


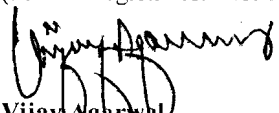


STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS
For audit report with modified opinion to be filed with the stock exchanges




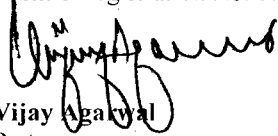
1.	Name of the Company:	Globus Spirits Limited
2.	Annual financial statements for the year ended	31 st March 2016 (Standalone)
3.	Type of Audit qualification	Qualified Opinion
4.	Frequency of qualification	Qualification 3(a) 3 rd year of observation Qualification 3(b) 1 st year of observation
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification:	<p>Note inserted in standalone financial results and Management Response to the qualifications</p> <p>For qualification 3(a) Up to 31/03/2013, the expenses incurred on brand promotion were capitalised as intangibles under the head "Knowhow and New Brand Development". Effective year ended 31/03/2014, the Company adopted a policy of amortising these intangibles over a period of 5 years. During the year, Rs.721.65 Lacs has been recognised as depreciation and amortisation expense. Had the asset been fully expenses off as on 31/03/2016, Fixed Assets would have been lower by Rs. 1,443.30 Lacs (March 31, 2015 – Rs. 2,164.95 Lacs), the depreciation and amortisation expense for the year would have been lower by Rs. 721.65 Lacs, Net Profit after tax for the year and Reserves and Surplus would have been lower by Rs. 943.80 Lacs.</p> <p>For qualification 3(b) As on March 31, 2016, fixed assets include Plant and machinery valued at Rs. 3,278.63 lacs (Gross Book Value – Rs. 5,580.40 lacs) situated at Hissar, Haryana, which are currently unutilised since 3 years for which the Company 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.</p>
6.	Additional comments from the board/audit committee chair:	None

7.	<p>To be signed by-</p> <ul style="list-style-type: none"> • Managing Director • CFO • Audit Committee Chairman • Auditor of the company 	<p>Mr. Ajay Kumar Swarup </p> <p>Mr. Ajay Kumar Goyal </p> <p>Sh. Joginder Singh Dhamija </p> <p>For Deloitte Haskins & Sells Chartered Accountants (Firm's Registration No. 015125N)  Vijay Agarwal Partner (Membership No. 094468)</p>
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STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS
For audit report with modified opinion to be filed with the stock exchanges

1.	Name of the Company:	Globus Spirits Limited
2.	Annual financial statements for the year ended	31 st March 2016 (Consolidated)
3.	Type of Audit qualification	Qualified Opinion
4.	Frequency of qualification	Qualification 4(a) 2 nd year of observation Qualification 4(b) 1 st year of observation
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification:	<p>Note inserted in consolidated financial results and Management Response to the qualifications</p> <p>For qualification 4(a) Up to 31/03/2013, the expenses incurred on brand promotion were capitalised as intangibles under the head "Knowhow and New Brand Development". Effective year ended 31/03/2014, the Company adopted a policy of amortising these intangibles over a period of 5 years. During the year, Rs.721.65 Lacs has been recognised as depreciation and amortisation expense. Had the asset been fully expenses off as on 31/03/2016, Fixed Assets would have been lower by Rs. 1,443.30 Lacs (March 31, 2015 – Rs. 2,164.95 Lacs), the depreciation and amortisation expense for the year would have been lower by Rs. 721.65 Lacs, Net Profit after tax for the year and Reserves and Surplus would have been lower by Rs. 943.80 Lacs.</p> <p>For qualification 4(b) As on March 31, 2016, fixed assets include Plant and machinery valued at Rs. 3,278.63 lacs (Gross Book Value – Rs. 5,580.40 lacs) situated at Hissar, Haryana, which are currently unutilised since 3 years for which the Company 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.</p>
6.	Additional comments from the board/audit committee chair:	None

Page 1 of 2

7.	<p>To be signed by-</p> <ul style="list-style-type: none"> • Managing Director • CFO • Audit Committee Chairman • Auditor of the company 	<p>Mr. Ajay Kumar Swarup </p> <p>Mr. Ajay Kumar Goyal </p> <p>Sh. Joginder Singh Dhamija </p> <p>For Deloitte Haskins & Sells Chartered Accountants (Firm's Registration No. 015125N)  Vijay Agarkar Partner (Membership No. 094468)</p>
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**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
GLOBUS SPIRITS LIMITED**

Tel: +91 (124) 679 2000

Fax: +91(124) 679 2012

1. We have audited the accompanying Standalone Financial Results ("Results") of **GLOBUS SPIRITS LIMITED** ("the Company") for the year ended March 31, 2016 included in the accompanying Statement of Standalone and Consolidated Financial Results ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Results included in the Statement, which are the responsibility of the Company's Management and approved by the Board of Directors, have been prepared on the basis of the related financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Results included in the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Results included in the Statement are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Results included in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Results included in the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Results included in the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Results included in the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

3. (a) Attention is invited to Note 4(a) of the Statement which states that as on March 31, 2016, Fixed Assets include Intangible Assets aggregating to Rs. 1,443.30 Lacs (March 31, 2015 – Rs. 2,164.95 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 – 26 "Intangible Assets". Had the Company complied with requirements of AS-26, Fixed Assets as at March 31, 2016 would have been lower by Rs. 1,443.30 Lacs (March 31, 2015 – Rs. 2,164.95 Lacs), Depreciation and amortisation expense for the year would be lower by Rs. 721.65 Lacs, Net profit after taxes for the year and Reserves and Surplus would be lower by Rs. 943.80 Lacs.
- (b) Attention is invited to Note 4(b) of the Statement in respect of Plant & Machinery having Net book value of Rs. 3,278.63 Lacs (Gross Book Value – 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 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. In our opinion and to the best of our information and according to the explanations given to us, the Results included in the Statement
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) 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, gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, of the net profit and other financial information of the Company for the year ended March 31, 2016.



**Deloitte
Haskins & Sells**

5. The Statement includes the results for the Quarter ended March 31, 2016 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us



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

A handwritten signature in black ink, appearing to read "Vijay Agarwal".

Vijay Agarwal
Partner
(Membership No. 094468)

Gurgaon, May 27, 2016

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

Tel: +91 (124) 679 2000

Fax: +91(124) 679 2012

1. We have audited the accompanying Consolidated Financial Results ("Consolidated Results") of **GLOBUS SPIRITS LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the year ended March 31, 2016 included in the accompanying Statement of Standalone and Consolidated Financial Results ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Results included in the Statement, which are the responsibility of the Holding Company's Management and approved by the Board of Directors, have been prepared on the basis of the related consolidated financial statements which is in accordance with the Accounting Standards, prescribed under Section 133 of the Companies Act, 2013, as applicable, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Consolidated Results included in the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Results included in the Statement are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Results included in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Results included in the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Consolidated Results included in the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Consolidated Results included in the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

3. We did not audit the financial statements of Unibev Limited, subsidiary, included in the consolidated financial results included in the Statement, whose financial statements reflect total assets of Rs.43.35 lacs as at March 31, 2016, total revenues of Rs. Nil for the year ended March 31, 2016, and total loss after tax of Rs. 242.31 lacs for the year ended March 31, 2016, as considered in the consolidated financial results included in the Statement. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the Consolidated Results included in the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditor.
4. (a) Attention is invited to Note 4(a) of the Statement which states that as on March 31, 2016, Fixed Assets include Intangible Assets aggregating to Rs. 1,443.30 Lacs (March 31, 2015 - Rs. 2,164.95 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 - 26 "Intangible Assets". Had the Company complied with requirements of AS-26, Fixed Assets as at March 31, 2016 would have been lower by Rs. 1,443.30 Lacs (March 31, 2015 - Rs. 2,164.95 Lacs). Depreciation and amortisation expense for the year would be lower by Rs. 721.65 Lacs. Net profit after taxes for the year and Reserves and Surplus would be lower by Rs. 945.80 Lacs.

(b) Attention is invited to Note 4(b) of the Statement in respect of Plant & Machinery having Net book value of Rs. 3,278.63 Lacs (Gross Book Value - 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 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.



**Deloitte
Haskins & Sells**

5. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor referred to in paragraph 3 above, the Consolidated Results included in the Statement:
- a. include the results of the following entities:
 - i. Globus Spirits Limited
 - ii. Unibev Limited
 - iii. Globus Trade Bay Limited;
 - b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - c. except for the effects of the matter described in paragraph 1(a) above and possible effects of the matter described in paragraph 4(b) above, gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and other financial information of the Group for the year ended March 31, 2016.

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



A handwritten signature in black ink, appearing to read "Vijay Agarwal".

Vijay Agarwal
Partner
(Membership No. 094468)

Gurgaon, May 27, 2016

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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31/03/2016 AND CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31/03/2016

(Rs. in Lacs)

Sl. No.	Particulars	STANDALONE					CONSOLIDATED	
		Quarter Ended			Year Ended		Year ended	Year ended
		31/03/2016	31/12/2015	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
		Audited (as explained in Note 3)	Unaudited	Audited (as explained in Note 3)	Audited	Audited	Audited	Audited
1	Income from operations							
a)	Sales/Income from operations	27,474.15	26,681.34	22,894.03	99,144.15	88,276.35	99,113.38	88,347.70
	Less: Excise Duty	8,396.98	7,138.73	7,691.92	28,636.39	29,827.07	28,636.39	29,827.07
	Net Sales/Income from operations	19,077.17	19,542.61	15,202.11	70,507.76	58,449.28	70,476.99	58,520.63
b)	Other Operating Income	20.58	123.35	63.58	162.62	118.09	162.62	118.09
	Total income from operations (net) (a)+(b)	19,097.75	19,665.96	15,265.69	70,670.38	58,567.37	70,639.61	58,638.72
2	Expenses							
a)	Cost of materials consumed	11,143.83	11,172.76	9,401.14	40,748.74	35,129.07	40,748.74	35,129.07
b)	Purchase of stock-in-trade	-	-	-	-	-	-	-
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(64.84)	242.41	(1,031.49)	239.89	67.24	239.89	67.24
d)	Employee benefits expense	389.82	388.40	450.72	1,579.77	1,430.68	1,700.40	1,456.68
e)	Depreciation and amortisation expense	1,507.67	1,009.10	771.72	4,216.09	2,872.63	4,216.21	2,872.63
f)	Other expenses	5,427.19	5,989.52	4,930.85	21,111.03	17,067.10	21,244.51	17,094.64
	Total expenses (a)+(b)+(c)+(d)+(e)+(f)	18,403.67	18,802.19	14,522.94	67,895.52	56,566.72	68,149.75	56,620.26
3	Profit from operations before other income, finance costs and exceptional items (1-2)	694.08	863.77	742.76	2,774.86	2,000.65	2,489.86	2,018.46
4	Other Income	145.28	41.13	197.57	382.22	435.62	418.08	399.79
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	839.36	904.90	940.33	3,157.08	2,436.27	2,907.94	2,418.25
6	Finance costs	405.59	462.90	260.44	1,685.27	1,406.71	1,685.93	1,407.94
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	433.77	442.00	679.88	1,471.81	1,029.56	1,222.01	1,010.31
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit from ordinary activities before tax (7+8)	433.77	442.00	679.88	1,471.81	1,029.56	1,222.01	1,010.31
10	Tax Expense	1.63	92.98	322.86	218.04	322.86	218.14	336.30
11	Net Profit from ordinary activities after tax (9-10)	432.14	349.02	357.02	1,253.77	706.70	1,003.87	674.01
12	Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-
13	Net Profit for the period (11-12)	432.14	349.02	357.02	1,253.77	706.70	1,003.87	674.01
14	Share of Profit/(loss) of associates	-	-	-	-	-	-	-
15	Minority Interest	-	-	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)	432.14	349.02	357.02	1,253.77	706.70	1,003.87	674.01
17	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	2,879.93
18	Reserve excluding Revaluation Reserves (as per balance sheet of previous accounting year)	-	-	-	-	32,626.63	33,191.84	32,593.94
19	Earning per share (EPS)							
a)	Basic (not annualised)	1.50	1.21	1.31	4.35	1.96	3.49	1.84
b)	Diluted (not annualised)	1.50	1.21	1.30	4.35	1.93	3.49	1.81



STATEMENT OF ASSETS AND LIABILITIES AS AT 31/03/2016

(Rs. in Lacs)

	Particulars	STANDALONE		CONSOLIDATED	
		As at year ended 31/03/2016 Audited	As at year ended 31/03/2015 Audited	As at year ended 31/03/2016 Audited	As at year ended 31/03/2015 Audited
A	EQUITY AND LIABILITIES				
1	Shareholders' funds				
(a)	Share capital	2,879.93	2,879.93	2,879.93	2,879.93
(b)	Reserves and surplus	33,474.42	32,626.63	33,191.84	32,593.94
(c)	Money received against share warrants	-	-	-	-
	Sub-total - Shareholders' funds	36,354.35	35,506.56	36,071.77	35,473.87
2	Share application money pending allotment	-	-	-	-
3	Minority Interest	-	-	-	-
4	Non-current liabilities				
(a)	Long-term borrowings	15,924.95	4,996.43	15,924.95	4,996.43
(b)	Deferred tax liabilities (net)	4,702.70	4,680.31	4,702.81	4,680.31
(c)	Other long-term liabilities	-	-	-	-
(d)	Long-term provisions	109.53	122.20	109.53	122.20
	Sub-total - Non-current liabilities	20,737.18	9,798.94	20,737.29	9,798.94
5	Current liabilities				
(a)	Short-term borrowings	7,046.26	7,295.50	7,046.26	7,295.50
(b)	Trade payables	7,234.68	7,811.22	7,240.60	7,812.08
(c)	Other current liabilities	3,310.84	3,832.04	3,302.01	3,830.23
(d)	Short-term provisions	246.11	220.64	246.11	234.08
	Sub-total - Current liabilities	17,837.89	19,159.40	17,834.98	19,171.89
	TOTAL - EQUITY AND LIABILITIES	74,929.42	64,464.90	74,644.04	64,444.70
B	ASSETS				
1	Non-current assets				
(a)	Fixed assets	56,557.55	49,171.71	56,558.31	49,171.71
(b)	Non-current Investments	7.23	9.67	0.54	2.98
(c)	Deferred tax assets (net)	-	-	-	-
(d)	Long-term loans and advances	6,702.99	4,435.14	6,395.98	4,435.14
(e)	Other non-current assets	19.20	19.20	19.20	19.20
	Sub-total - Non-current assets	63,286.97	53,635.72	62,974.03	53,629.03
2	Current assets				
(a)	Current investments	7.70	7.28	7.70	7.28
(b)	Inventories	4,141.35	5,005.30	4,141.35	5,005.31
(c)	Trade receivables	3,748.29	3,815.35	3,748.29	3,815.34
(d)	Cash and cash equivalents	2,699.70	643.17	2,722.44	680.46
(e)	Short-term loans and advances	913.05	1,316.05	917.87	1,265.25
(f)	Other current assets	132.36	42.03	132.36	42.03
	Sub-total - Current assets	11,642.45	10,829.18	11,670.01	10,815.67
	TOTAL - ASSETS	74,929.42	64,464.90	74,644.04	64,444.70



Notes:

- 1 The above financial results have been reviewed by the Audit Committee and taken on record in the meeting of the Board of Directors held on 27/05/2016.
- 2 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.
- 3 Figures of last quarter are the balancing figures between the audited figures in respect of the full financial year and the un-audited published figures for the nine months ended December 31, 2015.
- 4 Response to Auditors' qualification on the financial result for the quarter and year ended 31/03/2016.
- 4a Up to 31/03/2013, the expenses incurred on brand promotion were capitalised as intangibles under the head "Knowhow and New Brand Development". Effective year ended 31/03/2014, the Company adopted a policy of amortising these intangibles over a period of 5 years. During the year, Rs 721.65 Lacs has been recognised as depreciation and amortisation expense. Had the asset been fully expenses off as on 31/03/2016, Fixed Assets would have been lower by Rs. 1,443.30 Lacs (March 31, 2015 – Rs. 2,164.95 Lacs), the depreciation and amortisation expense for the year would have been lower by Rs. 721.65 Lacs, Net Profit after tax for the year and Reserves and Surplus would have been lower by Rs. 943.80 Lacs.
- 4b As on March 31, 2016, fixed assets include Plant and machinery valued at Rs. 3,278.63 lacs (Gross Book Value – Rs. 5,580.40 lacs) situated at Hissar, Haryana, which are currently-unutilised since 3 years for which the Company 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.
- 5 Tax expense includes - Current tax expense of Rs. 317.67 Lacs, Deferred tax charge of Rs. 237.25 Lacs and Tax credit related to prior years Rs. 336.88 Lacs.
- 6 Previous period's figures have been regrouped / reclassified wherever necessary, to make them comparable with the current period.

Place: New Delhi

Date: 27 May 2016

DM



For Globus Spirits limited

[Handwritten Signature]
Ajay K. Swarup
Managing Director

[Handwritten Initials]