

# Walker Chandiook & Co LLP

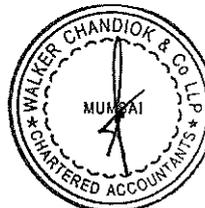
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## Auditor's Report on Annual Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Eros International Media Limited

1. We have audited the annual consolidated financial results of **Eros International Media Limited** ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to note 2 in the annual consolidated financial results regarding the figures for the quarter ended 31 March 2016 as reported in these annual consolidated financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These annual consolidated financial results have been prepared on the basis of the annual consolidated financial statements and reviewed quarterly consolidated financial results upto the end of the third quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these annual consolidated financial results based on our review of consolidated financial results for the nine months period ended 31 December 2015 which were prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India; and our audit of the annual consolidated financial statements as at and for the year ended 31 March 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



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3. In our opinion and to the best of our information and according to the explanations given to us and upon consideration of reports of other auditors, the annual consolidated financial results:
- (i) include the annual financial results for the year ended 31 March 2016, of the following Subsidiary entities :
- 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
  - Ayngaran International Limited
  - Ayngaran International (Mauritius) Limited
  - Ayngaran International UK Limited
  - Ayngaran International Media Private Limited
  - Ayngaran Anak Media Private Limited
  - Colour Yellow Productions Private Limited
  - Universal Power Systems Private Limited
- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other financial information for the year ended 31 March 2016.
4. We did not audit the financial statements of ten subsidiaries, included in the annual consolidated financial results, whose financial statements reflect total revenues (after eliminating intra-group transactions) of ₹ 10,395.89 and net profit after tax and prior period items (after eliminating intra-group transactions) of ₹ 632.09 for the year ended 31 March 2016 and total assets of ₹ 20,148.70 at year ended 31 March 2016. These financial statements and other financial information have been audited by other auditors whose audit reports have been furnished to us, and our opinion in respect thereof is based solely on the audit reports of such other auditors. Our opinion is not qualified in respect of this matter.

*Walker Chandiook & Co LLP*

For Walker Chandiook & Co LLP

(formerly Walker, Chandiook & Co)

Chartered Accountants

Firm Registration No.: 001076N/N500013

Per **Adi P. Sethna**

Partner

Membership No. 108840

Place: Mumbai

Date: 27 May 2016



## Eros International Media Limited

Regd. Office : 201 Kailash Plaza, Plot No A-12, Opp Laxmi Industrial Estate, Link Road, Andheri (W), Mumbai -400053

**AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2016**

(₹ in lacs, except per share data)

Particulars	Quarter ended 31 March 2016 (Unaudited)	Quarter ended 31 December 2015 (Unaudited)	Quarter ended 31 March 2015 (Unaudited)	Year ended 31 March 2016 (Audited)	Year ended 31 March 2015 (Audited)
<b>1 Income from operations</b>					
Net sales/income from operations	26,991	33,538	44,905	158,268	142,117
<b>Total income from operations (net)</b>	<b>26,991</b>	<b>33,538</b>	<b>44,905</b>	<b>158,268</b>	<b>142,117</b>
<b>2 Expenses</b>					
a) Purchases/operating expenses	20,834	23,207	36,103	101,132	107,285
b) Changes in inventories of finished goods	310	(197)	(4,806)	13,351	(13,290)
c) Employee benefits expense	1,645	1,412	1,174	5,571	3,590
d) Depreciation expense	241	204	186	746	689
e) Other expenses	991	2,433	5,614	5,809	9,674
<b>Total expenses</b>	<b>24,021</b>	<b>27,059</b>	<b>38,271</b>	<b>126,609</b>	<b>107,948</b>
<b>3 Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>2,970</b>	<b>6,479</b>	<b>6,634</b>	<b>31,659</b>	<b>34,169</b>
4 Other income	483	286	1,654	2,087	1,986
<b>5 Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>3,453</b>	<b>6,765</b>	<b>8,288</b>	<b>33,746</b>	<b>36,155</b>
6 Finance costs (net)	701	793	837	3,386	3,840
<b>7 Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>2,752</b>	<b>5,972</b>	<b>7,451</b>	<b>30,360</b>	<b>32,315</b>
8 Exceptional items	-	-	-	-	-
<b>9 Profit from ordinary activities before tax (7-8)</b>	<b>2,752</b>	<b>5,972</b>	<b>7,451</b>	<b>30,360</b>	<b>32,315</b>
10 Tax expense	(496)	2,210	2,281	7,908	7,615
<b>11 Profit from ordinary activities after tax (9-10)</b>	<b>3,248</b>	<b>3,762</b>	<b>5,170</b>	<b>22,452</b>	<b>24,700</b>
12 Extraordinary items	-	-	-	-	-
<b>13 Net profit for the period (11-12)</b>	<b>3,248</b>	<b>3,762</b>	<b>5,170</b>	<b>22,452</b>	<b>24,700</b>
14 Share of profit / (loss) of associates	-	-	-	-	-
15 Minority interest	(24)	(15)	(4)	1,037	(6)
<b>16 Net profit after taxes, minority interest and share of profit / (loss) of associates</b>	<b>3,272</b>	<b>3,777</b>	<b>5,174</b>	<b>21,415</b>	<b>24,706</b>
17 Paid up equity share capital (Face value of ₹ 10 each)	9,358	9,356	9,250	9,358	9,250
18 Reserves excluding revaluation reserve				167,424	138,971
19.i Earnings per share (EPS) (before extraordinary items) (of ₹. 10 each) (not annualized)					
Basic	3.50	4.04	5.60	22.98	26.78
Diluted	3.47	3.99	5.48	22.79	26.43
19.ii Earnings per share (EPS) (after extraordinary items) (of ₹. 10 each) (not annualized)					
Basic	3.50	4.04	5.60	22.98	26.78
Diluted	3.47	3.99	5.48	22.79	26.43



### EROS INTERNATIONAL MEDIA LIMITED

Corporate Office: 901/902, Supreme Chambers, Off Veera Desai Road, Andheri (W), Mumbai - 400 053.

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Regd. Office: Kailash Plaza, 2<sup>nd</sup> Floor, Plot No. 12, Off Veera Desai Road, Andheri (W), Mumbai - 400 053.

CIN No. L99999MH1994PLC080502



Notes :

- The accompanying consolidated financial results has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 27 May 2016 .
- Figures of the quarter ended March 2016 are the balancing figures between audited figures in respect of the year ended 31 March 2016 and the published unaudited figures for the year to date 31 December 2015 of the financial year ended 31 March 2016.
- The financial results for the quarter and twelve months ended 31 March 2016 have been prepared on the basis of accounting policies followed in the preparation of annual financial statements for the year ended 31 March 2015 and quarters ended 31 December 2015, 30 September 2015 and 30 June 2015.  
The excess of the cost to the parent of its investments in a subsidiary over the parent's portion of equity at the date on which investment in the subsidiary is made, is recognised as 'Goodwill'. When the cost to the parent of its investment in a subsidiary is less than the parent's portion of equity of the subsidiary at the date on which investment in the subsidiary is made, the difference is treated as 'Capital Reserve' in the consolidated financial statements. Goodwill is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. Goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represent the lowest level at which goodwill is monitored for internal management purposes.
- Statement of assets and liabilities : ₹ in lacs

Particulars	31 March 2016 (Audited)	31 March 2015 (Audited)
<b>A Equity and Liabilities</b>		
<b>Shareholders' funds</b>		
Share capital	9,358	9,250
Reserves and surplus	167,424	138,971
<b>Sub-total - Shareholders' funds</b>	<b>176,782</b>	<b>148,221</b>
<b>Minority interest</b>	<b>1,147</b>	<b>120</b>
<b>Non Current liabilities</b>		
Long-term borrowings	10,659	9,533
Deferred tax liability (net)	29,032	25,698
Other long-term liabilities	107	101
Long-term provisions	337	221
<b>Sub-total - Non current liabilities</b>	<b>40,135</b>	<b>35,553</b>
<b>Current liabilities</b>		
Short-term borrowings	22,972	32,968
Trade payables	28,169	23,785
Other current liabilities	88,509	84,325
Short-term provisions	4,410	1,891
<b>Sub-total - Current liabilities</b>	<b>144,060</b>	<b>142,969</b>
<b>Total equity and liabilities (A)</b>	<b>362,124</b>	<b>326,863</b>
<b>B Assets</b>		
<b>Non current assets</b>		
<b>Fixed assets</b>		
Tangible assets	4,030	4,130
Intangible assets	122,143	117,283
Goodwill on consolidation (refer note 9)	1,900	-
Capital work in progress	410	-
Content advance	130,448	99,406
Film under production	2,803	2,405
Long-term loans and advances	17,797	13,805
Other non current assets	574	382
<b>Sub-total - Non current assets</b>	<b>280,105</b>	<b>237,411</b>
<b>Current assets</b>		
Current investments'	-	-
Inventories	340	13,691
Trade receivables	42,822	52,574
Cash and bank balances	30,416	16,968
Short-term loans and advances	5,461	4,590
Other current assets	2,980	1,629
<b>Sub-total - Current assets</b>	<b>82,019</b>	<b>89,452</b>
<b>Total assets (B)</b>	<b>362,124</b>	<b>326,863</b>

- The consolidated financial results have been prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in the Accounting Standard 21, 'Consolidated financial statements', issued by the Institute of Chartered Accountants of India.
- The Group operates on a single reportable segment, which is co-production, acquisition and distribution of Indian language films in multiple formats, being governed by similar risks and returns, forming the primary business segment. Accordingly, no segment information within the meaning of Accounting standard 17 - 'Segment reporting' has been submitted as a part of the quarterly financial results presented.
- Operating expenses include all direct costs such as film rights related cost, printing and publicity costs as well as marketing and other related costs.
- Status of Investor complaints received by the Company (Nos): Opening as at 1 Jan 2016 (Nil), received during the quarter (Nil), disposed during the quarter (Nil), remaining unresolved as at 31 March 2016 (Nil).
- The Group's financial results for any period fluctuate due to film release schedules which take into account holidays and festivals in India and elsewhere, competitor film releases and sporting events.
- On 25 February, 2015, the Company entered into a share purchase agreement to acquire a controlling stake in Universal Power Systems Private Limited, trading by the name Techzone ("UPSPPL" or "Techzone"). On 20 July, 2015, the Company received approval from Foreign Investment Promotion Board ("FIPB") to acquire Techzone. On 1 August 2015, the Company allotted 900,970 equity shares to the shareholders of UPSPPL at a premium of ₹ 378.47 per share (face value of ₹ 10 per share) in exchange for the entire shareholding of UPSPPL. The accompanying Statement includes the results of operations of Techzone with effect from 1 August 2015. As per Accounting Standard 21, 'Consolidated financial statements', the excess of cost of investment over the equity of UPSPPL being ₹ 1,900 lacs has been recognized as goodwill.
- Previous period figures have been regrouped or reclassified, wherever necessary.

Place: Mumbai  
Date: 27 May 2016



For and on behalf of Board of Directors

Sunil Lulla  
Executive Vice Chairman and Managing Director

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**Compliance under Regulation 33(3)(d) of the Securities and Exchange Board of India  
(listing Obligations and Disclosure Requirements) Regulations 2015**

**Form A for Consolidated (for audit report with unmodified opinion)**

1.	Name of the Company	Eros International Media Limited
2.	Annual Financial statements for the year ended	31 <sup>st</sup> March 2016
3.	Type of Observation	Unmodified
4.	Frequency of observation	Not Applicable
5.	To be signed by –  • CEO / Managing Director  • CFO  • Auditor of the Company  • Audit Committee Chairman	       

Dated: May 27, 2016

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