

**27th**  
**ANNUAL REPORT**  
**2011 - 2012**

**GLOBUS CORPOORATION LIMITED**  
(Previously Known as Karuna Cables Limited)

**BOARD OF DIRECTORS**

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Mr. Mit. M. Shah	Whole Time Director
Mr. N. S. Ranganath	Non-Executive & Independent Director
Mr. Ashok C. Shah	Non-Executive Director
Dr. Mahendra C. Shah	Director (With effect from 29th June 2012)

**AUDITORS**

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M/s Sandip V. Doshi & Co.  
Chartered Accountants

**BANKERS**

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Indian Overseas Bank  
Secunderabad

**REGISTERED OFFICE**

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102, Sanjay Chambers, Choubal Lane,  
V. P. Road, Opera House,  
Mumbai – 400 004

**FACTORY**

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102-A, S. V. C. I. Estate, IDA Bolaram,  
Dist. – Medak (Andhra Pradesh)

**REGISTRAR & SHARE TRANSFER AGENTS**

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M/s Purva Sharegistry (India) Private Limited  
9, Shiv Shakti Industrial Estate,  
Gr. Floor, Sitaram Mill Compound,  
J. R. Boricha Marg, Lower Parel,  
Mumbai – 400 011

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**NOTICE**

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Members of Globus Corporation Limited (Previously known as Karuna Cables Limited) will be held on Saturday 22nd day of September 2012 at 10:00 A.M. at The Swastik League Hall, 324-A Vithalbhai Patel Road, Opera House, Mumbai – 400 004 to transact the following business, with or without modifications.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2012 and Profit & Loss Account for the period ended on that date along with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. N.S. Ranganath - Director of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

4. To consider and thought fit to pass with or without modification the following resolution as on Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 257 and all other applicable provisions, if any, of the Companies Act 1956, Dr. Mahendra C. Shah, who was appointed by the Board of Directors as Additional Director as per the provisions of Section 260 of Companies Act 1956, at their meeting held on 29th June, 2012 and who hold office up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing along with requisite Deposit as per the provisions of Section 257 of Companies Act 1956 from a member proposing the candidature of Dr. Mahendra C. Shah, for the office of the Director, be and is hereby appointed as a Director of the Company.”

**By the Order of the Board of Directors  
For GLOBUS CORPOORATION LIMITED**

Date: 13th August, 2012  
Place: Mumbai

**Mr. Mit M. Shah**  
Whole Time Director

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING AND ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The members are requested to notify immediately changes, if any, in their registered address to the Company's Registrar & Share Transfer Agent M/S Purva Sharegistry (India) Pvt. Ltd., 9, Shiv Shakti Industrial Estate, Gr.floor, Sitaram Mill Compound, J.R.Borecha Marg. Lower Parel. Mumbai-400011, email ID: purvashr@mtnl.net.in.
3. Members who hold Shares in Dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for easy identification at the meeting and number of shares held by them.
4. The Share Transfer Books and the Register of Members will remain closed from Monday, the 17th of September 2012 to Saturday, 22th September 2012 (both days inclusive).
5. At the ensuing Annual General Meeting Mr. N. S. Ranganath – Director, retires by rotation and being eligible offers himself for re-appointment, the brief resume of this director is as under:

Name	N. S. Ranganath
Age	71 Years
Qualification	B.Com, M.A, PGDLLEM & DMM
Expertise in Specific Area	Administrative & in Cable Industries
Date of First Appointment on the Board of the Company	4th July, 2003
Name(s) of the other companies in which Directorship held and Committee Membership/Chairmanship held.	Refer to Report on Corporate Governance

6. At the ensuing Annual General Meeting Mr. Mahendra Shah Director who was appointed by the Board of Directors as Additional Director on 29.6.2012 retires by completion of his term and being eligible offers himself for reappointment, the brief resume of this director is as under :

Name	Mahendra C. Shah
Age	63 Years
Qualification	MBBS
Expertise in Specific Area	Metal, Cable & Conductors and Healthcare
Date of First Appointment on the Board of the Company	29th June, 2012
Name(s) of the other companies in which Directorship held and Committee Membership/Chairmanship held.	NIL

7. Shareholders desiring any information as regards to the Accounts are requested to write to the Company at least Seven days in advance of the Annual General Meeting so that the information, to the extent practicable, can be made available at the Annual General Meeting.
8. **Green initiative in Corporate Governance:** *The Government Of India, Ministry Of Corporate Affairs (MCA) vide its circular no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 has taken a "Green Initiative" and has allowed companies to make service of documents including Annual Report, Audited Financial Statements, Director's Report, Auditor's Report, etc. to the members through the electronic mode, to the registered email addresses of the members. This is a golden opportunity to contribute to our Nation at large. All you have to do is to register your e-mail address with the company to receive communication through the electronic mode.*

**By the Order of the Board of Directors**  
For **GLOBUS CORPOORATION LIMITED**

Date: 13th August, 2012

Place: Mumbai

**Mr. Mit M. Shah**  
Whole Time Director

**EXPLANATORY STATEMENT  
PERSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**ITEM NO. 4**

Dr. Mahendra C. Shah was appointed as an additional director of the company on 29th June, 2012 by the Board of Director of the company, at their meeting, as per the provisions of Section 260 of Companies Act 1956. He holds office of the Company up to the conclusion of the ensuing Annual General Meeting. As required by Section 257 of the Companies Act 1956, a notice has been received from a member signifying his intention to propose the candidature of Dr. Mahendra C. Shah as Director of the Company. The Board recommends his appointment as Director.

Except Mr. Mit M. Shah and Mr. Ashok C. Shah none of the Directors are concerned or interested in this resolution.

**By the Order of the Board of Directors  
For GLOBUS CORPOORATION LIMITED**

Date: 13th August, 2012

Place: Mumbai

**Mr. Mit M. Shah**

Whole Time Director

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their **TWENTY SEVENTH ANNUAL REPORT** together with the Audited Accounts of the Company for the year ended on 31st day of March 2012.

**FINANCIAL HIGHLIGHTS:**

	(Rs. in Lacs)	
	<b>For the year ended on 31.03.2012</b>	For the year ended on 31.03.2011
Turnover	<b>2275.13</b>	2316.12
Other Income	<b>1.26</b>	(0.06)
Total Income	<b>2276.39</b>	2316.06
Total Expenditure	<b>2470.75</b>	2296.47
Profit / (Loss) before Taxation	<b>(194.36)</b>	19.59
Provision for Tax	<b>5.45</b>	14.26
Profit / (Loss) after Taxation	<b>(188.91)</b>	5.33

**OPERATIONAL REVIEW:**

The Sales for the period ended 31.03.2012 were at Rs. 2275.13 lacs as against Rs. 2316.12 Lacs for the previous year. The loss After Tax is Rs. 188.91 Lacs against profit after tax of Rs. 5.33 Lacs for the previous year.

**FUTURE OUTLOOK:**

In the wake of ongoing economic scenario the outlook of the company looks bleak. It is difficult to sustain against domestic as well as world crisis and to maintain itself in prevailing market condition and competition. With rising overhead expenses like interest, labour raw material, power cost the company does not see any favourable outlook. Power supply in the State of Andhra Pradesh has become worse. The state distribution company (APCPDCL) has increased power bills by means of collecting FSA charges and other miscellaneous charges to pay for their financial deficit. This is directly related to industrial power bill increase. The "Telangana Statehood Issue" too has created discomfort and unrest for labours that belong to other states and has resulted in a number of "Bandh" days which has affected timely delivery of supply and caused heavy losses. Since the plant is located in the outskirts of Hyderabad, which is in the heart of the Telangana District the "Bandhs" were unavoidable, not to mention a security risk for labour and staff. This has also slowed public policy and decision making in the State.

Looking at all the above issues of global as well as local grim economic condition experienced by economy, business, Nation and World at large, we the Director of the company are not hopeful of continuing business of manufacturing conductor by the company and hence as a matter of abundant precaution, and for preserving economic value of the company and as a prudent norms of business decided to

suspend its manufacturing and Job work activity. Company has decided to reassess the opportunities, Scope, threat and value of company.

**DIVIDEND:**

In view of the loss and suspension of the company's operation, your Directors have decided not to recommend any dividend for the year under operation.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

As required by clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion and Analysis Report are appended.

**DIRECTORS:**

Mr.N.S.Rangnath retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Directors recommends his re-appointment.

Dr. Mahendra C. Shah was appointed as Additional Director in the Board Meeting held on 29th June, 2012, who hold office up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing along with requisite Deposit as per the provisions of Section 257 of Companies Act 1956 from a member proposing the candidature of Dr. Mahendra C. Shah for the office of the Director.

**PERSONNEL:**

There were no employees during the year or part of the year drawing remuneration, which falls within the preview of the provisions of Section 217 (2A) of the Companies Act 1956.

**AUDITORS' REPORT:**

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence do not call, any further comments under Section 217 of the Companies Act 1956.

**AUDITORS:**

The Auditors M/s Sandip V. Doshi & Co., Chartered Accountants, Mumbai hold the office

until the conclusion of ensuing Annual General Meeting. Your company has received certificate from the Auditors U/S 224(1B) of the Companies Act, 1956 to the effect that their reappointment if made, will be within the limit prescribed.

**FIXED DEPOSITS:**

The Company has not invited / accepted / renewed any fixed deposits as per the provisions of Section 58 A of the Companies Act 1956 from the public during the year under review.

**CORPORATE GOVERNANCE:**

A separate report on the Corporate Governance and Management Discussion & Analysis is attached as a part of the Annual Report. The Auditors' Certificate regarding compliance of the conditions of Corporate Governance is also annexed.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of Section 217 (2AA) of the Companies Act 1956, the directors would like to state that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review

iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) The Directors have prepared the Annual Accounts on a going concern basis.

**CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY & FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information relating to Conservation of Energy, Technology absorption and Foreign Exchange Earning and Outgo as stipulated under Section 217 (1) (e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is set out in the separate statement, attached to this report & forms part of it.

**ACKNOWLEDGEMENTS:**

Your Company & its Directors wish to extend their sincerest thanks to the Bankers, State Government, Customers, Suppliers and Staff for their continuous co-operation & guidance.

**By the Order of the Board of Directors  
For GLOBUS CORPOORATION LIMITED**

Date: 13th August, 2012  
Place: Mumbai

**Mr. Mit M. Shah**  
Whole Time Director



**ANNEXURE TO DIRECTORS' REPORT**

Information as per Section 217 (1) (e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988.

**A. CONSERVATION OF ENERGY**

The capacity of the plant utilized partially, so there was no need to use Generator.

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.**

<b>Sr. Particulars</b>	<b>31-03-2012</b>	<b>31.03.2011</b>
1. Electricity		
a. Purchased Units	<b>58484</b>	92114
Total Amount in Rs.	<b>692062</b>	779903
Average Rate	<b>11.83</b>	8.46

*(The rate per unit of Electricity has been increased due to fixed cost for minimum consumption, which is not achieved due to lower manufacturing activity.)*

b. Own Generation	—	—
Unit per litre of Diesel	—	—
Cost per unit	—	—
2. Coal Specify quality where used	—	—
Quantity (Tonnes)	—	—
Total Cost	—	—
Average Cost	—	—
3. Furnace oil	—	—
Quantity (List)	—	—
Total Amount	—	—
Average Rate	—	—

**B. TECHNOLOGY ABSORPTION**

Indigenous technology is used. Continuous efforts are being made to improve the quality of Conductors in terms of Conductivity, Resistance, etc. by R&D team.

**C. FOREIGN EXCHANGE EARNING AND OUTGO:**

Total Foreign Exchange Used:	NIL
Total Foreign Exchange Earned:	NIL

**By the Order of the Board of Directors  
For GLOBUS CORPOORATION LIMITED**

Date: 13th August, 2012  
Place: Mumbai

**Mr. Mit M. Shah**  
Whole Time Director

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors hereby present the Management Discussion and Analysis report for the year ended on 31st March 2012.

### a. INDUSTRY STRUCTURE, DEVELOPMENT-

Globus Corpooration Limited is engaged in manufacturing ACSR, AAA Conductors. The power sector is a key infrastructure back bone of the country, which needs to grow faster than the average growth of the economy. The electrical conductor industry has become very unstable. Out of 35 Companies in the State of Andhra Pradesh only 5 are operational. Due to stalled reforms, lack in demand of conductors from government or private sector, non-availability of power and labour, unrest in the region and higher cost of finance and increased overheads has lead the Company to operational losses. The Company now has reached a stage where it cannot sustain itself. With increasing electricity cost, frequent power cuts, higher interest costs, volatile raw material price fluctuations and delayed payments from customers the Company has decided to suspend all Manufacturing and Job Work activity in the interest of abundant precaution, and for preserving economic value of the company and as a prudent norms of business. Company has decided to reassess the opportunities, scope, threat and value of company.

### b. OPPORTUNITES, THREATS AND RISKS

The world and local economies have not improved. Manufacturing in India is at its all time low. The government (both Center and State) have given no help to help SSI (Small Scale Industries) in the manufacturing sector. The Telangana issue has been hampering the production and business. The Company could not manufacture and deliver the material in time due to frequent power cuts and "Bandhs" in the name of Telangana. This has led the Company to incur penalty and has sustained losses. The instability of the world economy has led to very high volatility of raw material prices. This has also led to losses. The above factors have had an adverse effect on the demand for conductors in the. It has resulted in a very cut-throat competitive environment.

### c. SEGMENTWISE PERFORMANCE:

The company operations are broadly bifurcated into two segments, Manufacturing and Trading.

### d. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:

The company has adequate internal control system commensurate with the size. The committee has been appointed to reassess the value of assets and liabilities of the company in light of closure of business activity.

### e. OUTLOOK:

The future of the industry does not look quite encouraging in the short to medium term. Due to above mentioned grim factors it is not possible to continue running business. Hopefully in the long term the world economic crisis may have stabilized to create a better outlook for the Industry.

### f. HUMAN RESOURCES & INDUSTRIAL RELATION:

The company has paid all dues to their laborer along with provident fund and is thankful to all its laborers for their continued support.

**CORPORATE GOVERNANCE REPORT****(1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The company's continued endeavor is to attain highest standards of transparency, responsibility and accountability and achieve good governance. The Company is constantly trying to attain these standards in our dealing with employees, shareholders, consumers and community at large. The Board of Directors represents the interest of the company, which is in the interest of the shareholders by way of providing necessary guidance and strategic vision to the company. The Board of Directors primary strategic vision is to preserve the economic value of the company; this is directly related to ensuring the wellbeing of all its stakeholders.

**(2) BOARD OF DIRECTORS**

The composition of the Board, Category of Directors and Number of Directorship & Membership / Chairmanship of Committees in other Companies are as under:

Name of Director	Category	No. Of Outside Directorship (s) Held		No. Of Outside Committee Position Held	
		Public	Private	Member	Chairman
Mr. Mit M. Shah	Whole Time Director	NIL	1	NIL	NIL
Mr. Ashok Shah	Non-Executive Director	NIL	NIL	NIL	NIL
Mr. N. S. Ranganath	Independent & Non-Executive Director	NIL	NIL	NIL	NIL
Dr. M. C. Shah	Promoter Director	NIL	NIL	NIL	NIL

\* Dr. M. C. Shah has appointed w.e.f. 29th June, 2012.

The code stipulates that the Company shall have an optimum combination of Executive & Non-executive Director with not less than 50 % of Board of Directors comprising of Non-executive Directors. The number of independent Directors would depend on whether the Chairman is executive or non-executive. In case of non-executive chairman, at least 1/3 of Board should comprise of independent directors and in case of Executive Chairman, at least 1/2 of the Board should comprise of independent directors.

Number of Board Meetings:

During the year under review, 5 Board Meeting were held on 11th May, 2011, 11th July, 2011, 12th August, 2011, 12th November, 2011, 4th February, 2012

Directors Attendance Record

Name of Director	Category	Board Meeting attended during the year	Whether last AGM attended
Mr. Mit M. Shah	Whole time Director	5	Yes
Mr. N. S. Ranganath	Non-Executive, Independent	3	No
Mr. Ashok C. Shah	Director	4	Yes

None of the Directors of the Company are members of more than Ten Committees of Board or the Chairman of more than Five Committees across all Companies in which they are Directors.

The details of other Committee Chairmanship and Membership held by the Directors of the Company as at 31st March 2012 are given below:

<b>Name of the Director</b>	<b>Chairman of Committee*</b>	<b>Member of Committee*</b>
Mr. Mit M. Shah	-	2
Mr. N. S. Ranganath	1	1
Mr. Ashok Shah	1	1

\* Only two committees, namely, Audit Committee and Shareholder/Investor Grievance Committee have been considered as per Clause 49 of the Listing Agreement.

### (3) AUDIT COMMITTEE

The Board of Directors of the Company has constituted an Audit Committee. The terms of reference to the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement as well as Section 292 A of the Companies Act 1956.

Presently, the committee consists of 3 Directors; One director is executive and other 2 directors are non-executive & one of them is independent. The committees met 5 times during the year under review on 11th May, 2011, 11th July, 2011, 12th August, 2011, 12th November, 2011 and 4th February, 2012.

The terms of reference of the Audit Committee include, overseeing of the Company's financial reporting process, recommending the appointment and removal of the external auditors, fixation of the audit fees with management, the annual financial statements, the adequacy of internal control systems, internal audit function, reviewing the company's financial and risk management policies, review of the expenses vis-à-vis budget, report on compliances with statutory requirements, reviewing compliances as regards the Company's Whistle Blower Policy etc. The audit committee reviews the adequacy of internal control systems etc. as mentioned in the scope and powers of the Audit Committee in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

The minutes of the Audit Committee are circulated to the Board, discussed and taken note of at the Board Meeting.

**The attendance record of the members at the meeting is as under.**

<b>Name of Director</b>	<b>Designation</b>	<b>No. Of Meeting Attended</b>
Mr. N. S. Ranganath	Chairman	3
Mr. Mit M. Shah	Member	5
Mr. Ashok C. Shah	Member	4

### (4) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Board of Directors of Company has constituted Shareholders / Investors Grievance Committee. Presently, the Committee consists of 3 Directors & Chairman of the Committee is non-executive independent director.

The attendance record of the members at the meeting is as under:

<b>Name of Director</b>	<b>Designation</b>	<b>No. Of Meeting Attended</b>
Mr. Ashok C. Shah	Chairman	4
Mr. Mit M. Shah	Member	5
Mr. N. S. Ranganath	Member	3

In order to facilitate prompt and efficient services to the Shareholders, for transactions in connections with transfer, transmission, dematerialization etc. Company has appointed M/S Purva Sharegistry (India) Pvt. Ltd. as Registrar & Share Transfer Agent as per the circular issued by the SEBI.

The compliant received during the year were resolved promptly.

**(5) REMUNERATION COMMITTEE AND POLICY:**

The Board of Directors has not constituted Remuneration Committee, the Board of Directors with the approval of the members in the general meeting decides the remuneration payable to Wholetime/Executive Directors taking into account their qualification, experience, contribution and the prevailing levels of remuneration in companies of corresponding size & nature subject to compliance of provisions of the Companies Act, 1956.

The details of remuneration paid to Mr. Mit Shah, Whole Time Director for the year ended 31st March, 2012 is given below:

1	Gross salary including taxable perquisites	Rs. 350000
2	Company's contribution to PF	Rs. —
	Total	Rs. 350000

\* The company has not paid sitting fees in the financial year 2011-2012 to any of the non - executive directors.

**(6) GENERAL BODY MEETING**

(a) Details of last three Annual General Meeting are as under:

Financial Year	Date	Time	Venue	Special Resolution Passed
2010-2011	24 <sup>th</sup> Sept., 2011	10.00 A.M.	The Swastik League Hall, 324-A, Vithalbhai Patel Road, Opera House, Mumbai-400004	NIL
2009-2010	18 <sup>th</sup> Sept., 2010	10.00 A.M.	The Swastik League Hall, 324-A, Vithalbhai Patel Road, Opera House, Mumbai-400004	Appointment of Mr. Mit Shah as Whole Time Director
2008-2009	29 <sup>th</sup> Sept., 2009	10.15 A.M.	The Swastik League Hall, 324-A, Vithalbhai Patel Road, Opera House, Mumbai-400004	1. Appointment of Mr. M C Shah as MD 2. Commencement of New Business

(b) **Postal Ballot:**

During the year no resolutions were put through postal ballot and during the current year no resolution is proposed to be conducted through postal ballot.

(c) **Special Resolution:**

Financial Year	Date of Meeting	No. of Special Resolution passed
2009-2010	18 <sup>th</sup> July, 2009 22 <sup>nd</sup> January, 2010	1. Change of name of the company 1. Alteration in object clause of Memorandum of Association 2. To commence business not germane to the existing business.
2008-2009	25 <sup>th</sup> October, 2008 (Postal Ballot)	1. Amendment in Memorandum of Association 2. Commencement of new business 3. Alteration of Articles of Association 4. Resolution u/s 293(1)(a) 5. Resolution u/s 372A
2007-2008	11 <sup>th</sup> July, 2007	1. Delisting from other Stock Exchange

**(7) DISCLOSURES**

a) Disclosure on materially significant related party transaction i.e. transaction of the Company of the material nature, with the promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

There is no related party transaction.

- b) Details of non-compliance by the company, penalties and strictures imposed on the Company by stock Exchange or SEBI or other authority on any matter related to capital markets during last three years:

SEBI (Securities And Exchange Board Of India) vide order dated 15th June, 2009 issued direction under section 19 of the Securities And Exchange Board Of India Act, 1992 read with section 11, 11B and 11(4) of the securities And Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practice Relating to Securities Market) Regulation, 2003, hereby restrain Karuna Cables Limited and Dr. Mahendra C. Shah, from accessing the securities market and further prohibit them from buying, selling or dealing in Securities market, directly or indirectly, for a period of six months.

As per the order of the SEBI dated 24th June 2010, Managing Director, Dr. Mahendra Shah has resigned from the Board of Directors of the Company and he has made an appeal against the order of the SEBI.

As per the order of the SEBI dated 14th February, 2012, the show cause notice issued against Dr. Mahendra Shah was deposed of by the Whole-Time Member.

- c) **Code of Conduct**

The Board has laid down a code of conduct for all the Board Members and senior Management of the company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis.

- d) **Whistle Blower Policy**

The Company does not have any Whistle Blower Policy as of now but no personnel are being denied any access to the Audit Committee.

- e) **Secretarial Audit**

A qualified practicing Company Secretary has carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- f) **Details of Companies with mandatory requirements and adoption of the non -mandatory requirements of this clause :**

The Company has complied with all the mandatory requirements. As regards the non - mandatory requirements they are complied with to the maximum extent.

- g) **CEO CERTIFICATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges the Whole time Director of the Company has certified to the Board in compliance with the Clause 49 (V) regarding CEO/CFD certification.

**(8) MEANS OF COMMUNICATION**

Half yearly report sent to each household of shareholders.	No, as the Results of the Company are published in the new papers and press Releases are also issued.
Quarterly Results	-do-
Any website where displayed	We are in the process of developing on company's website
Newspaper in which results are normally published in	1. Free press General 2. Navshakti
Whether Management Discussion and Analysis is a part of the Annual Report	Yes

Pursuant to the requirement of Clause 47 (F) of the Listing Agreement, the company has also created email address for making investor's grievance directly i.e. investor@globuscorp.co

As per Clause 41 of Listing Agreement of Stock Exchanges the Quarterly (un-audited provisional) and Annual Audited Financial Results of the Company are sent to the Stock Exchanges immediately after the Board approves them. The results are published in accordance with the provisions of Listing Agreement with Stock Exchanges.

**(9) GENERAL SHAREHOLDERS INFORMATION****(a) Annual General Meeting**

Date	22th September 2012
Venue	The Swastik League Hall, 324-A Vithalbai Patel Road, Opera House, Mumbai – 400 004
Time	10:00 A.M

**(b) Financial Calendar**

For 1st quarter ended on 30th June 2012	: on or before 15th August 2012
For 2nd quarter ended on 30th September 2012	: on or before 15th November 2012
For 3rd quarter ended on 31st December 2012	: on or before 15th February 2013
For last quarter ended on 31st March 2013	: on or before 15th May 2013
AGM for the year ended on 31st March 2013	: on or before 30th September 2013

**(c) Book Closure**

The Share Transfer Books and the Register of Members will remain closed from Monday the 17th day of September, 2012 to Saturday, the 22nd day of September, 2012 (both days inclusive).

**(d) Listing in Stock Exchanges & Stock Codes**

The names of Stock Exchanges at which the equity shares are listed and respective stock codes are as under:

Name of Stock Exchange	Stock Code
The Stock Exchange Mumbai	531904
The National Stock Exchange	Company has applied for revocation of suspension in trading.

**(e) Stock Data:**

Monthly High / Low of Market price of Company's Equity Shares traded on the Stock Exchange Mumbai during the financial year ended on 31st March 2012 was as under:

Month	(Amount in Rs.)	
	High	Low
April 2011	0.73	0.54
May 2011	0.66	0.53
June 2011	0.69	0.45
July 2011	0.59	0.42
August 2011	0.55	0.37
September 2011	0.52	0.38
October 2011	0.49	0.33
November 2011	0.43	0.33
December 2011	0.42	0.36
January 2012	0.47	0.34
February 2012	0.48	0.40
March 2012	0.46	0.35

**(f) Distribution of Shareholding as on 31st March 2012 was as under:**

Holding of nominal value of Rs. (No. of Shares)	No. of Shareholders	% of Shareholders	Shares In Rs.	% of Shares
Upto 5000	3430	67.95	5923706	4.64
5001 to 10000	681	13.49	5592034	4.38
10001 to 20000	390	7.73	6463790	5.06
20001 to 30000	138	2.73	3433518	2.69
30001 to 40000	94	1.86	3425662	2.68
40001 to 50000	68	1.35	3162304	2.48
50001 to 100000	94	1.86	7110404	5.57
100001 & above	153	3.03	92606582	72.51
<b>Total</b>	<b>5048</b>	<b>100.00</b>	<b>127718000</b>	<b>100.00</b>

**(g) Shareholding Pattern as on 31st March 2012 was as under:**

Category	No. Of Shares Held	% Of Capital	No. Of Holders	% of Holders
Resident Individuals	33440083	52.37	4745	94.00
Bodies Corporate	17825300	27.91	161	3.19
Clearing Members	162139	0.25	7	0.14
Directors	1727500	2.71	5	0.10
Director Relatives	3289425	5.15	5	0.10
Promoter Relatives	2907000	4.55	3	0.06
N.R.I. (Non-Repat)	65290	0.10	4	0.08
N.R.I. (Repat)	360583	0.58	25	0.50
Hindu Undivided Family	4072680	6.38	93	1.84
<b>Total</b>	<b>63859000</b>	<b>100.00</b>	<b>5048</b>	<b>100.00</b>

**(h) Percentage of Shares held in physical & dematerialized form:**

As on 31st March 2012, 77.17 % of Shares was held in dematerialized form and the rest 22.83 % in physical form. The ISIN Number of Company is "INE774B01028".

**(i) Plant Location:**

102-A, S. V. C. I. Estate, IDA Bolaram,  
Dist. – Medak (Andhra Pradesh)

**(j) Address for Correspondence:**

102, Sanjay Chambers, Choubal Lane,  
V. P. Road, Opera House, Mumbai – 400 004  
Ph: 022-23873609  
Email : mumbai@globuscorp.co

**(k) Address of Registrar & Share Transfer Agents:**

M/s Purva Sharegistry (India) Private Limited  
9, Shiv Shakti Industrial Estate,  
Gr.Floor, Sitaram Mill Compound, J.R.Boricha Marg,  
Lower Parel, Mumbai – 400 011  
Ph: 02223010771  
Email : purvashr@mtnl.net.in



**DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management personnel have confirmed compliance with the code of conduct for the financial year ended 31st March 2012.

For **GLOBUS CORPOORATION LIMITED**

Date: 13th August, 2012

Place: Mumbai

**Mr. Mit M. Shah**

Whole Time Director

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of Globus Corpooration Limited  
(Previously known as Karuna Cables Limited)  
Mumbai

We have examined the compliance of conditions of Corporate Governance by Globus Corpooration Limited for the year ended on 31st March, 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our Examination was limited to the procedures and implementation thereof, adopted by the Company to ensure Compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Agreement under the clause 49 except that, the website designing and posting of necessary information of the listing requirements on the company's website started last year is still in progress; and that the Company Secretary's office that has been vacated is still vacant for non-availability of the right candidate in spite of the advertisement and other efforts made in that direction. However, though it has been explained to us the management of the company is committed to be persistent in their efforts to ensure that these conditions are also fulfilled at the earliest.

We have to state that as per the records maintained by the Company, there was no investor grievance during the year under review.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **SANDIP V. DOSHI & CO**

*Chartered Accountants*

Place : Mumbai

Date : 13th August, 2012

**(Sandip V. Doshi)**

Proprietor

Membership No. 048949

## AUDITORS' REPORT

To,  
The Members of GLOBUS CORPOORATION LIMITED  
(Previously known as Karuna Cables Limited)

We have audited the attached Balance Sheet of **GLOBUS CORPOORATION LIMITED** as at 31st March, 2012 and the Profit & Loss Account of the Company for the period ended on that date and the cash flow statement for the year ended on that date, annexed thereto. These Financial Statements are the responsibility of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003, as amended by the Companies (Auditors' Report) Order, 2004 (together 'the order'), issued by the Central Government of India in terms of in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred below, we report that:
  - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion proper books of account, as required by law have been kept by the Company, so far as appears from our examination of such books maintained at the Head Office and at the Factory.
  - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account, maintained at the Head Office and at the Factory.
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the applicable accounting standards, referred in section 211 (3C) of the Companies Act, 1956.
  - e) On the basis of written representation received from the directors, as on 31st March, 2012, and taken on record by the Board of Directors of the company, we report that none of the directors is disqualified from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - f) In our opinion & to the best of our information & according to the explanations given to us, except and subject to our qualification as given in notes (scheduled 17) under clause no.2 (Part B), the said accounts together with the other notes thereon and attached thereto give the information required by the Companies Act, 1956, in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India:
    - i) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2012
    - ii) In the case of the Profit & Loss Account, of the Company for the period ended on that date; and
    - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date,

For **SANDIP V. DOSHI & CO**  
*Chartered Accountants*

Place : Mumbai  
Date : 13th August, 2012

**(Sandip V. Doshi)**  
Proprietor  
Membership No. 048949

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 1 of our Report of even date to the Members of Globus Corporation Limited.)

- (i) In respect of fixed assets:
    - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, except for some of the network equipments taken over in the Scheme of Arrangement where the records are maintained for group of similar assets and not for each individual asset. The fixed assets register does not contain item-wise depreciation and accumulated depreciation.
    - (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification. As informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of the physical verification of the network equipment needs to be improved further having regard to the size of the Company and the nature of its assets.
  - (ii) In respect of its inventory:
    - (a) The management has conducted physical verification of inventory at year end.
    - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
    - (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
  - (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 ('the Act'). Accordingly, the provisions of Clause 4 (iii) (b), (c) and (d) of the Companies (Auditors Report) Order, 2003 (as amended) are not applicable to the Company.
  - (b) The Company had taken loan from one company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year was Rs. 71,11,684/- and the year- end balance of loans taken from such party was **Rs. 69,31,684/-**
  - (c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
  - (d) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets, sale of goods and advertising and carriage services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. However, the internal control system for the sale of services for analogue subscription is inadequate since the Company does not have written agreements with customers in some cases which are an industry issue as per management.
- (iv) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under Section 301 have been so entered.
  - (v) The Company has not accepted any deposits or Fixed Deposits from the public with the meaning of Section 58A of the Companies Act, 1956 and rules made there under.
  - (vi) To the best of our knowledge and as explained, the Central Government has prescribed maintenance of cost records under Clause (d) of sub-section (1) of Section 209 of the Act for the products of the Company. Also as informed by the Company it has taken necessary steps to implement the system.

- (vii) (a) Undisputed statutory dues including provident fund, investor education and protection fund, or employees. state insurance, income tax, sales tax, wealth tax, service tax, customs duty, cess have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious.
- (b) According to the information and explanations given to us, undisputed dues in respect of provident fund, investor education and protection fund, employees. state insurance, income tax, wealth tax, service tax, sales tax, customs duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

<b>Name of the Statue</b>	<b>Nature of Dues</b>	<b>Amount in Rs.</b>	<b>Details of Payment</b>
Income Tax Act	INCOMETAX DUES	Rs.801961/-	AMOUNT PAYABLE

- (c) The Company is regularly paying the ESIC and PF in time.
- (d) In our opinion, the accumulated losses at the end of the financial year are not more than fifty percent of its net worth.
- (viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution and banks, including interest payments as per rescheduled dates in a few cases. The Company has not issued any debentures.
- (ix) As explained to us, the Company has a regular procedure for the determination of unserviceable / damaged stores, raw materials and finished goods. Adequate provisions have been made in the accounts for the loss arising on the items so determined
- (x) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xi) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of Clause 4(xiii) of the Companies (Auditors Report) Order, 2003 (as.amended) are not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xiii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act.
- (xiv) The Company has not raised money by public issues during the year.
- (xv) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **SANDIP V. DOSHI & CO**  
*Chartered Accountants*

Place : Mumbai  
Date : 13th August, 2012

**(Sandip V. Doshi)**  
Proprietor  
Membership No. 048949

**BALANCE SHEET AS AT 31ST MARCH, 2012**

(Amount in Rupees)

<b>PARTICULARS</b>	<b>SCH. NO.</b>	<b>AS AT 31-03-2012</b>	<b>AS AT 31-03-2011</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
1 Shareholder's Funds			
1.1 Share Capital	1	127,481,750.00	127,481,750.00
1.2 Reserves and Surplus	2	(17,196,570.09)	1,694,304.54
		<u>110,285,179.91</u>	<u>129,176,054.54</u>
2 Non-Current Liabilities			
2.1 Long-Term Borrowings	3	32,926,706.17	30,098,162.65
2.2 Other Long Term Liabilities	4	11,794,189.00	9,437,640.00
		<u>44,720,895.17</u>	<u>39,535,802.65</u>
3 Current Liabilities			
3.1 Trade Payables	6	3,552,445.60	9,714,119.68
3.2 Short-Term Provisions	7	1,272,896.00	1,172,573.00
		<u>4,825,341.60</u>	<u>10,886,692.68</u>
	<b>TOTAL</b>	<b><u>159,831,416.68</u></b>	<b><u>179,598,549.87</u></b>
<b><u>ASSETS</u></b>			
5 Non-Current Assets			
5.1 Fixed Assets			
5.1.1 Tangible Assets	8	27,611,679.81	30,414,158.40
5.2 Non-Current Investments	10	16,000.00	16,000.00
5.3 Deferred Tax Assets(Net)	9	4,189,950.54	3,644,596.59
		<u>31,817,630.35</u>	<u>34,074,754.99</u>
6 Current Assets			
6.1 Inventories	11	61,179,785.57	71,078,077.55
6.2 Trade Receivables	11	58,802,399.49	65,109,796.31
6.3 Cash & Cash Equivalents	11	644,980.73	1,314,087.40
6.4 Short term Loans & Advances	12	7,386,620.54	8,021,833.62
		<u>128,013,786.33</u>	<u>145,523,794.88</u>
	<b>TOTAL</b>	<b><u>159,831,416.68</u></b>	<b><u>179,598,549.87</u></b>

Accompanying notes form part of Financial Statement

As per our Report of Even Date attached.

**For SANDIP V. DOSHI & CO.**

Chartered Accountants,

**(SANDIP V. DOSHI)**

(Proprietor)

Membership No. 048949

Place: Mumbai

Date : 13th August, 2012

**20**

For and behalf of the Board.

**For GLOBUS CORPOORATION LIMITED****Mr. Mit M Shah**

Whole Time Director

**Ashok C. Shah**

Director

Place: Mumbai

Date : 13th August, 2012

**PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31ST MARCH, 2012**

(Amount in Rupees)

PARTICULARS	SCH. NO.	YEAR ENDED 31-03-2012	YEAR ENDED 31-03-2011
I. Revenue From Operations	13	227,512,854.84	231,611,877.40
II. Other Incomes	14	125,776.98	(5,977.42)
III. Total Revenue(I+II)		227,638,631.82	231,605,899.98
IV. Expenses			
IV. I. Cost of Materials Consumed	15	223,079,955.00	230,097,397.13
IV. II. Purchase of Stock in Trade		-	-
IV. III. (Increase)/Decrease in stocks	16	9,898,292.07	(14,153,413.55)
IV. IV. Employee Benefit Expenses	17	2,473,546.30	2,586,949.70
IV. V. Finance Cost	19	4,757,471.05	3,591,924.02
IV. VI. Depreciation & Amortization expense	5	2,812,478.59	2,839,794.59
IV. VII. Other Expenses	18	4,053,117.48	4,683,784.14
V. Profit Before Exceptional & Extraordinary items & Tax (III-IV)		(19,436,228.67)	1,959,463.95
VI. Exceptional Items			
VII. Profit Before Extraordinary items & Tax (V-VI)		(19,436,228.67)	1,959,463.95
VIII. Extraordinary items		-	-
IX. Profit Before Tax (VII-VIII)		(19,436,228.67)	1,959,463.95
X. Tax Expense			
X.I. Current Tax		-	255,205.00
X.II. Deferred Tax	9	545,354.04	(1,171,084.41)
XI. Profit/(Loss) for the period from continuing Operations(IX-X)		(18,890,874.63)	533,174.54
XII. Profit/(Loss) for the period		(18,890,874.63)	533,174.54
XIII. Earnings per share			
Basic		(0.30)	0.01
Diluted		(0.30)	0.01

Accompanying notes form part of Financial Statement

As per our Report of Even Date attached.

**For SANDIP V. DOSHI & CO.**

Chartered Accountants,

**(SANDIP V. DOSHI)**

(Proprietor)

Membership No. 048949

Place: Mumbai

Date : 13th August, 2012

For and behalf of the Board.

**For GLOBUS CORPOORATION LIMITED****Mr. Mit M Shah**

Whole Time Director

**Ashok C. Shah**

Director

Place: Mumbai

Date : 13th August, 2012

**SCHEDULES ANNEXED TO & FORMING PART OF THE ACCOUNTS  
AS AT 31st MARCH, 2012**

		As At 31-03-2012 (Rs.)	As At 31-03-2011 (Rs.)
<b>SCHEDULE 1</b>			
<b>SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
15,00,00,000 Equity Shares of Rs. 2/-		300,000,000.00	300,000,000.00
<b>TOTAL</b>		300,000,000.00	300,000,000.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>			
Fully Paid 63701500 Eqty Shares of Rs. 2/-		<u>127,403,000.00</u>	<u>127,403,000.00</u>
Partly Paid 157500 Eqty Shares of Rs. 2/-	315,000.00		
Less: Calls in Arrears	(236,250.00)	78,750.00	78,750.00
<b>TOTAL</b>		<u>127,481,750.00</u>	<u>127,481,750.00</u>
<b>SCHEDULE 2</b>			
<b>RESERVES &amp; SURPLUS</b>			
General Reserve			
Opening Balance		984,859.00	984,859.00
Less:- Transfer to the Profit and Loss Account		(984,859.00)	-
Closing Balance	A	<u>-</u>	<u>984,859.00</u>
Surplus in statement of Profit & Loss Account			
Opening Balance		709,445.54	176,271.00
Profit / (Loss) for the year		(18,890,874.63)	533,174.54
Less:- Transfre from General Reserve		984,859.00	-
Closing Balance	B	<u>(17,196,570.09)</u>	<u>709,445.54</u>
<b>TOTAL</b>	A+B	<u>(17,196,570.09)</u>	<u>1,694,304.54</u>
<b>SCHEDULE 3</b>			
<b>LONG TERM BORROWINGS</b>			
<b>SECURED LOANS</b>			
Indian Overseas Bank CC A/c		30,022,919.17	30,023,444.05
N.S.I. C.		2,903,787.00	74,718.60
<b>TOTAL</b>		<u>32,926,706.17</u>	<u>30,098,162.65</u>
<b>SCHEDULE 4</b>			
<b>OTHER LONG TERM LIABILITIES</b>			
<b>UNSECURED LOANS</b>			
Loan from Directors		4,862,505.00	3,546,956.00
Loan from Others (Intercorporate loan).		6,931,684.00	5,890,684.00
<b>TOTAL</b>		<u>11,794,189.00</u>	<u>9,437,640.00</u>

**SCHEDULE 5:  
FIXED ASSETS**

Particulars	Rate of Dep.	Cost as on 01/04/11	Addition / (Deletion)	Cost as on 31/03/12	Depn upto 31/03/11	Current Depn.	Total Depn.	WDV as on 01/04/11	WDV as on 31/03/12
Land		4,228,110.00	-	4,228,110.00	-	-	-	4,228,110.00	4,228,110.00
Building	3.34	8,081,667.00	-	8,081,667.00	4,436,480.68	269,927.68	4,706,408.36	3,645,186.32	3,375,258.64
Plant & Machinery	4.75	50,650,795.00	10,000.00	50,660,795.00	28,821,912.76	2,405,912.76	31,227,825.52	21,828,882.24	19,432,969.48
Office Equipment	6.33	585,230.00	-	585,230.00	447,628.06	37,045.06	484,673.12	137,601.94	100,556.88
Furniture & Fixtures	6.33	349,144.00	-	349,144.00	314,640.82	22,100.82	336,741.64	34,503.18	12,402.36
Computer/Printers	16.21	236,565.00	-	236,565.00	236,565.00	-	236,565.00	-	-
Air Conditioners	6.33	71,600.00	-	71,600.00	16,339.28	4,532.28	20,871.56	55,260.72	50,728.44
Car	9.50	768,000.00	-	768,000.00	283,386.00	72,960.00	356,346.00	484,614.00	411,654.00
<b>TOTAL</b>		<b>64,971,111.00</b>		<b>64,981,111.00</b>	<b>34,556,952.60</b>	<b>2,812,478.59</b>	<b>37,369,431.19</b>	<b>30,414,158.40</b>	<b>27,611,679.81</b>

 As At 31-03-2012  
(Rs.)

 As At 31-03-2011  
(Rs.)

**SCHEDULE 6**
**CURRENT LIABILITES**
**TRADE PAYABLES**

Sundry Creditors (for Goods)

3,552,445.60

9,714,119.68

**TOTAL**
3,552,445.60
9,714,119.68
**SCHEDULE 7**
**SHORT TERM PROVISIONS**

Provisions

1,272,896.00

917,368.00

Provision For Income Tax

-

255,205.00

**TOTAL**
1,272,896.00
1,172,573.00
**SCHEDULE 8**
**NON-CURRENT ASSETS**
**FIXED ASSETS**

Fixed Assets- Tangibles

27,611,679.81

30,414,158.40

**TOTAL**
27,611,679.81
30,414,158.40
**SCHEDULE 9**
**DEFERRED TAX LIABILITIES (NET)**

Deferred Tax Liabilities

i) Depreciation related to Fixed Assets

4,189,950.63

4,543,933.67

Deferred Tax Assets

i) Unabsorbed Depreciation carried forward

-

-

ii) Disallowance under Income - Tax

-

899,337.08

iii) Others

-

-

Closing Balance

4,189,950.63
3,644,596.59

Opening Balance

3,644,596.59
4,815,681.00

Net Deferred Tax Charge/ (Credit)

545,354.04
(1,171,084.41)



	As At 31-03-2012 (Rs.)	As At 31-03-2011 (Rs.)
<b>SCHEDULE 10</b>		
<b>NON-CURRENT INVESTMENTS</b>		
National Saving Certificate	16,000.00	16,000.00
<b>TOTAL</b>	<u>16,000.00</u>	<u>16,000.00</u>
<b>SCHEDULE 11</b>		
<b>CURRENT ASSETS</b>		
<b>INVENTORIES</b>		
As verified, valued and certified by management		
Finished Goods	914,043.95	1,051,837.90
Stock Trading	60,265,741.62	70,026,239.65
<b>TOTAL</b>	<u>61,179,785.57</u>	<u>71,078,077.55</u>
<b>TRADE RECEIVABLES</b>		
Considered Good		
Over Six Months	53,313,457.07	12,244,746.19
Other	5,488,942.42	52,865,050.12
Considered Doubtful	-	-
<b>TOTAL</b>	<u>58,802,399.49</u>	<u>65,109,796.31</u>
<b>CASH &amp; BANK EQUIVALENTS</b>		
Cash in Hand	688,504.86	470,276.36
Bank Balances		
In Current A/c (Bank Overdraft)	(263,484.13)	328,914.04
FDs with Banks	219,960.00	514,897.00
<b>TOTAL</b>	<u>644,980.73</u>	<u>1,314,087.40</u>
<b>SCHEDULE 12</b>		
<b>SHORT TERM LOANS &amp; ADVANCES</b>		
Unsecured, Considered good		
Deposits/ Receivables from Govt. Depts., Excise, Income Tax etc.	1,370,646.06	1,618,261.00
Loans & Advances	6,015,974.48	6,401,904.62
TDS	-	1,668.00
<b>TOTAL</b>	<u>7,386,620.54</u>	<u>8,021,833.62</u>
<b>SCHEDULE 13</b>		
<b>REVENUE FROM OPERATIONS</b>		
A. Sales Income		
Manufacturing and	226,730,152.84	33,203,308.00
Others Sales	-	197,784,268.40
Job Work	782,702.00	624,301.00
<b>TOTAL</b>	<u>227,512,854.84</u>	<u>231,611,877.40</u>

**GLOBUS CORPOORATION LIMITED**

(Formerly Known as Karuna Cables Limited)

**27th Annual Report 2011-12**

	As At 31-03-2012 (Rs.)	As At 31-03-2011 (Rs.)
<b>SCHEDULE 14</b>		
<b>OTHER INCOME</b>		
Gross Interest Received on FDR	99,027.00	6,733.00
Other Interest	15,919.98	16,680.00
Loss on Share Trading	-	(29,390.42)
Subsidy	10,830.00	-
<b>TOTAL</b>	<b>125,776.98</b>	<b>(5,977.42)</b>
<b>SCHEDULE 15</b>		
<b>COST OF MATERIALS CONSUMED</b>		
Opening Stock	-	2,339,204.00
Add: Purchases	223,079,955.00	161,668,945.13
Less: Closing Stock	-	-
Trading Purchases	-	66,089,248.00
<b>TOTAL</b>	<b>223,079,955.00</b>	<b>230,097,397.13</b>
<b>SCHEDULE 16</b>		
<b>INCREASE/ DECREASE IN STOCK</b>		
Closing Stock	61,179,785.48	71,078,077.55
Less: Opening Stock	71,078,077.55	56,924,664.00
<b>TOTAL</b>	<b>9,898,292.07</b>	<b>(14,153,413.55)</b>
<b>SCHEDULE 17</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salary / Bonus - Factory Hyderabad	1,123,741.00	1,163,570.00
Salary / Bonus - Office Mumbai	897,000.00	933,500.00
Casual/Labour Wages	66,339.00	134,912.00
Medical Expenses	6,002.30	1,895.70
Provident Fund expense	27,700.00	83,711.00
ESIC Expenses	18,609.00	26,484.00
Staff & Labour Welfare Expenses	2,764.00	-
Contract Expenses	331,391.00	242,877.00
<b>TOTAL</b>	<b>2,473,546.30</b>	<b>2,586,949.70</b>

	As At 31-03-2012 (Rs.)	As At 31-03-2011 (Rs.)
<b>SCHEDULE 18</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Professional Tax	7,500.00	7,500.00
Power & Generator Maintenance and Electricity	764,155.98	835,373.00
Repair & Reconditioning & Maintenance	13,690.00	52,957.00
Vehicle Maintenance & Insurance	275,416.97	305,116.20
General Exp. & Office Expenses	302,507.56	318,950.30
Transport & Freight Charges.	144,530.00	198,064.00
Excise Duty	223,497.00	109,926.00
Vat Mumbai/Hydrabad	64,343.00	171,032.00
Postage, Telephone/ Printing Charges, Courier Expenses	218,118.82	233,903.39
Security Charges.	189,079.00	237,540.00
Tender & Court Charges	-	35,791.70
Legal & Professional Charges	106,200.00	204,100.00
Membership & Subscription Charges	2,705.00	20,000.00
N. S. I. C. Charges	345,367.00	
Licence Fees,Rent, Rates & Taxes	379,283.00	372,212.00
Discounts & Rebates	364,686.00	276,644.56
Loading & Unloading, Forwarding Charges.	450.00	52,852.00
Factory General Expense	120,812.00	571,836.87
Advertisement, Business Promotion & Misc. Expenses	73,735.60	190,342.97
Travelling & Conveyance	216,492.55	316,604.15
Listing, ROC Fees, Share Trfr Charges, AGM Exps.	75,548.00	75,317.00
Income Tax	100,000.00	-
Auditor's Remuneration		
For Audit Fees	65,000.00	65,000.00
For Others	-	32,721.00
<b>TOTAL</b>	<b>4,053,117.48</b>	<b>4,683,784.14</b>
<b>SCHEDULE 19</b>		
<b>FINANCE COST</b>		
Bank Charges	179,086.05	166,767.30
Bank Interest	4,131,175.00	3,425,156.72
Other Interest	447,210.00	-
<b>TOTAL</b>	<b>4,757,471.05</b>	<b>3,591,924.02</b>

**SCHEDULE No. 16 :-****Notes forming part of accounts.****PART A :-****A) Significant Accounting Policies:-**

The financial statements are prepared under the historical cost convention and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India.

**B) Fixed Assets :-**

Fixed assets are stated at cost less depreciation reserve, and no revaluation in case of fixed assets made during the year.

**C) Depreciation: -**

Depreciation is claimed by the company as per the provisions of Companies Act, including on revalued assets at the rates specified in schedule XIV on original cost as per straight-line method & there is no change in the method of charging depreciation as compared to previous year.

**D) Inventory:-**

- a) Raw material are valued at cost or net realisable value whichever is lower.
- b) Finished products are valued at cost or net realisable value whichever is lower.
- c) During the year, company has sold old stock of materials to the tune of Rs.239 lacs, which has been rejected by the vendor stating the reason of goods having inferior quality after year end, as per accounting standards we have valued the stock at not realizable value of Rs. 59 lacs (scrap value) thereby incurring net loss of Rs. 180 lacs in the account. Also we as on Auditors of the company has recommended the management to value the stock as per net realizable value or cost whichever is lower by the independent committee consisting of independent valuer from outside and/or stores department. Against which management has accepted the suggestion and assured us for the same.

**E) Research & Development: - Nil****F) Revenue Recognition:-**

Sale of goods is recognized on dispatch to customers. Sales include amounts recovered towards sales tax and excise duty and are net of returns. Also company has issued invoices for the late payment of the bills and taken the charges as income.

**G) Foreign Currency transaction :-**

There are no foreign currency transactions during the year.

**H) Investments:-**

Investments are stated at cost. Interest accrued thereon is not accounted.

**I) Accounting of Modvat Credit / Excise: -**

Modvat credit is not accounted for separately, accordingly the stocks are valued at cost including excise duty. Excise duty is recognized on the goods manufactured. During the year company has availed vat set-off as under

- a) Maharashtra value added tax Nil
- b) Andhra Pradesh value added tax Rs. 97,35,425/-

**J) Provisions for Retirement Benefits: -**

No provision is made separately nor any payment under the head made. It is reported by the management that the payment shall be made on actual payment basis. The company has suspended its business activity w.e.f. 29.07.2012 and workers have been paid their due and outstanding. However office staff is still working and their retirement benefits are workable at that time.

**K) Taxes on Income:-**

The provision for taxation has been made as per the provisions of Income Tax Act, 1961.

**L) Deferred Tax Liability/Asset:-**

Deferred Tax is accounted for subject to consideration of prudence of deferred tax assets at the current rate of tax, on timing differences being the difference between taxable incomes & accounting income that originates in one period and are capable of reversal in one or more subsequent periods. The difference in tax liability on carry forward losses is also considered in the current year for accounting deferred tax.

**M) EARNING PER SHARE:-**

	<u>31.03.2012</u>	<u>31.03.2011</u>
Loss after tax (Rs. In Lacs) .....	<b>(188.91)</b>	5.33
Weighted number of equity shares Outstanding .....	<b>6,37,01,500</b>	6,37,01,500
(only fully paid shares)		
Basic Earning Per Share .....		
(Face Value of Rs. 2/- Per Share)	<b>(Rs 0.30)</b>	Rs. 0.01

**PART B: -****1. Contingent Liability:-**

- a) The management has reported that there is no contingent liability in respect of Bank guarantee except the bank guarantees of aggregate of Rs. 50.07 lacs given to four power distribution companies and N.S.I.C. for the amount of their outstanding contracts. Out of these Rs. 12.61 Lacs B.G. secured by way of Fixed Deposit with Banks.
- b) Tata SSL Limited has filed a Summary Suit against the company for a claim of Rs. 41, 48,696/- plus interest. The company has already accounted for Rs. 32, 76,471/- in its books of accounts being amount payable to Tata SSL Limited. Tata SSL had already orally committed to us that they will start supplying material to us and we gradually pay their dues in installments as mutually decided. As and when, the particular requirement of material arises, the company will proceed. Accordingly, the difference amount of claim is contingent. The matter has not yet come for hearing till date.
- c) Pankaj Metals Pvt.Ltd. has filed summary suit against the company for a claim of Rs 9106848/- Which is pending before the Hon'ble high court.
- d) In the case of TNEB award in the arbitration proceedings has been awarded in favour of company, however, award amount has been not issued to the company on the ground that TNEB will file appeal against the award however till date no appeal has been filed by them.
- e) On 31.05.2012, Assistant Commissioner of Sales Tax, Enforcement Branch, has passed an order demanding.

Financial Year	Vat Liability	Interest	Penalty	Demand of Rs.
2005-06	2988775.00	3261275.00	2988775.00	9238825.00
2006-07	1525987.00	1346165.00	1525987.00	4398139.00
2008-09	94345.00	52000.00	94345.00	240690.00

Against which company has already filed an appeal for waiver of interest and penalty.

- f) On re-assessment of Income Tax for Assessment year 2006-07, assessing officer has issued notice demanding Rs.29,24021/- against which company has made rectification application U/s 154 of Income Tax Act. 1961 for giving credit of Tax already paid.
- 2) Balances of sundry debtors, creditors, loans & advances are as provided by the Management if any. , management has been told to confirm the balances of sundry debtors, creditors and loans and they have replied that the same will be provided later on. During the audit process, it has been came to notice that certain debtors and creditors are set-

off by way of book entries citing the reason that company has purchase as well as sale with above said parties, and they are associate parties.

- 3) No Provision for Doubtful debts is made / provided for the year.
- 4) In the opinion of Board of Directors, Current Assets, Loans & Advances have a value on realization at least equal to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in account for all known liabilities except stated otherwise.
- 5) Based on the information with the Company, there are no suppliers who are registered as Micro, Small, and Medium Enterprise as at 31.03.2012 in terms of the provisions of " The Micro, Small, and Medium Enterprise Development Act, 2006."
- 6) In view of the suspension of business of the company, the Whole Time Director has waived part of his salary & has not claimed for any commission, P.F., perquisites & other funds hence the computation of net profit under section 349 of the Companies Act, 1956, is not required.
- 7) Since company has suspended its manufacturing and business activity and hence laborers at the plant are laid off and their balances are settled.

**8) Details of Payment to Auditors: -**

For Audit	Rs. 65,000
<b>Total</b>	<b>Rs. 65,000</b>

- 9) Information in regard to licensed capacity and installed capacity.

Description of Goods: -	Licensed Capacity	Installed Capacity
Power Conductors / Cables	5000 M.T.	5000 M.T.

Installed Capacity as certified by the Management on triple shift basis and accepted / relied by the Auditors being technical matter.

**10) Segment Reporting: -**

- a) The Primary business segments are:
  - Manufacturing Activity (Power Conductor Cables)
  - Trading activities

The details of the manufacturing and trading activities including the significant items are given in clause no 12, 13, 14 and 15 and are hence not reported separately.

Particulars	Amount (Rupees in Lacs)		
	Segment A	Segment B	Total
<b>Revenue</b>			
Segment Revenue +	225.52	2049.61	2275.13
Less: Inter segment Revenue	0.00	0.00	0.00
Total Revenue	225.52	2049.61	2275.13
<b>Results</b>			
Profit Before Interest	-174.20	27.41	-146.79
Less: 1) Interest *			47.57
2) Unallocable expenses net of unallocable income	N.A.	N.A.	N.A.
Total Profit Before Tax			-194.36
<b>Assets/Liabilities**</b>			
Segment Debtors	27.91	560.11	588.02
Segment Creditors	0.13	35.39	35.52

- + There is regrouping of manufacturing excisable goods sale and trading excisable goods sale and hence difference of segment revenue as compared to reported unaudited quarterly results.
- \* Interest expenses is unallocable between the segment and hence taken in total
- \*\* The segment wise details of other assets and liabilities is not reported as it is not possible to differentiate the details in view of the nature of activities of the business and the inherent nature of assets and liabilities.
- b) As far as the secondary business segment is concerned the operations of the company are only spread within the geographical region of India and there are no activities outside India.
- c) Segments have been identified and reporting is done according to the nature of products and services, the differing risk and returns, the organisation structure and internal financial reporting systems.
- d) Segment Revenue, results, assets and liabilities are reported, wherever possible, based on the respective amount identifiable to each of the segments and amounts allocated on reasonable basis.
- 11) There are no Related Party Transactions as certified by the Management in this regards, except the loans from Directors and their relatives and rent for office to relative of Director as mentioned in the financial statements. No payment by way of interest in made to these related parties.
- 12) Previous year figures are regrouped, rearranged and rounded off wherever necessary.
- 13) The Break up of the Deferred Tax Liability for the year is as under:

Refer Schedules forming part of the Balance sheet Schedule No.9

Signature to Schedule 1 to 19, which form an integral part of the accounts.

As per our Report of Even Date attached.

**For SANDIP V. DOSHI & CO.**

Chartered Accountants,

**(SANDIP V. DOSHI)**

(Proprietor)

Membership No. 048949

Place: Mumbai

Date : 13th August, 2012

For and behalf of the Board.

**For GLOBUS CORPOORATION LIMITED**

**Mr. Mit M. Shah**

Whole Time Director

**Ashok C. Shah**

Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**  
(Pursuant to Clause - 32 of the Listing Agreement)

*(Rs. in lacs)*

PARTICULARS	Year ended 31.03.2012	Year ended 31.03.2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxation & Extra-ordinary Item	(194.36)	19.59
Adjustments for :		
Depreciation	28.12	28.40
Interest Received	(1.15)	(0.23)
Loss On Share Trading	-	0.29
Finance Charges	47.57	35.92
<b>Operating profit before working capital changes</b>	<b>(119.82)</b>	83.97
Increase in Inventories	98.98	(118.14)
Decrease in trade & other payable	1.00	1.36
Decrease in other current assets	69.43	(63.18)
Decrease in trade payable	(61.62)	46.37
<b>Cash generated from operations</b>	<b>(12.03)</b>	(49.62)
Income taxes paid	-	(2.55)
<b>Net cash from operating activities</b>	<b>(12.03)</b>	(52.17)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of fixed assets	(0.10)	0.54
Loss On Share Trading	-	(0.29)
Interest received on Investments	1.15	0.23
<b>Net cash from investing activities</b>	<b>1.05</b>	0.48
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Financial charges	(47.57)	(35.92)
Additions to/Repayment of Bank Borrowing	28.29	2.07
Additions to/Repayment of other Borrowing	23.57	45.18
<b>Net cash from financing activities</b>	<b>4.29</b>	11.33
<b>Net increase in cash &amp; cash equivalents</b>	<b>(6.69)</b>	(40.36)
Cash & cash equivalents at the beginning of the period	13.14	53.50
Cash & cash equivalents at the end of the period	6.45	13.14

For and on Behalf of the Board of Directors  
For **GLOBUS CORPOORATION LIMITED**

**Mr. Mit M. Shah**  
Whole Time Director

**Ashok C. Shah**  
Director

**AUDITORS' CERTIFICATE**

We have examined the above Cash Flow Statement of Globus Corporation Limited. for the period ended 31st March 2012. The statement has been prepared by the Company and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the Members of the Company.

For **SANDIP V. DOSHI & CO.**  
*Chartered Accountants*

Place : Mumbai  
Date : 13th August, 2012

**(Sandip V. Doshi)**  
Proprietor  
Membership No. 048949



**GLOBUS CORPOORATION LIMITED**

(Formerly Known as Karuna Cables Limited)

**27th Annual Report 2011-12****GLOBUS CORPOORATION LIMITED**

(Previously known as Karuna Cables Limited)

Regd. Office: 102, Sanjay Chambers, Chouble Lane, V. P. Road, Opera House, Mumbai – 400 004.

**ATTENDANCE SLIP****27th Annual General Meeting – 22th September 2012.**

I / We hereby record my / our presence at the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Company held at The Swastik League Hall, 324-A Vithalbhair Patel Road, Opera House, Mumbai – 400 004 on Saturday the 22th September 2012 at 10:00 a.m.

Full Name of member \_\_\_\_\_

Regd. Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Client ID No. \_\_\_\_\_ D. P. ID No. \_\_\_\_\_

Full Name of Proxy \_\_\_\_\_

Member's / Proxy's Signature \_\_\_\_\_

Note: A Shareholder / Proxy wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly filled and signed.

----- TEAR HEAR -----

**GLOBUS CORPOORATION LIMITED**

(Previously known as Karuna Cables Limited)

Regd. Office: 102, Sanjay Chambers, Chouble Lane, V. P. Road, Opera House, Mumbai – 400 004.

**PROXY FORM**

DP ID

Registered Folio No.

Client ID

I / We \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_

being a Member / Members of the above named Company, hereby appoint Shri. / Smt. \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ in the \_\_\_\_\_

District of \_\_\_\_\_ as my / our Proxy to attend and vote for me / us and on my / our behalf at the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Company to be held on Saturday, 22th September 2012 at 10:00 a.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Signature

Affix Re. 1/- Revenue Stamp
--------------------------------------

Note: The Proxy must be deposited at the Registered Office at 102, Sanjay Chambers, Choubal Lane, V. P. Road, Opera House, Mumbai – 400 004, not less than FORTY EIGHT HOURS before the time fixed for holding this Meeting.

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(Previously Known as Karuna Cables Limited)

102, Sanjay Chambers, Choubal Lane,  
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Mumbai - 400 004.  
Maharashtra (India)