

Globus Spirits Limited

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For Immediate Release

H1 FY2012

Total Income up by 30.3% at Rs. 3,262.8 million

EBITDA up by 29.8% at Rs. 365.8 million

PAT up by 21.2% at Rs. 212.6 million

EPS at Rs. 9.24

New Delhi, October 31, 2011

Globus Spirits Limited (GSL), a leading North Indian player in the spirits sector including IMFL & Country Liquor announced its results for the second quarter and half year ended September 30, 2011.

Performance Review for Q2 FY2012 vis-à-vis Q2 FY2011

- Total income higher by 31.2% at Rs. 1,677.5 million compared to Rs. 1,279.1 million
- Operating Profits higher by 10.0% at Rs. 170.9 million compared to Rs. 155.4 million
- Profit after Tax (PAT) higher by 0.6% at Rs. 96.8 million compared to Rs. 96.2 million
- EPS stood at Rs. 4.21 compared to Rs. 4.18

Performance Review for H1 FY2012 vis-à-vis H1 FY2011

- Total income higher by 30.3% at Rs. 3,262.8 million compared to Rs. 2,504.7 million
- Operating Profits higher by 29.8% at Rs. 365.8 million compared to Rs. 281.8 million
- Profit after Tax (PAT) higher by 21.2% at Rs. 212.6 million compared to Rs. 175.4 million
- EPS stood at Rs. 9.24 compared to Rs. 7.63

Balance Sheet Snapshot (Consolidated)

Particulars (Rs. million)	30 September 2011	30 September 2010
Gross block	2,848	2,093
Net worth	2,298	1,888
Total debt	790	405
Break-up of total debt		
o Working capital	492	272
o Term loan	191	105
o Others	107	28
Cash & Cash Equivalents	46	28

Commenting on Globus Spirit Limited’s Q2 & H1 FY2012 results, Mr. Ajay Kumar Swarup, Managing Director of Globus Spirits Limited said:

“We have witnessed a strong performance in our Country Liquor and branded IMFL segments in this quarter, both of which have recorded a volume growth of close to 97% and 59% respectively. The bulk alcohol space showed subdued volumes as the new plants are expected to stabilize at full capacity in the current quarter and also higher utilization of spirits for own consumption for Country Liquor and branded IMFL. The volume in bulk alcohol space should be noticeably better in next six months of FY2012 with higher production at plants. Though there is moderation in margins in the current quarter, it is not a major area of concern for us as we expect significant upside in performance once the plants deliver utilizations to their rated capacities. Overall, with initiatives that span volume growth, market expansion, brand launches and new product introductions, we believe, GSL is well poised to report a sustained growth performance going forward.”

Q2 & H1 FY2012

Business Overview

Branded IMFL

The branded IMFL space is one of the fastest growing segments in the Indian alcohol industry. GSL's branded IMFL business is witnessing good traction on the back of growing acceptance of its flagship brand 'County Club'. The branded IMFL business is in a rapid growth phase and recorded volumes of 1.8 lac cases including sales from tie ups in Q2 FY2012 up by 59.3% compared to Q2 FY2011. Branded IMFL contributed Rs. 107.3 million to the total revenue in Q2 FY2012 translating in a revenue share of 6.4%. The revenue through tie up units stood at Rs. 35.6 million.

For H1 FY2012 the branded IMFL business recorded total volumes (including sales from tie ups) of 3.51 lac cases compared to 1.99 lakh cases in H1 FY2011 up by 76.4%.

Country Liquor (CL):

The Country Liquor segment continued to show solid growth on account of strong rural demand and a healthy monsoon. CL contributed Rs. 894.8 million of the total revenue in Q2 FY2012 comprising 53.5% of the total revenue share. The CL segment reported volumes of 42.9 lakh cases in Q2 FY2012 compared to 21.77 lakh cases in Q2 FY2011 up by 97.0%.

For H1 FY2012 the CL business recorded volumes 69.61 lac cases compared to 43.26 lac cases up by 60.9%.

Franchisee IMFL & Bulk Alcohol

The Franchisee IMFL space recorded volumes of 1.72 lac cases in Q2 FY2012 contributing Rs. 287 million to the total revenue comprising revenue share of 17.2%. Apart from the

Q2 & H1 FY2012

above, Franchisee IMFL on bottling job work basis was 0.9 lac cases taking the total franchisee volume to 2.62 lac cases. The bulk alcohol volumes remain subdued as the new plants stabilized contributing Rs. 174.4 million to the total revenue share with volumes of 36.4 lac BL. The revenue share of the bulk alcohol space stood at 10.4%. Going forward, the bulk alcohol segment is expected to witness significant ramp up in volume.

Company Outlook:

- Stabilization of expanded capacities to substantially drive the volumes H2 FY2012 onwards
- Branded IMFL business to witness higher volumes and profitability
- Country Liquor segment to benefit on account of sustained rural demand
- Significant performance upside in the next year on the back of higher operational efficiencies, increased volumes, grater market penetration, brand growth focus and expanding geographical reach

Q2 & H1 FY2012

About Globus Spirits Limited (GSL)

Established in 1992, Globus Sprits Limited (BSE code: 533104, NSE Id: GLOBUSSPR, ISIN Id: INE615I01010) is engaged in manufacturing, marketing and sale of Industrial Alcohol comprising of Rectified Spirit, ENA, Country Liquor and Indian Made Foreign Liquor (IMFL). The Company has a well established presence in the country liquor segment and is making its mark in the IMFL segment apart from taking up contract bottling to cater to renowned Indian players.

GSL currently operates two modern and fully integrated distilleries at Behror, Dist: Alwar, (Rajasthan) and Samalkha, Dist: Panipat, (Haryana), which have a combined capacity of 70 million bulk litres (BL) per annum. Post-merger with Associated Distillers Limited (ADL) the capacity of GSL has increased to 84.4 million BL.

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***Note:** Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Globus Spirits Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

Financial Performance for the quarter ended and half year ended September 30, 2011



Q2 & H1 FY2012

GLOBUS SPIRITS LIMITED

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2011

(Figure in Lacs)

S. No.	Particulars	Quarter ended	Corresponding 3	Year to date	Year to date	Previous
		30.09.2011	months ended in the previous year 30.09.2010	figures for current period ended 30.09.2011	figures for the previous year ended 30.09.2010	accounting year ended 31.03.2011
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. (a)	Net Sales/Income from operations	16,716.37	12,668.26	32,429.66	24,838.88	52,157.77
(b)	Other Operating Income	58.88	123.09	198.27	208.14	520.66
	Total	16,775.25	12,791.36	32,627.93	25,047.02	52,678.43
2	Expenditure					
	Increase/decrease in stock in trade and work in progress	(713.69)	(47.56)	(433.15)	(39.82)	(16.11)
a.	Consumption of raw & Packing materials	7,793.96	5,686.85	13,548.28	11,138.16	22,221.02
c.	Purchase of Traded goods					
d.	Excise Duty Paid	3,515.48	3,421.31	7,804.65	6,557.42	14,022.89
e.	Employees Cost	194.44	152.53	376.84	328.13	674.33
f.	Depreciation	315.63	159.18	616.30	325.77	694.32
g.	Other expenditure	4,275.67	2,023.68	7,673.02	4,244.92	9,326.36
h.	Total	15,381.50	11,395.99	29,585.94	22,554.57	46,922.82
3	Profit from operation before other Income, Interest and Exceptional Items (1-2)	1,393.75	1,395.36	3,041.99	2,492.45	5,755.60
4	Other Income	24.28	15.57	44.36	37.00	68.00
5	Profit before interest and Exceptional Items (3+4)	1,418.03	1,410.93	3,086.36	2,529.45	5,823.60
6	Interest	117.95	56.91	231.90	109.54	283.89
7	Profit after Interest and Exceptional Items (5-6)	1,300.08	1,354.02	2,854.45	2,419.91	5,539.71
8	Exceptional Items					
9	Profit (+)/Loss (-) from Ordinary Activities before Tax (7+8)	1,300.08	1,354.02	2,854.45	2,419.91	5,539.71
10	Provision for Tax - Current Tax	254.63	254.99	532.38	437.49	1,104.01
	- Deferred Tax	77.51	136.58	196.14	228.33	442.54
11	Net Profit (+)/Loss (-) from Ordinary Activities after Tax (9-10)	967.94	962.45	2,125.93	1,754.10	3,993.16
12	Extraordinary Item (net of tax expense Rs.)					
13	Net Profit (+)/Loss (-) for the period (9-10)	967.94	962.45	2,125.93	1,754.10	3,993.16
14	Paid up equity share capital (Face Value of the share shall be indicated)	2,299.77	2,299.77	2,299.77	2,299.77	2,299.77
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	20,680.71	16,583.89	20,680.71	16,583.89	18,554.77
16	Earning per share (EPS) a) Basic and diluted EPS before Extraordinary items (not annualised)	4.21	4.18	9.24	7.63	17.36
	b) Basic and diluted EPS after Extraordinary items (not annualised)	4.21	4.18	9.24	7.63	17.36
17	Public Shareholding					
	- No. of shares	7,930,231	7,940,231	7,930,231	7,940,231	7,940,231
	- Percentage of shareholding	40.14	40.19	40.14	40.19	40.19
18	Promoters and promoter group shareholding					
a)	Pledged/Encumbered					
	- Number of shares	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL
b)	Non-encumbered					
	- Number of shares	11,827,510	11,817,510	11,827,510	11,817,510	11,817,510
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100.00	100	100	100
	- Percentage of shares (as a % of the total share capital of the company)	59.86	59.81	59.86	59.81	59.81

Notes :

- The above results have been reviewed by the Audit Committee and taken on record in the meeting of the Board of Directors held on 31st October 2011.
- The results for the quarter ended 30th September 2011 have been subjected to "limited review" by the Auditors.
- The company has a single reportable business segment of "Alcoholic Beverages"
- Status of Investor Complaints during the quarter ended 30th September 2011.
No. of Complaints pending at the beginning of the quarter : NIL
No. of Complaints received & disposed during the quarter : NIL
No. of Complaints lying unresolved at the end of the quarter : NIL
- Previous period figures have been regrouped & rearranged wherever necessary.
- Paid-up Share Capital includes Rs.3,24,00,000/- (i.e.- 32,40,000 equity shares of Rs.10/- each) allotted on 03/10/2011 pursuant to approval of scheme of demerger by Hon'ble High Court of Delhi. However in the shareholding pattern the same has not been considered because shares have been allotted after the quarter ending 30/09/2011.

Place : New Delhi
Date : 31st October 2011

For Globus Spirits Limited

Ajay K. Swarup
Managing Director

SUMMARY OF ASSETS & LIABILITIES AS AT 30TH SEPTEMBER, 2011

(Figures in Lacs)

S. No.	Particulars	Half-Year Ended	Half-Year Ended
		AS ON 30.09.2011	AS ON 30.09.2010
		Unaudited	Unaudited
1	Capital	2,299.77	2,299.77
2	Reserve and Surplus	20,680.71	16,583.89
3	Loan Funds		
4	Secured Loans	6,869.84	4,029.15
5	Unsecured Loans	1,027.89	28.20
6	Deferred Tax Liabilities (Net)	2,798.14	2,394.04
7	TOTAL	33,676.35	25,335.05
8	Net Fixed Assets (including Capital Work in Progress)	24,168.03	17,983.10
9	Investments	11.77	9.53
10	Current Assets, Loans and Advances	17,402.02	13,521.03
11	Less: Current Liabilities and Provisions	7,905.47	6,178.68
12	Net Current Assets	9,496.55	7,342.35
13	Miscellaneous Expenditure (not written off or adjusted)	-	0.07
	TOTAL	33,676.35	25,335.05