Copsale Limited
Balance Sheet as at 31 March 2023 **Amount ₹ in Lakhs**

	Notes	As at 31 March 2023	As at 31 March 2022
Assets:			
Non-current assets			
Intangible assets			
Film rights	4	5,931	7,456
Financial assets			
Loans	5	101,227	88,133
Total non-current assets		**107,158**	**95,589**
Current assets			
Financial assets			
Trade receivables	6	821	-
Cash and bank balances	7	1	1
Total current assets		**822**	**1**
Total assets		**107,980**	**95,590**
Equity and liabilities:			
Equity			
Equity share capital	8	45	45
Other equity	9	107,352	95,004
Total equity		**107,397**	**95,049**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	10	581	537
Other current liabilities	11	2	4
Total current liabilities		**583**	**541**
Total equity and liabilities		**107,980**	**95,590**

Notes 1 to 25 form an integral part of these financial statements
As per our report of even date

For **Maheshwari Maheshwari & Co**
Chartered Accountants
Firm Registration No.: 105838W

For and on behalf of the Board of Directors

Vivek Mehta
Partner
Membership No: 128466

Place: Mumbai
Date: 26 May 2023

Surender Sadhwani
Director

Place: Dubai
Date: 26 May 2023

Copsale Limited
Statement of Profit and Loss for the year ended 31 March 2023 — **Amount ₹ in Lakhs**

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Revenue			
Revenue from operations	12	797	-
Other income	13	5,652	5,316
Total revenue		**6,448**	**5,316**
Expenses			
Film right costs including amortisation costs	14	2,051	2,117
Other expenses	15	(0)	4
Total expenses		**2,051**	**2,121**
Profit before exceptional items and tax		**4,397**	**3,195**
Exceptional Items			
Impairment of film rights		-	-
		-	-
(Loss)/profit before tax		**4,397**	**3,195**
Tax expense		-	-
(Loss)/profit after tax for the year		**4,397**	**3,195**
Other comprehensive income			
Items that will be subsequently reclassified to profit and loss			
Fair value loss on trade account receivable (FVTOCI)		-	-
Exchange difference on translating foerien operation		7,950	3,384
Total other comprehensive (loss)/income for the year		**7,950**	**3,384**
Total comprehensive income for the year		**12,348**	**6,579**
Earnings per equity share (EPS):			
-Basic EPS (₹)	16	11,760	6,266
-Diluted EPS (₹)		11,760	6,266

Notes 1 to 25 form an integral part of these financial statements
As per our report of even date

For Maheshwari Maheshwari & Co
Chartered Accountants
Firm Registration No.: 105838W

Vivek Mehta
Partner
Membership No: 128466

Place: Mumbai
Date: 26 May 2023

For and on behalf of the Board of Directors

Surender Sadhwani
Director

Place: Dubai
Date: 26 May 2023

Copsale Limited

Statement of Changes in Equity for the year ended 31 March 2023

Amount ₹ in Lakhs

A. Equity share capital

Particulars	**Number**	**Amount**
Balance as at 1 April 2021	105,000	45
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	**105,000**	**45**
Changes in equity share capital during the year	-	-
Balance as at 31 March 2023	**105,000**	**45**

B. Other equity

Particulars	**Retained earnings**	**Foreign currency translation reserve**	**Other Comprehensive income**	**Total**
Balance as at 1 April 2021	**72,652**	**15,773**	**-**	**88,425**
Effect of foreign exchange rate variations during the year	-	3,384	-	**3,384**
Loss for the year	3,195	-	-	**3,195**
Other comprehensive income for the year	-	-	-	**-**
Balance as at 31 March 2022	**75,847**	**19,157**	**-**	**95,004**
Effect of foreign exchange rate variations during the year	-	7,950	-	**7,950**
Profit for the year	4,397	-	-	**4,397**
Other comprehensive income for the year	-	-	-	**-**
Balance as at 31 March 2023	**80,244**	**27,107**	**-**	**107,352**

Notes 1 to 25 form an integral part of these financial statements
As per our report of even date

For Maheshwari Maheshwari & Co
Chartered Accountants
Firm Registration No.: 105838W

For and on behalf of the Board of Directors

Vivek Mehta
Partner
Membership No: 128466

Place: Mumbai
Date: 26 May 2023

Surender Sadhwani
Director

Place: Dubai
Date: 26 May 2023

Copsale Limited
Statement of cash flow for the year ended 31 March 2023 — **Amount ₹ in Lakhs**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Profit/(loss) before tax	4,397	3,195
Adjustments for non-cash transactions:		
Amortisation expenses	2,051	2,117
Interest income	(5,652)	(5,308)
Foreign exchange loss/(gain) (*)	0	0
Operating profit before working capital changes	**797**	**4**
Movements in working capital:		
Decrease/(increase) in loans	2	7
(Decrease) in trade payables	0	(3)
(Decrease) in other current liabilities	(2)	(8)
(Increase) in trade receivables (*)	(803)	-
Cash generated/(used in) from operations (*)	**(6)**	**0**
Taxes paid	-	-
Net cash generated/(used in) from operating activities (*)	**(6)**	**0**
Cash flow from investing activities		
Deposits with banks under "other bank balances"	-	-
Purchase of intangible film rights	-	-
Interest received	-	-
Net cash used from investing activities	**-**	**-**
Net increase/(decrease) in cash and cash equivalents(*)	**(6)**	**0**
Cash and cash equivalents at the beginning of the year	**1**	**1**
Effect of exhange rate (*)	6	(0)
Cash and cash equivalents at the ending of the year (Refer Note 7)	**1**	**1**

(*) Amount represent less than ` one lakh

Notes 1 to 25 form an integral part of these financial statements
As per our report of even date

For Maheshwari Maheshwari & Co
Chartered Accountants
Firm Registration No.: 105838W

For and on behalf of the Board of Director

Vivek Mehta
Partner
Membership No: 128466

Place: Mumbai
Date: 26 May 2023

Surender Sadhwani
Director

Place: Dubai
Date: 26 May 2023

Significant accounting policies and other explanatory information

Note 1: Nature of Operations

Copsale Limited (the 'Company') is domiciled in British Virgin Islands. The Company's registered office is at Ansbacher (BVI) Ltd, P.O. box 659, Road Town, British Virgin Islands.

The principle activities of the Company are related to purchase and sale of film rights. There have been no significant changes in the nature of these activities during the current financial year.

Note 2: General information and statement of compliance with Ind AS

(i) Basis of preparation

The financial statements have been prepared in accordance with Ind AS's notified under the Companies (Indian Accounting Standards) Rules, 2015 for the purpose of consolidation by Eros International Media Limited.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. 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.

(ii) Historical cost convention

The financial statements have been prepared on accrual basis of accounting using historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value;

Note 3: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Revenue recognition

- Sale of film rights: Sale of film/serial rights is recognized on effective delivery of materials to customers as per terms of the sale agreements.

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

b. Intangible assets

Intangible assets acquired by the Company are stated at cost less accumulated amortisation 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).

The film content that is acquired by the company after its initial exploitation, commonly referred to as Library, is amortised evenly over the lesser of 10 years or the license period. The amortisation charge is recognized in the Statement of profit and loss. 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.

c. Impairment of non-financial assets

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 indicate that the carrying amount may not be recoverable.

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external or internal factors. An impairment loss is recognized 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.

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

d. 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 trade receivables.

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

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.

e. Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

f. Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR) and Company's functional currency is USD.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

g. Earnings per share

Basic earnings per share is computed using the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is computed by considering the impact of the potential issuance of ordinary shares, on the weighted average number of shares outstanding during the period except where the results would be antidilutive.

h. 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, if any are shown within borrowings in current liabilities on the balance sheet.

i. Financial instruments

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

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

j. Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation models. Where applicable, these models project future cash flows and discount the future amounts to a present value using market-based observable inputs.

k. Fair value measurement

The Company measures financial assets and financial liabilities at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

l. Current vs non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. The Company considers 12 months to be its normal operating cycle.

m. Significant accounting judgments, estimates and assumptions

When preparing the financial statements, management makes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods.

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.

Recoverability of trade receivable

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include assessing credit risk based on jurisdiction of operation of the customers, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

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.

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.

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 amortisation 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 shorter. These judgments are used to determine the amortisation of capitalized film content costs.

In the case of film content that is acquired by the Company after its initial exploitation, commonly referred to as Library, amortisation 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 amortisation and/or a write down of the asset to the recoverable amount.

The Company tests annually whether intangible assets have suffered any impairment, in accordance with the accounting policy. These calculations require judgments and estimates to be made, and in case 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.

Amount ₹ in Lakhs

4 Intangible assets

Gross carrying amount	**Film Rights**	**Content advances**
Balance as at 31 March 2021	**79,814**	**-**
Additions	-	-
Impairment of Content advance	-	-
Exchange difference	2,983	-
Balance as at 31 March 2022	**82,797**	**-**
Additions	-	-
Impairment of Content advance	-	-
Exchange difference	6,777	-
Balance as at 31 March 2023	**89,573**	**-**
Accumulated amortisation		
Balance as at 31 March 2021	**70,536**	**-**
Amortisation charge	2,117	-
Impairment of Film rights	-	
Exchange difference	2,688	-
Balance as at 31 March 2022	**75,341**	**-**
Amortisation charge	2,051	-
Impairment of Film rights	-	
Exchange difference	6,251	-
Balance as at 31 March 2023	**83,643**	**-**
Net carrying amount		
Balance as at 31 March 2022	**7,456**	**-**
Balance as at 31 March 2023	**5,931**	-

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Amount ₹ in Lakhs

	As at 31 March 2023	As at 31 March 2022
9 Other equity		
a. Foreign currency translation reserve		
Balance at the beginning of the year	19,157	15,773
Add: Effect of foreign exchange rate variations during the year	7,950	3,384
Balance at the end of the year	**27,107**	**19,157**
b. Retained earnings		
Balance at the beginning of the year	75,847	72,652
Add: Profit/(loss) after tax for the year	4,397	3,195
Balance at the end of the year	**80,245**	**75,847**
c. Other comprehensive income		
Balance at the beginning of the year	-	-
Add: Impact for the year	-	-
Less Reversal of OCI	-	-
Balance at the end of the year	**-**	**-**
Total	**107,352**	**95,004**

10 Trade payables

	As at 31 March 2023	As at 31 March 2022
Payables to others	23	21
Payables to related parties (refer note 18)	558	516
Total	**581**	**537**

The carrying value of trade payable is considering to be a reasonable approximation of fair value.

11 Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Other payables	2	4
Total	**2**	**4**

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	As at 31 March 2023	As at 31 March 2022
5 Loans		
Unsecured, considered good, non current		
Loans to related parties	101,227	88,133
Total	**101,227**	**88,133**

	As at 31 March 2023	As at 31 March 2022
6 Trade receivables		
Unsecured, considered good - related party	821	-
	821	-
Less: Provision for expected credit loss	-	-
Less: Provision for doubtful debts	-	-
Total	**821**	**-**

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

The movement in the allowances for expected credit losses is as follows:

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the period	-	-
Unwinding of expected credit loss (included in finance income)	-	-
Balance at the end of the period	**-**	**-**

	As at 31 March 2023	As at 31 March 2022
7 Cash and bank balances		
Cash on hand (*)	0	0
Balances with banks		
In current accounts	1	1
	1	**1**
Other bank balances		
Bank deposits with maturity more than 3 months but less than 12 months	-	-
Total	**1**	**1**

(*) Amount respesent less than ₹ one Lakh

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	Year ended 31 March 2023	Year ended 31 March 2022
12 Revenue from operations		
Revenue	797	-
Total	**797**	**-**
13 Other income		
Interest on related party advances	5,652	5,308
Unwinding of interest on expected credit loss	-	-
Gain on foreign currency transactions and translation (net) (*)	-	-
Excess provision written back	-	8
Total	**5,652**	**5,316**
14 Amortisation expenses		
Amortisation of film rights (refer note 4)	2,051	2,117
Total	**2,051**	**2,117**
15 Other expenses		
Legal and professional expenses	0	-
Payment to auditors (refer note 17)	(1)	4
Loss on foreign currency transactions and translation (net)(*)	0	0
Total	**(0)**	**4**

(*) Amount respesent less than ₹ one Lakh

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Amount ₹ in Lakhs except per share data

8 Equity share capital	Par Value Per Share (USD)	As at 31 March 2023 Number	As at 31 March 2023 Amount	As at 31 March 2022 Number	As at 31 March 2022 Amount
Authorised share capital					
Equity shares	1	105,000	45	105,000	45
		105,000	**45**	**105,000**	**45**
Issued, subscribed and fully paid up					
Equity shares	1	105,000	45	105,000	45
Total		**105,000**	**45**	**105,000**	**45**

a) Reconciliation of paid-up share capital (equity shares)

	As at 31 March 2023 Number	As at 31 March 2023 Amount	As at 31 March 2022 Number	As at 31 March 2022 Amount
Balance at the beginning of the year	105,000	45	105,000	45
Addition during the year	-	-	-	-
Balance at the end of the year	**105,000**	**45**	**105,000**	**45**

b) Rights, preferences, restrictions of Equity Shares

The Company has only one class of equity shares having par value of $1 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.

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.

c) Shares in the Company held by holding company

Particulars	As at 31 March 2023 Number	As at 31 March 2023 Amount	As at 31 March 2022 Number	As at 31 March 2022 Amount
Eros International Media Limited. - holding company	105,000	45	105,000	45

d) Details of shareholders holding more than 5% of shares in the Company

Particulars	As at 31 March 2023 Number	As at 31 March 2023 % of Holding	As at 31 March 2022 Number	As at 31 March 2022 % of Holding
Eros International Media Limited. - holding company	105,000	100	105,000	100

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Amount ₹ in Lakhs except per share data

16 Earnings per share

	Year ended 31 March 2023	**Year ended 31 March 2022**
Net profit/(loss) for the year (Amount ₹ in lakhs)	12,348	6,579
Weighted average number of equity shares	105,000	105,000
Nominal value of shares (in USD per share)	1	1
Basic EPS (₹)	11,760	6,266
Diluted EPS (₹)	11,760	6,266

17 Auditors' remuneration

Statutory audit fees	(1)	4
Total	**(1)**	**4**

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18 Related party disclosures

a) Names of related parties

Relationship	Name	Place of incorporation
Ultimate Holding Company	Eros Media World PLC (formerly known as Eros STX Global Corporation)	Isle of Man
Step up Holding Company	Eros Worldwide FZ LLC	Dubai
Holding Company	Eros International Media Limited	India
Fellow subsidiary companies with whom transactions exist	Digicine PTE Limited	Singapore
Entities under common control with whom transactions exist	Eros International Limited Eros Films Limited	United Kingdom Isle of Man
Key Management Personnel (KMP)	Mr Surender Sadhwani (Director) Mr. Farokh P. Gandhi - Chief Financial Officer (India) up to 14 August 2021 Mr. Rajesh Chalke - Chief Financial Officer w.e.f. 19 May 2022	

Percentage number of share held by related parties

	As at 31 March 2023	As at 31 March 2022
	%	%
Eros International Media Limited	100%	100%
	100%	**100%**

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b) Transactions with related parties during the year

	Year ended 31 March 2023	Year ended 31 March 2022
Sale of films rights		
Eros Worldwide FZ LLC	797	-
Total	**797**	**-**
Interest income		
Eros Worldwide FZ LLC	5,652	5,308
Total	**5,652**	**5,308**
Loans and advances given		
Eros Worldwide FZ LLC	-	-
Total	**-**	**-**
Repayment of loans and advance given		
Eros Worldwide FZ LLC	2	8
Total	**2**	**8**

c) Balances with related parties

	As at 31 March 2023	As at 31 March 2022
Trade payables		
Digicine Pte Limited	558	516
	558	**516**
Trade receivable		
Eros Worldwide FZ LLC	821	-
Total	**821**	**-**
Loans and advances given		
Eros Worldwide FZ LLC	101,227	88,133
Total	**101,227**	**88,133**

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19 Management of Capital Risk and Financial Risk

1) Capital management policies and procedures

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its borrowings, less cash and cash equivalents as presented on the face of the balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The amounts managed as capital by the Company for the reporting period are summarized as follows:

		Amount ₹ in Lakhs
Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Total equity	107,397	95,049
Less : Cash and cash equivalents	1	1
Capital	**107,395**	**95,048**

2) Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. 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 focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

a) Market risk analysis

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk and interest rate risk, which result from its operating activities.

Currency sensitivity

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company does not have major exposure in currency fluctuation except related party

Interest rate sensitivity

Interest rate risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. Ir order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, The Company performs a comprehensive corporate interest rate risk management.

The Company is not exposed to significant interest rate risk as at the respective reporting dates as it does not have any external borrowings .

b) Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example receivables from customers, placing deposits with banks etc. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March, as summarised below:

		Amount ₹ in Lakhs
	As at 31 March 2023	**As at 31 March 2022**
Classes of financial assets-carrying amounts:		
Investments	-	-
Loans	101,227	88,133
Trade receivables	821	-
Cash and bank balances	1	1
Other financial assets	-	-
	102,049	**88,134**

The carrying amounts disclosed above are the Company's maximum possible credit risk exposure in relation to these instruments.

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c) **Liquidity risk analysis**

There is no material impact of liquidity risk on the Company.

20 Significant financing component

For content licensing arrangements, the Company's collection period range between 18 – 24 months from contract inception date. Under Ind AS 115, an entity needs to adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit. As such, for arrangements where the implied collection period (or normal credit term) is considered to be more than 1 year, revenue is recognised after adjusting the promised amount of consideration for a significant financing component, using the discount rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception. The effects of financing, i.e. unwinding of the financing component, is recognised separately from revenue from contracts with customers in the Statement of Income, within 'Finance income'. Any subsequent change in collection date from the anticipated collection date considered on the contract inception date has been recognised separately in the Statement of Income, within 'Other gains/(losses), net'.

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21 Categories of financial assets and financial liabilities — **Amount ₹ in Lakhs**

	Carrying value/fair value		
	Financial assets/liabilities at FVTPL	**Financial assets/liabilities at amortised cost**	**Total**
31 March 2023			
Financial assets			
Measured at FVTOCI			
Trade receivables	821	-	821
Measured at amortised cost			
Loans	-	101,227	101,227
Cash and bank balances	-	1	1
	821	**101,228**	**102,049**
Financial liabilities			
Trade payables	-	581	581
	-	**581**	**581**

Amount ₹ in Lakhs

	Carrying value/fair value		
	Financial assets/liabilities at FVTPL	**Financial assets/liabilities at amortised cost**	**Total**
31 March 2022			
Financial assets			
Measured at FVTOCI			
Trade receivables	-	-	-
Measured at amortised cost			
Loans	-	88,133	88,133
Cash and bank balances	-	1	1
	-	**88,134**	**88,134**
Financial liabilities			
Trade payables	-	537	537
	-	**537**	**537**

The net carrying value of cash and bank balances, trade receivables, loans and advances, investments, other financial assets and trade payables is a reasonable approximation of fair value largely due to short term maturities of these instruments.

22 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 or indirectly
- Level 3: unobservable inputs for the asset or liability

23 Segment Reporting

As permitted by Ind As 108 , 'Segment Reporting', if a single financial report contains both consolidated financial statements and separate financial statements of the parent, segment information needs to be presented only on the basis of consolidated financial statements. Accordingly, disclosures mandated by Ind As 108 have been made in the consolidated financial statements.

24 Contingent liability and commitments

The Company has no contingent liabalities or commitments

25 Post reporting date events

No adjusting or significant non-adjusting events have occurred between 31 March 2023 and the date of authorisation of these financial statements.

For Maheshwari Maheshwari & Co
Chartered Accountants
Firm Registration No.: 105838W

Vivek Mehta
Partner
Membership No: 128466

Place: Mumbai
Date: 26 May 2023

For and on behalf of the Board of Directors

Surender Sadhwani
Director

Place: Dubai
Date: 26 May 2023