

# Walker Chandiook & Co LLP

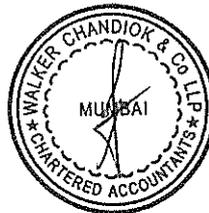
Walker Chandiook & Co LLP  
(Formerly Walker, Chandiook & Co)  
16th Floor, Tower II  
Indiabulls Finance Centre  
S B Marg, Elphinstone (W)  
Mumbai 400013  
India

T +91 22 6626 2600  
F +91 22 6626 2601

## Review Report

### To the Board of Directors of Eros International Media Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results (“the Statement”) of **Eros International Media Limited** (“the Company”) and its subsidiaries, (collectively referred to as “the Group”) for the quarter ended **30 September 2015** and the year to date results for the period 1 April 2015 to 30 September 2015, except for the disclosures regarding ‘Public Shareholding’ and ‘Promoter and Promoter Group Shareholding’ which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company’s Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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 company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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4. We did not review the interim financial results of twelve subsidiaries and step down subsidiaries, included in the Statement, whose interim financial results reflect total revenues (after eliminating intra-group transactions) of ₹ 5,349 lacs and ₹ 27,404 lacs for the quarter and six months ended 30 September 2015, respectively, net profit after tax and prior period items (after eliminating intra-group transactions) of ₹ 3,073 lacs and ₹ 8,510 lacs for the quarter and six months ended 30 September 2015, respectively and total assets of ₹ 109,194 lacs as at quarter ended 30 September 2015. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us and our opinion in respect thereof is based solely on the review reports of such other auditors. Our review report is not qualified in respect of this matter.

*Walker Chandiok & Co LLP*

For **Walker Chandiok & Co LLP**

*(formerly Walker, Chandiok & Co)*

Chartered Accountants

Firm Registration No: 001076N/N500013

per **Adi P. Sethna**

Partner

Membership No. 108840

Place: Mumbai

Date: 09 November 2015



## Eros International Media Limited

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

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2015

		(₹ in lacs, except per share data)					
PART-I	Particulars	Quarter ended 30 September 2015 (Unaudited)	Quarter ended 30 June 2015 (Unaudited)	Quarter ended 30 September 2014 (Unaudited)	Half Year ended 30 September 2015 (Unaudited)	Half Year ended 30 September 2014 (Unaudited)	Year ended 31 March 2015 (Audited)
1	<b>Income from operations</b>						
	Net sales/income from operations	50,491	47,248	23,990	97,739	48,139	142,117
	<b>Total income from operations (net)</b>	<b>50,491</b>	<b>47,248</b>	<b>23,990</b>	<b>97,739</b>	<b>48,139</b>	<b>142,117</b>
2	<b>Expenses</b>						
a)	Purchases/operating expenses	34,072	23,019	14,602	57,091	31,648	107,285
b)	Changes in inventories of finished goods	44	13,194	(127)	13,238	(132)	(13,290)
c)	Employee benefits expense	1,429	1,085	672	2,514	1,457	3,590
d)	Depreciation expense	172	129	168	301	323	689
e)	Other expenses	1,380	1,005	1,504	2,385	1,991	9,674
	<b>Total expenses</b>	<b>37,097</b>	<b>38,432</b>	<b>16,819</b>	<b>75,529</b>	<b>35,287</b>	<b>107,948</b>
3	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>13,394</b>	<b>8,816</b>	<b>7,171</b>	<b>22,210</b>	<b>12,852</b>	<b>34,169</b>
4	Other income	507	811	40	1,318	352	1,986
5	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>13,901</b>	<b>9,627</b>	<b>7,211</b>	<b>23,528</b>	<b>13,204</b>	<b>36,155</b>
6	Finance costs (net)	1,047	846	1,092	1,893	2,029	3,840
7	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>12,854</b>	<b>8,781</b>	<b>6,119</b>	<b>21,635</b>	<b>11,175</b>	<b>32,315</b>
8	Exceptional items	-	-	-	-	-	-
9	<b>Profit from ordinary activities before tax (7-8)</b>	<b>12,854</b>	<b>8,781</b>	<b>6,119</b>	<b>21,635</b>	<b>11,175</b>	<b>32,315</b>
10	Tax expense	3,747	2,447	1,106	6,194	2,577	7,615
11	<b>Profit from ordinary activities after tax (9-10)</b>	<b>9,107</b>	<b>6,334</b>	<b>5,013</b>	<b>15,441</b>	<b>8,598</b>	<b>24,700</b>
12	Extraordinary items	-	-	-	-	-	-
13	<b>Net profit for the period (11-12)</b>	<b>9,107</b>	<b>6,334</b>	<b>5,013</b>	<b>15,441</b>	<b>8,598</b>	<b>24,700</b>
14	Share of profit / (loss) of associates	-	-	-	-	-	-
15	Minority interest	77	999	(1)	1,076	-	(6)
16	<b>Net profit after taxes, minority interest and share of profit / (loss) of associates</b>	<b>9,030</b>	<b>5,335</b>	<b>5,014</b>	<b>14,365</b>	<b>8,598</b>	<b>24,706</b>
17	Paid up equity share capital (Face value of Rs. 10 each)	9,345	9,255	9,237	9,345	9,237	9,250
18	Reserves excluding revaluation reserve						138,971
19.i	Earnings per share (EPS) (before extraordinary items) (of Rs. 10 each) (not annualized)						
	Basic	9.69	5.77	5.44	15.47	9.34	26.78
	Diluted	9.57	5.69	5.41	15.27	9.29	26.43
19.ii	Earnings per share (EPS) (after extraordinary items) (of Rs. 10 each) (not annualized)						
	Basic	9.69	5.77	5.44	15.47	9.34	26.78
	Diluted	9.57	5.69	5.41	15.27	9.29	26.43
<b>PART-II</b>							
20	Public shareholding						
	Number of shares	24,617,519	23,716,549	23,537,617	24,617,519	23,537,617	23,673,984
	Percentage of shareholding	26.34%	25.63%	25.48%	26.34%	25.48%	25.59%
21	Promoters and promoter group shareholding						
a)	Pledged / encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
b)	Non-encumbered						
	- Number of shares	68,833,290	68,833,290	68,833,290	68,833,290	68,833,290	68,833,290
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	73.66%	74.37%	74.52%	73.66%	74.52%	74.41%



### EROS INTERNATIONAL MEDIA LIMITED

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

Tel.: +91-22-6602 1500 Fax: +91-22-6602 1540 E-mail: eros@erosintl.com • www.erosintl.com

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 statement of unaudited consolidated financial results has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 9 November 2015 and has been subjected to a limited review by the statutory auditors of Eros International Media Limited (the 'Company').
- The financial results for the quarter and six months ended 30 September 2015 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 quarter ended 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.

**3 Statement of assets and liabilities: ₹ in lacs**

Particulars	30 September 2015 (Unaudited)	31 March 2015 (Audited)
<b>A Equity and Liabilities</b>		
<b>Shareholders' funds</b>		
Share capital	9,345	9,250
Reserves and surplus	159,122	138,971
<b>Sub-total - Shareholders' funds</b>	<b>168,467</b>	<b>148,221</b>
<b>Minority interest</b>	<b>1,187</b>	<b>120</b>
<b>Non Current liabilities</b>		
Long-term borrowings	7,918	9,533
Deferred tax liability (net)	29,774	25,698
Other long-term liabilities	227	101
Long-term provisions	237	221
<b>Sub-total - Non current liabilities</b>	<b>38,156</b>	<b>35,553</b>
<b>Current liabilities</b>		
Short-term borrowings	33,248	32,968
Trade payables	31,604	23,785
Other current liabilities	79,660	84,325
Short-term provisions	5,369	1,891
<b>Sub-total - Current liabilities</b>	<b>149,881</b>	<b>142,969</b>
<b>Total equity and liabilities (A)</b>	<b>357,691</b>	<b>326,863</b>
<b>B Assets</b>		
<b>Non current assets</b>		
<b>Fixed assets</b>		
Tangible assets	4,399	4,130
Intangible assets	123,561	117,283
Goodwill on consolidation (refer note 9)	1,827	-
Capital work in progress	272	-
Content advance	120,152	99,406
Film under production	784	2,405
Long-term loans and advances	17,796	13,805
Other non current assets	699	382
<b>Sub-total - Non current assets</b>	<b>269,490</b>	<b>237,411</b>
<b>Current assets</b>		
Current investments*	-	-
Inventories	452	13,691
Trade receivables	62,996	52,574
Cash and bank balances	18,005	16,968
Short-term loans and advances	3,444	4,590
Other current assets	3,304	1,629
<b>Sub-total - Current assets</b>	<b>88,201</b>	<b>89,452</b>
<b>Total assets (B)</b>	<b>357,691</b>	<b>326,863</b>

\* Amount is less than lac.

- 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 July 2015 (Nil), received during the quarter (14), disposed during the quarter (14), remaining unresolved as at 30 September 2015 (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 System Private Limited, trading by the name Techzone ("UPSPL" 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 UPSPL at a premium of ₹ 378.47 per share (face value of ₹ 10 per share) in exchange for the entire shareholding of UPSPL. 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 UPSPL being ₹ 1,827 lacs has been recognized as goodwill.
- Previous period figures have been regrouped or reclassified, wherever necessary.

Place: Mumbai  
Date: 9 November 2015

For and on behalf of Board of Directors  
  
Sunil Lulla  
Executive Vice Chairman and Managing Director

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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