

GLOBUS SPIRITS LIMITED
REGISTERED OFFICE : A-46, FRIENDS COLONY (EAST), NEW DELHI-110065

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30/06/2014

PART I: Unaudited Financial Results for the Quarter ended 30/06/2014

(Rs. in Lacs)

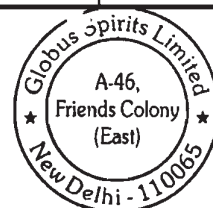
Sl. No.	Particulars	Quarter ended			Year ended
		30/06/2014	31/03/2014	30/06/2013	31/03/2014
	(Refer Notes Below)	Unaudited	Audited (as explained in Note 7)	Unaudited	Audited
1	Income from operations				
(a)	Sales/Income from operations	21,740.74	17,014.48	16,857.22	66,161.13
	Less: Excise Duty	7,660.29	4,939.96	3,949.52	16,552.42
	Net Sales/Income from operations	14,080.45	12,074.52	12,907.70	49,608.71
(b)	Other Operating Income	15.97	6.39	94.71	41.27
	Total Income from operations (net) (a)+(b)	14,096.42	12,080.91	13,002.41	49,649.98
2	Expenses				
a)	Cost of materials consumed	8,005.74	8,793.40	7,334.63	32,293.86
b)	Purchase of stock-in-trade	-	-	-	-
c)	Changes in inventories of finished goods, work-in-progress and stock in trade	1,414.51	(1,234.07)	338.54	(1,464.81)
d)	Employee benefits expense	305.11	329.26	273.57	1,213.62
e)	Depreciation and amortisation expense	744.96	1,096.02	538.67	2,847.90
f)	Other expenses	3,136.97	3,411.75	3,077.29	13,110.07
	Total expenses (a)+(b)+(c)+(d)+(e)+(f)	13,607.29	12,396.36	11,562.70	48,000.64
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	489.13	(315.45)	1,439.71	1,649.34
4	Other Income	76.31	56.51	56.56	289.78
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	565.44	(258.94)	1,496.27	1,939.12
6	Finance costs	350.44	358.06	180.26	1,015.66
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	215.00	(617.00)	1,316.01	923.46
8	Exceptional Items - Depreciation	-	-	-	(596.35)
9	Profit / (Loss) from ordinary activities before tax (7+8)	215.00	(617.00)	1,316.01	327.11
10	Tax Expense (Current Tax and Deferred Tax)	43.02	526.86	394.80	1,095.42
	MAT Credit	(43.02)	(523.42)	-	(1,195.95)
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	215.00	(620.44)	921.21	427.64
12	Extraordinary Items (net of tax expense)	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	215.00	(620.44)	921.21	427.64
14	Paid up equity share capital (Face Value of Rs.10/- per share)	2,299.77	2,299.77	2,299.77	2,299.77
15	Reserve excluding Revaluation Reserves (as per balance sheet of previous accounting year)	-	-	-	25,456.76
16	Earning per share (EPS)				
a)	Basic (not annualised)	0.51	(3.12)	3.58	0.16
b)	Diluted (not annualised)	0.49	(3.12)	3.20	0.15

PART II: Select Information for the Quarter ended 30/06/2014

Sl. No.	Particulars	Quarter ended			Year ended
		30/06/2014	31/03/2014	30/06/2013	31/03/2014
		Unaudited	Audited (as explained in Note 7)	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- Number of shares	7,531,036	7,531,036	7,568,486	7,531,036
	- Percentage of shareholding	32.75	32.75	32.91	32.75
2	Promoters and Promoter Group Shareholding				
a)	Pledged/Encumbered				
	- Number of shares	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL
b)	Non-encumbered				
	- Number of shares	15,466,705	15,466,705	15,429,255	15,466,705
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	67.25	67.25	67.09	67.25



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B	INVESTORS COMPLAINTS	Quarter ended 30/06/2014
	Pending at the beginning of the quarter	NIL
	Received during the quarter	8
	Disposed off during the quarter	8
	Remaining unresolved at the end of the quarter	NIL

Notes:

- 1A The above audited results have been reviewed by the Audit Committee and taken on record in the meeting of the Board of Directors held on 14/08/2014.
- 1B The auditors have disclaimed their conclusion on the results in view of the matters described in Note 2, 3 and 4 below.
- 2 During the quarter the Company has migrated to a new accounting software which has yet not stabilised on account of significant problems arising on implementation. Consequently, the financial information generated from such computerised system cannot be relied upon and the results for the quarter have been compiled on the basis of manual workings and other records available with the Company. Refer Note 1B above.
- 3 Up to 31/03/2013, the expenses incurred on brand promotion were capitalised as intangibles. Effective year ended 31/03/2014, the Company adopted a policy of amortising these intangibles over a period of 5 years. During the quarter, Rs. 180.41 Lacs has been recognised as Depreciation and amortisation expense. Had the asset been fully expensed off as on 30/06/2014, Fixed Assets would have been lower by Rs.2,706.19 Lacs (31/03/2014 – 2,886.60 Lacs), Depreciation and amortisation expense for the quarter would be lower by Rs.180.41 Lacs, Net profit after taxes for the quarter, would be converted into net losses after tax of Rs.1,571.36 Lacs and Reserves and Surplus would be lower by Rs.1,786.36 Lacs. Refer Note 1B above.
- 4 The Company is in process of computing depreciation as per revised Schedule II of Companies Act 2013, however, depreciation has been provided as per Schedule XIV of Companies Act 1956. Adjustment, if any, would be accounted for on completion of such computation. Refer Note 1B above.
- 5 In the previous years, the Company had paid remuneration of Rs.73.90 Lacs which was not in accordance with provisions of Section 314 of the Companies Act, 1956. The Company had initiated the process for recovering the same.
- 6 As the Company's business activity falls within a single primary business segment, namely Alcoholic Beverages, the disclosure requirements of Clause 41 of the Listing Agreement in terms of Accounting Standard AS 17 on Segment Reporting are not applicable.
- 7 Figures of quarter ended 31/03/2014 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures for the nine months ended December 31, 2013.
- 8 Previous period's figures have been regrouped / reclassified wherever necessary, to make them comparable with the current period.

Place: New Delhi
Date: 14/08/2014



For Globus Spirits Limited

Roy
Dr. Bhaskar Roy
Executive Director & CFO

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF GLOBUS SPIRITS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **GLOBUS SPIRITS LIMITED** ("the Company") for the Quarter ended 30/06/2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 7 below. 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 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 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.
3. Attention is invited to Note 2 to the Statement. During the quarter the Company has migrated to a new accounting software which has as yet not stabilised on account of significant problems arising on implementation. Consequently, the financial information generated from such computerised system cannot be relied upon and its pervasive impact on the financial results reported in the Statement cannot be ascertained.
4. (a) Attention is invited to Note 3 to the Statement. As at 30/06/2014, Fixed Assets include Intangible Assets aggregating to Rs. 2,706.19 Lacs (31/03/2014 – Rs.2,886.60 Lacs) under the head "Knowhow and New Brand Development" representing intangibles internally generated by the Company through expenditure on advertisement and promotional expenses. Such recognition of expenses as an intangible asset is not in accordance with Accounting Standard (AS 26) "Intangible Assets". Had the Company complied with requirements of AS-26, Fixed Assets as at 30/06/2014 would have been lower by Rs. 2,706.19 Lacs (31/03/2014 – Rs.2, 886. 60 Lacs), the Depreciation and amortisation expense for the quarter would have been lower by Rs. 180.41 Lacs, Net Profit for the quarter, as reported by the Management, would have resulted into a Net Loss after taxes of Rs. 1,571.36 Lacs and the Reserves and Surplus would have been lower by Rs. 1,786.36 Lacs.

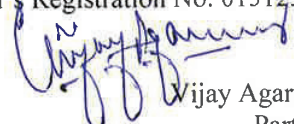
(b) Attention is invited to Note 4 to the Statement. Depreciation for the quarter has been provided on the basis of Schedule XIV of the Companies Act, 1956 as the Company is in the process of ascertaining the impact of depreciation in terms of Schedule II to the Companies Act 2013. Pending the same, the impact thereof on the results for the quarter ended 30/06/2014 and earnings per share has not been determined.



Deloitte Haskins & Sells

5. Because of the significance of the matters described in para 3 and 4 above, we are unable to comment whether the accompanying Statement, is prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India and has disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement. Accordingly, we do not express any conclusion on the accompanying Statement.
6. As indicated in Note 5 of the Statement, the Company had paid remuneration of Rs.73.90 Lacs to the Relatives of Directors without approval of the same by way of a special resolution at the General Meeting during the year ended 31/03/2014 and earlier years, including Rs. 2.59 Lacs paid without obtaining the approval of the Central Government, which was not in accordance with provisions of Section 314 of the Companies Act, 1956. The Company has initiated the process for recovering the said amounts from such persons.
7. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended 30/06/2014 of the Statement, from the details furnished by the Management.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 015125N)


Vijay Agarwal
Partner
(Membership No. 094468)

GURGAON, August 14, 2014

