter he joined the Indian Administrative Service (IAS) in 1968 and was allocated to the West Bengal Cadre. After serving in different capacities in the State of West Bengal and in various Ministries of the Government of India, Mr. Sardana retired from the service finally in 2004 as Secretary Ministry of Corporate Affairs. He joined as Member, MRTTP Commission soon after his retirement i.e., in 2004 and finally completed his tenure in the MRTTP as its acting Chairman in 2009. He remained Ex-officio Member of SEBI, during his tenure as Secretary in Ministry of Corporate Affairs from 2010 till 31 March 2021. Mr. Sardana has been a Visiting Fellow at the Institute for Studies in Industrial Development (ISID) advising on public policy issues.</p>

Name	Mr. Kishore Arjan Lulla	Mr. Sunil Arjan Lulla	Mr. Pradeep Dwivedi	Mr. Manmohan Kumar Sardana
<b>Terms and conditions of Appointment / Re-appointment</b>	<p><b>Retire by rotation:</b></p> <ul style="list-style-type: none"> <li>• Liable to retire by rotation.</li> </ul> <p><b>Duties:</b></p> <ul style="list-style-type: none"> <li>• To adhere as provided under Section 166 of the Act.</li> </ul> <p><b>Code of Conduct:</b></p> <ul style="list-style-type: none"> <li>• Abide by the Code of Conduct devised by the Company</li> </ul>	<p><b>Retire by rotation:</b></p> <ul style="list-style-type: none"> <li>• Not liable to retire by rotation.</li> </ul> <p><b>Duties:</b></p> <ul style="list-style-type: none"> <li>• To adhere as provided under Section 166 of the Act.</li> </ul> <p><b>Code of Conduct:</b></p> <ul style="list-style-type: none"> <li>• Abide by the Code of Conduct devised by the Company</li> </ul>	<p><b>Retire by rotation:</b></p> <ul style="list-style-type: none"> <li>• Liable to retire by rotation.</li> </ul> <p><b>Duties:</b></p> <ul style="list-style-type: none"> <li>• To adhere as provided under Section 166 of the Act.</li> </ul> <p><b>Code of Conduct:</b></p> <ul style="list-style-type: none"> <li>• Abide by the Code of Conduct devised by the Company</li> </ul>	<p><b>Appointment :</b></p> <ul style="list-style-type: none"> <li>• First term for five years w.e.f. 28 September 2021 to the conclusion of the Annual General Meeting of the Company to be held in the Calendar Year 2026.</li> </ul> <p><b>Termination:</b></p> <ul style="list-style-type: none"> <li>• Not liable to retire by rotation</li> <li>• Terminated by either side in terms of Section 168 or Section 169 of the Companies Act, 2013 (the Act).</li> </ul> <p><b>Duties:</b></p> <ul style="list-style-type: none"> <li>• To adhere as provided under Section 166 of the Act in addition to duties mandated under Schedule IV of the Act.</li> </ul> <p><b>Code of Conduct:</b></p> <ul style="list-style-type: none"> <li>• Abide by the Code of Conduct devised by the Company.</li> </ul>
<b>Directorships held in other companies (as on 31 March, 2021)</b>	<ul style="list-style-type: none"> <li>• EROSSTX Global Corporation [formerly known as Eros International PLC (Isle of Man)]</li> <li>• Eros International USA Inc</li> <li>• Eros Digital Limited (Isle of Man)</li> </ul>	<ul style="list-style-type: none"> <li>• Eros International Films Private Limited</li> <li>• Eros Digital Private Limited</li> <li>• Big Screen Entertainment Private Limited</li> <li>• Eros Television India Private Limited</li> <li>• Eyegube Studios Private Limited</li> <li>• Eros Animation Private Limited</li> <li>• Eros Energy Private Limited</li> <li>• Colour Yellow Productions Private Limited</li> <li>• ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)</li> </ul>	<ul style="list-style-type: none"> <li>• ErosNow Private Limited (formerly known as Universal Power Systems Private Limited)</li> <li>• India Chapter of International Advertising Association</li> </ul>	<p>NA</p>
<b>Last remuneration drawn</b>	NIL (2020-2021)	₹ 5,26,85,724	₹ 3,00,00,000 (as Chief Executive Officer)	NIL
<b>Remuneration to be paid</b>	NIL	₹ 5,20,65,931	NIL	NIL
<b>Memberships/ Chairmanships of Committees of other companies</b>	NIL	<b>Eros International Films Pvt. Ltd.</b> Audit Committee - Member	NIL	NIL
<b>Number of Board Meetings attended during FY 2020-21</b>	One (1)	Four (4)	NA	NA
<b>Relationship with other Directors, Key Managerial Personnel</b>	Brother of Mr. Sunil Lulla and not related to any Director/Key Managerial Personnel.	Brother of Mr. Kishore Lulla and not related to any Director/ Key Managerial Personnel.	Not related to any Director/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel
<b>Number of shares held in the Company</b>	NIL	1,400 shares	NIL	NIL
<b>Number of Stock Options</b>	NIL	NIL	NIL	NIL