



Via Email

June 07, 2016

Christina C. Carroll
Senior Manager, Accounting | Division of Enforcement and Investigations
Public Company Accounting Oversight Board
1666 K St NW
Washington, DC 20006

Re: Grant Thornton India LLP's ("GTI") "divided responsibility" consolidated audit of Eros International Plc ("EROS")

Dear Mr. Wilson:

Please find attached a copy of asensio.com's June 07, 2016 letter to Mr. Edward Nusbaum, the CEO of Grant Thornton International Limited ("GTIL"), concerning GTI's "divided responsibility" audit for EROS.

The purpose of this letter is to notify the Public Company Accounting Oversight Board ("PCAOB") to the facts relating to GTI's audit of EROS, a New York Stock Exchange ("NYSE") traded company. GTI is using a divided responsibility audit standard involving at least *six* accounting firms, *four* of whom are non-PCAOB registered.

According to PCAOB Release No. 2016-002¹ on April 12, 2016, the PCAOB stated that "audits in which the lead auditor divides responsibility with one or more other accounting firms are relatively uncommon." Furthermore, "PCAOB staff analysis of SEC filings as of May 26, 2015, Form 10-K filings showed approximately 30 and 38 audits in which the lead auditor divided responsibility with another auditor in fiscal years 2014 and 2013, respectively. Form 20-F filings showed approximately 20 such audits in each of fiscal years 2014 and 2013."

To this end, the PCOAB "is proposing to amend its auditing standards to strengthen the existing requirements and impose a more uniform approach to the lead auditor's supervision of other auditors"² as "audits involving other auditors, a market failure is caused, at least in part, by the information asymmetry... uncertainty about audit quality and the risk associated with the use of other auditors."³

¹ <http://pcaobus.org/Rules/Rulemaking/Docket042/2016-002-other-auditors-proposal.pdf>

² <http://pcaobus.org/Rules/Rulemaking/CodifiedStandards/Pages/AS1205.aspx>

³ <http://pcaobus.org/Rules/Rulemaking/Docket042/2016-002-other-auditors-proposal.pdf>

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In this specific instance, the GTI's first division of its audit has the various Indian and international subsidiaries of EIML audited by a range of small, unknown Indian firms. These are Jayesh Sheth & Co., S. Ravi & Associates, Sandeep Shridhar & Associates and Anil Jagetiya & Co. None of these firms are registered with the PCAOB.

The second division of its audit has GTI's affiliate, Walker Chandiook & Co. LLP ("Chandiook") audit only the consolidated financials of Eros International Media Limited ("EIML"), EROS's publicly-traded principal subsidiary. Chandiook places reliance on the subsidiary accounts, produced by the first division, for its audit of EIML's consolidated financial statements.

Finally, GTI auditor's report discloses only the consolidated numbers at the EROS level, which are filed with the U.S. Securities and Exchange Commission ("SEC"). As shown in the attached letter to GTIL, it is important to note that for the nine month period ended December 31, 2015 the EIML subsidiaries audited by the non-PCAOB auditors generated more than 100% of EROS's profits.

The PCAOB is cognisant of the inherent risks created by divisions of audit responsibility and the related implications for public market investors in the most general of cases where no public controversy exists over any alleged material overstatement of assets, understatement of expense, and a resulting overestimate of earnings. It is for this reason that we are bringing this matter to your attention.

Yours sincerely,



asensio.com

cc.

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