May 29, 2013

The DCS--CRD,
Bombay Stock Exchange Limited
Pheeroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

The DCS--CRD,
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No- 'C' Block, G Block
Bandra-Kurla Complex
Mumbai-400051

Ref: BSE Script Code: 533261; NSE Script Code: EROSMEDIA

Dear Sir,

Sub: Disclosure in terms of Clause 36 regarding ratings assigned by CRISIL

With respect to Clause 36 of the Listing Agreement, it may please be noted that the Company has been assigned rating from CRISIL as follows:

Sr No.	Facility	Rating Agency	Rating	Amount	Rating Indication
1	Non Convertible Debenture (NCD's) issue	CRISIL	CRISIL A+/ Stable	Rs.350 cr	Adequate degree of safety regarding timely servicing of debt obligations.

Request you to kindly take the above information on your record.

Thanking you

Yours faithfully,

For Eros International Media Limited

EROS INTERNATIONAL MEDIA LIMITED MUMBAI

Dimple Mehta
Company Secretary & Compliance Officer

RATINGS

CONFIDENTIAL

AP/BLR/ERSIM/MAY13/87898

May 27, 2013

Mr. Kamal Jain
Group CFO
Eros International Media Limited
901/902, Supreme Chambers,
Off Veera Desai Road,
Andheri (W), Mumbai - 400053
Tel 022 40538500/ 40538525

Dear Mr. Kamal Jain,

Re: CRISIL Rating for the Rs. 3500.0 Million Non-Convertible Debenture Programme of Eros International Media Limited

We refer to your request for a rating for the captioned Debt Programme.

CRISIL has, after due consideration, assigned **"CRISIL A+/Stable"** (pronounced "CRISIL A plus rating with stable outlook") rating to the captioned Debt Programme. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to suspend, withdraw, or revise the rating / outlook assigned to the captioned programme at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL believes may have an impact on the rating.

Further, in view of your decision to accept the CRISIL Rating, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Mohan Krishnan
Associate Director – Ratings Operations, Process & Quality

Anshu Peri
Associate Director – Corporate & Infrastructure Ratings

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor.

All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the issuers / subscribers / users / transmitters / distributors of this product. CRISIL Ratings' rating criteria are generally available without charge to the public on the CRISIL public web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

Rating Rationale
Eros International Media Limited

Rs. 1500 Million Commercial Paper	CRISIL A1+(Reaffirmed)
Rs. 3500 Million Non-Convertible Debentures	CRISIL A+/Stable(Assigned)

CRISIL has assigned its **'CRISIL A+/Stable'** rating to the proposed non-convertible debentures (NCD) issue of Eros International Media Ltd (Eros, part of the Eros group), while reaffirming the rating on the commercial paper instrument at **'CRISIL A1+'**.

The rating reflects the Eros group's strong market position as the leading producer and distributor of Indian films globally. The group's policy of focusing on sale of various distribution rights before theatrical release, and its portfolio approach of releasing a large number of movies every year in various Indian languages and genres, mitigates its exposure to the performance of a single movie. The Eros group's focus on monetising its extensive library of over 1100 movie titles is expected to provide more stability to the group's revenue profile over the medium term.

The Eros group's financial risk profile is strong, reflected in net worth of over Rs.8.4 billion as on March 31, 2012, low gearing of about 0.53 times, and strong cash flows from operations. CRISIL believes that the Eros group's financial risk profile will continue to be strong over the medium term, supported by its strong profitability and moderate revenue visibility because of healthy movie slate. Eros group's liquidity is enhanced by its access to liquidity from its financially strong parent, Eros International PLC (Eros PLC).

The above-mentioned rating strengths are constrained by the Eros group's aggressive expansion plans. CRISIL believes that the Eros group's ability to maintain a healthy capital structure and liquidity amid its aggressive expansion programme will remain a key rating sensitivity factor. CRISIL also believes that the Eros group will remain susceptible to variations in consumer tastes, which might constrain the success of its movies.

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Eros, with its subsidiaries, Eros International Films Pvt Ltd, Copsale Ltd, Big Screen Entertainment Pvt Ltd, EyeQube Studios Pvt Ltd, EM Publishing Pvt Ltd, Eros Animation Pvt Ltd, Ayngaran International Ltd, Ayngaran International UK Ltd, Ayngaran Mauritius Ltd, Ayngaran International Media Pvt Ltd, Ayngaran Anak Media Pvt Ltd, and Digicine Pte Ltd, collectively referred to as the Eros group. This is because all the entities are in the same line of business, have fungible cash flows, and are managed by the same promoters.

About the Group

Eros, the flagship company of the Eros group, was incorporated by Mr. Arjan Lulla and his son Mr. Kishore Lulla in 1994. The promoters have been distributing Indian movies internationally since 1977. In 2005, the promoters expanded the business, by foraying into domestic distribution of Indian films through Eros. The Eros group is the leading producer and distributor of Indian films, which are largely co-produced or acquired from other producers.

In 2011-12 (refers to financial year, April 1 to March 31), the Eros group released 77 films, of which 27 were in Hindi and 50 in regional languages including Tamil, Telugu, and Punjabi. The Eros group derives around 85-90 per cent of its revenues from new movies. Within this segment, it derives 35 per cent of revenues of its new films from domestic sale of various rights such as music, cable, and satellite, and digital rights prior to their theatrical release; 25 per cent from sale of international distribution rights to its parent, Eros PLC; and about 40 per cent from the theatrical release of its films. Some of its key recent films include *Zindagi Na Milegi Dobara, Ra.One, Housefull 2, Cocktail, English Vinglish, and Son of Sardar*. It has released at least three of the top 10 grossing films each year for the past three years.

The Eros group has the largest library of over 1100 films, which are leased out to various channels and other media, providing continuous monetisation of films after their release. Revenues from library monetisation contributed to about 10-15 per cent of sales in 2011-12. Recently, the Eros group leveraged on its monetisation ability by concluding a deal with HBO for providing content for two proposed channels.

The Eros group reported a profit after tax (PAT) of Rs.1.47 billion on net sales of Rs.9.43 billion for 2011-12, as against a PAT of Rs.1.17 billion on net sales of Rs.7.06 billion for 2010-11.