



Eros International Media Limited

CIN: L99999MH1994PLC080502

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

Statement of unaudited Standalone financial results for the quarter and Nine months ended December 31, 2023

Particulars	Quarter ended on			Nine months ended on		Year ended on
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(₹ in lakhs)						
Income						
1 Revenue from Operations	320	3,572	516	4,478	4,499	42,958
2 Other income	1,266	389	380	1,984	2,815	2,184
Total Income (1+2)	1,586	3,961	896	6,462	7,314	45,142
Expenses						
Operational Costs including content amortization	1,348	4,021	1,683	6,663	5,643	32,395
Change in Inventories	-	(2,056)	-	(2,056)	-	(9)
Employee benefits expense	705	673	677	2,190	2,063	2,752
Finance costs	698	521	1,920	2,281	5,046	6,996
Depreciation and amortization expenses	16	(12)	51	45	157	229
Other expenses	3,045	2,646	46	11,535	4,903	11,110
Total expenses	5,812	5,793	4,377	20,658	17,812	56,473
4 Profit/(loss) before tax (1+2-3)	(4,226)	(1,832)	(3,481)	(14,196)	(10,498)	(11,331)
5 Tax expense						
a) Current Tax	-	-	-	-	-	-
b) Tax in respect of earlier years	243	-	-	243	-	-
c) Deferred Tax	-	-	-	-	-	-
Total tax expenses	243	-	-	243	-	-
6 Profit/(loss) for the period/year (4-5)	(4,469)	(1,832)	(3,481)	(14,439)	(10,498)	(11,331)
7 Other comprehensive income/(loss): not to be reclassified - net of taxes	-	-	(9)	-	(9)	17
8 Total comprehensive income/(loss) for the period/year	(4,469)	(1,832)	(3,490)	(14,439)	(10,507)	(11,314)
9 Paid-up equity share capital (face value of ₹ 10 each)	9,591	9,591	9,588	9,591	9,588	9,591
10 Other equity excluding revaluation reserve						573
11 Earnings per share (EPS) (nominal value per share ₹ 10/- each)						
Basic (in ₹) (for the period - not annualised)	(4.66)	(1.91)	(3.64)	(15.05)	(10.96)	(11.81)
Diluted (in ₹) (for the period - not annualised)	(4.66)	(1.91)	(3.64)	(15.05)	(10.96)	(11.81)



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CIN No. L99999MH1994PLC080502



Notes :

- 1 The standalone financial results for the quarter and nine months ended December 31, 2023 have been reviewed by the audit committee and then approved by the board of directors at their meeting held on February 14, 2024 and also reviewed by Statutory Auditors.
- 2 The Company operates on a single reportable segment, which is co-production, acquisition and distribution of Indian language films in multiple formats, being governed by similar risks and returns, forming the primary business segment. Accordingly, no segment information has been submitted as a part of the quarterly and nine months financial results presented.
- 3 The Company has trade receivables of ₹ 43,083 lakhs from Eros Worldwide FZ LLC ("EWW") ("Company having significant influence"), which are overdue. As against this, there is trade payables of ₹ 28,209 lakhs to EWW for which the Company has filed an application with RBI through Authorised Dealer for setting-off trade payables against trade receivables. After considering the setoff of trade payables, the Company would have net trade receivables of ₹ 14,875 lakhs from EWW. Apart from EWW, the Company has trade receivables of ₹ 7,244 lakhs (net of trade payables of ₹ 321 lakhs) from Eros International Limited UK and ₹ 3,157 lakhs from Eros International USA Inc. (both fellow subsidiaries of EWW).
The Company has trade payables of ₹ 14,118 lakhs (net of trade receivables of ₹ 6,910 lakhs) from Eros Digital FZ LLC ("EDFL") (fellow subsidiary of EWW) which is long over due. Considering all trade receivables and trade payables to group entities, the Company has net trade receivables of ₹ 8,837 lakhs.
As per the management accounts for year ended March 31, 2023, net worth of these companies has been eroded and has incurred losses in that year. The parent Company of aforesaid entities i.e. Eros Media World PLC is committed to continue to support these entities. Based on the future business plans, management is confident of recovery of above dues from related parties and does not consider it necessary to make any provisions in this regard.
- 4 The Company has incurred losses amounting ₹ 14,439 lakhs for nine months ended December 31, 2023 and there is substantial erosion in the net worth. Additionally the Company has defaulted on payment of statutory dues on certain occasions. These circumstances give rise to material uncertainties that could significantly affect the Company's ability to continue its operation as going concern. To address these challenges, the Company has implemented various measures to enhance liquidity, such as restructuring of borrowing facilities, conserving cash through cost saving initiatives, and maximising revenue by entering into long term contracts to monetize the film/music library and recover overdue trade receivables. The Company has taken these uncertainties and measures into account while preparing its financial forecasts. Therefore, based on these considerations, management has decided to continue preparing its financial results on a going concern basis.
- 5 Inventory includes accumulated film right costs amounting to ₹ 850 lakhs wherein there has been no movement since March 2021. The management is of the opinion that realisable value of the said film rights will be equal to / more than cost of inventory, hence, no provision towards impairment needs to be made as on date.
- 6 As on December 31, 2023, content advances aggregate to ₹ 14,115 lakhs (net of provision). Based on the various initiatives of capital infusion as well as monetisation of rights, the management is of the opinion that the content advances which are for continuing projects are all good and realizable and no further provision is required other than those already created in the books of account.
- 7 Securities and Exchange Board of India (SEBI) had vide its letter dated October 31, 2022 appointed a Forensic Auditor to verify the Consolidated Financial Statements of the Group for financial year ended March 31, 2018, March 31, 2019 and March 31, 2020. Company has already furnished details and data sought by the Forensic Auditor and the regulator. Subsequently, on June 22, 2023, SEBI passed an ex-parte interim order which was disclosed in compliance with SEBI LODR June 22, 2023 by the Company (<https://www.bseindia.com/xml-data/corpfiling/AttachHis/52c0551f-19bd-48f9-b038-003b9ede199e.pdf>) and a confirmatory order dated October 13, 2023, which was also disclosed by the company (<https://www.bseindia.com/xml-data/corpfiling/AttachHis/e73ca4d1-501a-4787-9107-961ba9fb8f1a.pdf>). The company has filed appeal before SAT against the confirmatory order, which is pending. The company has furnished or in the process of furnishing details called for and has extended full co-operation to SEBI in its ongoing investigation.
- 8 Previous quarter/period/year items are regrouped or reclassified in line with the current quarter/period presentation, if any.

Place: Mumbai
Date: February 14, 2024



For and on behalf of Board of Directors

Pradip Dwivedi
Executive Director & Chief Executive Officer
DIN: 07780146

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

To the Board of Directors

Eros International Media Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Eros International Media Limited ("the Company") for the quarter ended December 31, 2023 and for the period from April 01, 2023 to December 31, 2023 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder (hereinafter referred to as "the said Indian Accounting Standard") and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



4. Qualified Conclusion

- a) As stated in Note 3 to the Statement, the Company has trade receivables from group entities amounting to Rs. 14,875 Lakhs (net of payable of Rs. 28,209 Lakhs) from Eros Worldwide FZ LLC ("EWW"), Rs. 7,244 Lakhs (net of payable of Rs. 321 Lakhs) from Eros International Limited UK, and Rs. 3,157 Lakhs from Eros International USA Inc. Receivable of Rs. 43,083 Lakhs from EWW which are overdue for long period of time, payments for which are not forthcoming. Basis the management accounts provided to us for the year ended March 31, 2023, the net worth of the aforesaid group entities have fully eroded and they have also incurred losses during that year. As described in the aforementioned note, the management, basis its internal assessment, has considered that since the receivables are from group entities, they are good and fully recoverable as at December 31, 2023 and no provision is required thereof. Accordingly, the Company has not created provision as per the expected credit loss (ECL) in accordance with Indian Accounting Standard - 109, "Financial Instruments" (Ind AS 109) amounting to Rs. 21,148 Lakhs. The loss for the quarter and period ended December 31, 2023 is understated to that extent.

Moreover the management has not carried out a detailed and comprehensive impairment testing in accordance with the principles of Indian Accounting Standard - 109, "Financial Instruments" with respect to the aforesaid trade receivables. In the absence of sufficient appropriate audit evidence to support the management's aforesaid assessment, we are unable to comment upon adjustments, if any, that may be required to the carrying value of these trade receivables as at December 31, 2023 and the consequential impact of the same on the loss for the quarter and period ended December 31, 2023.

- b) We draw attention to Note 7 to the accompanying Statement, wherein as mentioned the Securities and Exchange Board of India (SEBI) has appointed Forensic Auditor to verify the Consolidated Financial Statements of the Company for financial year ended March 31, 2018, March 31, 2019 and March 31, 2020 and status on the matter as on date. Further SEBI has passed confirmatory order on October 13, 2023 against which an appeal has been filed by the Company with Securities Appellate Tribunal (SAT), which is pending as also investigation initiated by SEBI which is ongoing. Further content advances (net of impairment) as on December 31, 2023 includes those given to certain parties and aggregating to Rs. 7,133 Lakhs which are subject matter of scrutiny and investigation by SEBI. Pending completion of proceedings and investigation, we are unable to comment on the possible consequential effects thereof, if any, on the statement.



The opinion expressed by us on the standalone financial statements of the Company for the year ended March 31, 2023 vide our report dated May 29, 2023 as well as the conclusion expressed by us on the standalone financial results of the Company for the quarter ended June 30, 2023 and September 30, 2023 vide our report dated August 11, 2023 and November 10, 2023 respectively was also qualified in respect of the matters referred in para 4 (a) and (b) above.

5. Based on our review conducted as stated in paragraph 3 above and subject to the possible effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the said Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Material uncertainty relating to Going Concern

We draw attention to Note 4 to the Statement which indicates that the Company has incurred a net loss of Rs. 14,439 Lakhs for the quarter and period ended December 31, 2023 and there is a substantial erosion in the net worth. The events or conditions, along with other matters as set forth in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The assumption of going concern is dependent on the ability of the Company to raise funds through monetization of its film/ music library rights as well as its noncore assets, mobilization of additional funds through recovery of dues from its group entities and other strategic initiatives.

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

7. Emphasis of Matter

Attention is drawn to following notes to the statement:

- a) Note 5 to the Statement with respect to the value of inventories which includes accumulated film rights costs amounting to Rs. 850 Lakhs as on December 31, 2023, we have relied on the management for realizable value of such inventory, being a technical matter.



HARIBHAKTI & CO. LLP

Chartered Accountants

b) Note 6 to the Statement with respect to content advances given for film projects having aggregate value of Rs. 14,115 Lakhs (net of provision) as on December 31, 2023, the management backed by valuation carried out by an independent valuer as on March 31, 2023 is of the opinion that adequate provision has been created in the books of accounts with respect to such advances and that the balance amount is recoverable and no further provision is required. This being a technical matter has been relied upon by us.

Our conclusion on the Statement is not modified in respect of these matters.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Sumant Sakhardande

Partner

Membership No: 034828

UDIN: 24034828BKCALW5125

Place: Mumbai

Date: February 14, 2024

