

GLOBUS SPIRITS LIMITED

REGISTERED OFFICE : F-0, GROUND FLOOR, THE MIRA CORPORATE SUITES, PLOT NO.1&2, ISHWAR NAGAR, MATHURA ROAD, NEW DELHI-110065

CIN : L74899DL1993PLC052177

STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30/09/2016

(Rs. in lacs)

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2016	30/06/2016	30/09/2015	30/09/2016	30/09/2015	31/03/2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
a)	Sales/Income from operations	23,443.66	28,210.85	21,598.20	51,654.51	44,988.66	99,144.15
	Less: Excise Duty	7,269.86	8,616.74	5,481.76	15,886.60	13,100.68	28,636.39
	Net Sales/Income from operations (Net of excise duty)	16,173.80	19,594.11	16,116.44	35,767.91	31,887.98	70,507.76
b)	Other Operating Income	12.51	32.44	66.11	44.95	69.87	162.62
	Total income from operations (net) (a)+(b)	16,186.31	19,626.55	16,182.55	35,812.86	31,957.85	70,670.38
2	Expenses						
a)	Cost of materials consumed	10,938.89	10,672.78	9,620.72	21,611.67	18,483.33	40,748.74
b)	Purchases of stock-in-trade	-	-	-	-	-	-
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,243.81)	845.86	(311.57)	(397.95)	62.32	239.89
d)	Employee benefits expense	349.85	376.93	407.88	726.78	801.55	1,579.77
e)	Depreciation and amortisation expense	873.61	878.48	841.88	1,752.09	1,699.32	4,216.09
f)	Other expenses	5,008.44	5,802.50	5,133.15	10,810.94	9,694.32	21,111.03
	Total expenses (a)+(b)+(c)+(d)+(e)+(f)	15,926.98	18,576.55	15,692.06	34,503.53	30,740.84	67,895.52
3	Profit from operations before other income, finance costs and exceptional items (1-2)	259.33	1,050.00	490.49	1,309.33	1,217.01	2,774.86
4	Other Income	74.23	95.24	111.49	169.47	195.81	382.22
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	333.56	1,145.24	601.98	1,478.80	1,412.82	3,157.08
6	Finance costs	320.47	350.66	466.11	671.13	816.78	1,685.27
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	13.09	794.58	135.87	807.67	596.04	1,471.81
8	Exceptional items	-	-	-	-	-	-
9	Profit from ordinary activities before tax (7+8)	13.09	794.58	135.87	807.67	596.04	1,471.81
10	Tax expense (Refer Note 5)	10.50	161.80	10.20	172.30	123.43	218.04
11	Net Profit from ordinary activities after tax (9-10)	2.59	632.78	125.67	635.37	472.61	1,253.77
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit for the period (11-12)	2.59	632.78	125.67	635.37	472.61	1,253.77
14	Paid up equity share capital (Face Value of Rs.10/- per share)	2,879.93	2,879.93	2,879.93	2,879.93	2,879.93	2,879.93
15	Reserve excluding Revaluation Reserves (as per balance sheet of previous accounting year)	-	-	-	-	-	33,474.42
16	Earning per share (before extraordinary items)						
	a) Basic (not annualised)	0.01	2.20	0.44	2.21	1.64	4.35
	b) Diluted (not annualised)	0.01	2.20	0.44	2.21	1.64	4.35
17	Earning per share (after extraordinary items)						
	a) Basic (not annualised)	0.01	2.20	0.44	2.21	1.64	4.35
	b) Diluted (not annualised)	0.01	2.20	0.44	2.21	1.64	4.35

UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 30/09/2016

(Rs. in Lacs)

	Particulars	As at 30/09/2016 Unaudited	As at 31/03/2016 Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
(a)	Share capital	2,879.93	2,879.93
(b)	Reserves and surplus	34,109.79	33,474.42
(c)	Money received against share warrants	-	-
	Sub-total - Shareholders' funds	36,989.72	36,354.35
2	Share application money pending allotment	-	-
3	Non-current liabilities		
(a)	Long-term borrowings	17,703.75	15,924.95
(b)	Deferred tax liabilities (net)	4,692.60	4,702.70
(c)	Other long-term liabilities	-	-
(d)	Long-term provisions	122.63	109.53
	Sub-total - Non-current liabilities	22,518.98	20,737.18
4	Current liabilities		
(a)	Short-term borrowings	7,374.54	7,046.26
(b)	Trade payables	9,409.95	7,234.68
(c)	Other current liabilities	3,741.35	3,310.84
(d)	Short-term provisions	254.08	246.11
	Sub-total - Current liabilities	20,779.92	17,837.89
	TOTAL - EQUITY AND LIABILITIES	80,288.62	74,929.42
B	ASSETS		
1	Non-current assets		
(a)	Fixed assets	63,702.36	56,557.55
(b)	Non-current Investments	6.69	7.23
(c)	Deferred tax assets (net)	-	-
(d)	Long-term loans and advances	3,781.62	6,702.99
(e)	Other non-current assets	-	19.20
	Sub-total - Non-current assets	67,490.67	63,286.97
2	Current assets		
(a)	Current investments	-	7.70
(b)	Inventories	5,131.58	4,141.35
(c)	Trade receivables	4,576.54	3,748.29
(d)	Cash and cash equivalents	2,210.46	2,699.70
(e)	Short-term loans and advances	758.61	913.05
(f)	Other current assets	120.76	132.36
	Sub-total - Current assets	12,797.95	11,642.45
	TOTAL - ASSETS	80,288.62	74,929.42

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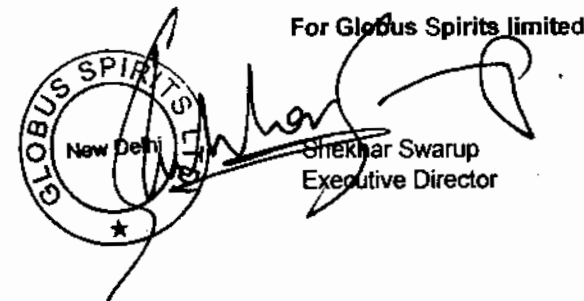
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- 1 The above statement of unaudited results have been reviewed by the Audit Committee and taken on record in the meeting of the Board of Directors held on 12/11/2016.
- 2 Since the company has decided to submit the consolidated financials along with the annual audited results, for the quarter and six months ended 30/09/2016 only the standalone financial result are submitted.
- 3 Response to Auditors' qualification on the financial result for the quarter and six months ended 30/09/2016.
- 3a Up to 31/03/2013, the expenses incurred on brand promotion were capitalised as intangibles under the head "Knowhow and New Brand Development" since the brands were under establishment during that period. 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 30/09/2016, Fixed Assets would have been lower by Rs. 1,082.48 lacs (31/03/2016 - Rs. 1,443.30 lacs), the depreciation and amortisation expense for the quarter would have been lower by Rs. 180.41 lacs, Net profit after tax for the quarter would have resulted into a Net Loss after tax of Rs. 705.27 Lacs and the Reserves and Surplus would have been lower by Rs. 707.86 lacs.
- 3b As on 30/09/2016, fixed assets include Plant and machinery valued at Rs. 3,122.67 lacs (31/03/2016 - Rs. 3,278.63 lacs) (Gross Book Value - Rs. 5,580.40 lacs (31/03/2016 - Rs. 5,580.40 lacs)) situated at Hissar, Haryana, which are currently unutilised for over 3 years for which the Management is in the process of evaluating alternative use, and is confident that the value in use of these assets would be higher than the carrying value and therefore no impairment provision / realisable value assessment is required at this stage.
- 4 As the Company's business activity falls within a single primary business segment, namely Alcohol and Alcoholic Beverages, the disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of Accounting Standard AS 17 on Segment Reporting are not applicable.
- 5 Tax expense includes - Current tax expense of Rs. 0.85 lacs and Deferred tax charge of Rs. 9.65 lacs.
- 6 Production was commenced at the newly setup unit of the Company located at Bihar on August 01, 2016. Thereafter, the plant was temporarily closed for setting right certain technical issues and the disruptions were compounded due to severe flood at factory premises. During this period the Company could produce only 25,000 bulk litres of alcohol against its capacity of 80,000 bulk litres per day. Since the plant was barely under operation, the Company has decided to reconsider the date of commencement of commercial production to be the date as may be approved by Industry Department, Govt. of Bihar.
- 7 Previous period's figures have been regrouped / reclassified wherever necessary, to make them comparable with the current period.


Place: New Delhi

Date: 12/11/2016

For Globus Spirits limited



Shekhar Swarup
Executive Director



INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS


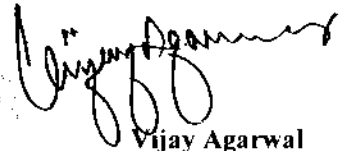
TO THE BOARD OF DIRECTORS OF GLOBUS SPIRITS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **GLOBUS SPIRITS LIMITED** ("the Company") for the Quarter and Six Months ended 30/09/2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards for Interim Financial Reporting (AS 25), except for the requirements of Accounting Standard (AS 26) "Intangible Assets" and Accounting Standard (AS 28) "Impairment of Assets" as described respectively in paragraph 3(a) and 3(b) below, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. (a) Attention is invited to Note 3a of the Statement which states that as on 30/09/2016, Fixed Assets include Intangible Assets aggregating to Rs. 1,082.48 Lacs (31/03/2016 - Rs. 1,443.30 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 is not in accordance with Accounting Standard (AS 26) "Intangible Assets". Had the Company complied with requirements of AS-26, Fixed Assets as at 30/09/2016 would have been lower by Rs. 1,082.48 Lacs (31/03/2016 - Rs. 1,443.30 Lacs), Depreciation and amortisation expense for the quarter would have been lower by Rs. 180.41 Lacs and for the six months period would have been lower by Rs. 360.82 Lacs. Net Profit for the quarter would have resulted into a Net Loss after tax of Rs. 705.27 Lacs and Net Profit for the six months period would have resulted into a Net Loss after tax of Rs. 72.49 Lacs and the Reserves and Surplus would have been lower by Rs. 707.86 Lacs.
- (b) Attention is invited to Note 3b of the Statement in respect of Plant & Machinery having Net book value of Rs. 3,122.67 Lacs (31/03/2016 - Rs. 3,278.63 Lacs) (Gross Book Value - Rs. 5,580.40 Lacs (31/03/2016 - Rs. 5,580.40 Lacs) that are currently unutilized for over 3 years as on the balance sheet date, for which the management is evaluating alternative use and is of the view that no impairment is considered necessary at this stage. In the absence of impairment assessment, we are unable to comment on recoverability of carrying value of such assets and consequent adjustment that may be required upon such assessment.



4. Based on our review conducted as stated above, except for the effects of the matter described in paragraph 3(a) above and possible effects of the matter described in paragraph 3(b) above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Vijay Agarwal
Partner
(Membership No. 094468)

GURGAON, 12 November, 2016

