

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF GLOBUS SPIRITS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **GLOBUS SPIRITS LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Attention is invited to note 5 of the unaudited financial results, relating to the search and seizure carried out by the Income Tax Department from January 30, 2023 to February 03, 2023 concerning the Company. Since the proceedings are currently in progress, there is an uncertainty as regards the impact, if any, of the outcome of the proceedings, which cannot be ascertained at this point of time.

Our conclusion on the Statement is not modified in respect of this matter.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN: 23105546BGXMQT8243)

Place: Gurugram
Date: February 14, 2023

Globus Spirits Limited

F - 0, Ground Floor, The Mira Corporate Suites, Plot No. 1 & 2,
Ishwar Nagar, Mathura Road, New Delhi - 110065

CIN : L74899DL1993PLC052177

Tel No. : 011-66424600

Fax No : 011-66424629

Website : www.globusspirits.com

Email : corpoffice@globusgroup.in

Statement of Unaudited Financial Results for the Quarter and Nine months ended Dec 31,2022

(Rs. in Lacs)

S.No	Particulars	Quarter ended			Nine Month ended		Year ended
		Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	March 31, 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	INCOME						
1	Revenue from Operations	80,913	63,346	54,502	212,554	168,961	234,384
2	Other Income	124	210	217	506	482	663
3	TOTAL INCOME (1+2)	81,037	63,556	54,719	213,060	169,443	235,047
	EXPENSES						
	Cost of materials consumed	36,170	27,550	18,908	93,202	55,195	83,020
	Changes in inventories of finished goods and work in progress	(622)	739	(933)	(157)	900	818
	Excise duty on sale of goods	21,673	15,317	19,796	55,744	58,982	76,467
	Employee benefits expense	1,818	1,372	1,051	4,606	3,573	5,008
	Finance costs	504	251	236	975	868	1,143
	Depreciation and amortisation expenses	1,492	1,294	1,048	4,036	3,126	4,256
	Other expenses	15,994	13,875	9,845	41,927	25,887	36,209
4	TOTAL EXPENSES	77,029	60,398	49,951	200,333	148,531	206,921
5	PROFIT BEFORE TAX (3-4)	4,008	3,158	4,768	12,727	20,912	28,126
	TAX EXPENSES						
	Current Tax	701	226	662	2,224	4,538	5,470
	Deferred Tax	613	718	1,055	1,867	2,508	3,929
7	NET PROFIT FOR THE PERIOD (5-6)	2,694	2,214	3,051	8,636	13,866	18,727
8	Other Comprehensive Income						
	A. (i) Items that will not be reclassified to Profit or Loss	25	(14)	12	16	35	21
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	(8)	4	(4)	(6)	(12)	(7)
9	TOTAL COMPREHENSIVE INCOME (7+8)	2,711	2,204	3,059	8,646	13,889	18,741
10	Paid Up Equity Capital	2,880	2,880	2,880	2,880	2,880	2,880
11	Face Value of the Share (INR)	10	10	10	10	10	10
	EARNINGS PER SHARE (of Rs. 10/- each) (not annualised):						
	(a) Basic	9.35	7.69	10.60	29.99	48.16	65.02
	(b) Diluted	9.35	7.69	10.60	29.99	48.16	65.02



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Notes to Unaudited Financial Results for the Quarter and Nine months ended December 31, 2022

- 1 These results have been prepared in accordance with the recognition and measurement principles as laid down in the Indian Accounting Standards (referred to as "Ind AS 1 prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on February 14, 2023.
- 2 The Company is engaged in the business of manufacture and sale of Indian Made Indian Liquor (IMIL), Indian Made Foreign Liquor (IMFL), Ethanol, Bulk Alcohol and Franchise Bottling. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result into identification of different ways / sources in to which they see the performance of the Company. Accordingly, the Company has a single reportable segment. Hence, the disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in terms of Ind AS 108 "Operating Segments" are not applicable.
- 3 On June 26, 2020 Directorate General of Goods and Services Tax (GST) Intelligence (DGGI) carried out search proceedings at various premises of the Company. Pursuant to this, Company has deposited Rs. 2,741 Lacs under protest towards GST liability which may arise on account of issue regarding classification of one of the item sold by the Company. The Company has filed writ petition before Hon'ble Delhi High Court challenging the action of DGGI and seeking refund of amount deposited by the Company.

Subsequently, The Ministry of Finance, Department of Revenue vide its Circular No. 163/19/2021-GST dated October 06, 2021 has provided clarification on the classification of the said item. The Company has started collecting GST on the said item from its customers w.e.f October 11, 2021 and depositing it under protest. Basis the legal advice obtained by the management, that the circular issued by the government is ultra vires the provisions of the GST laws, the Company has filed writ petition challenging the constitutional validity of imposing GST on the said item before Hon'ble Delhi High Court. During the previous quarter, the Company had deposited Rs. 448 Lacs towards interest and Rs. 254 Lacs towards penalty on the above GST paid under protest.

Proceedings in respect of above matters are in progress before Hon'ble Delhi High Court and on the basis of legal opinion obtained, the Management is confident that ultimately no liability will devolve on the Company and it will be able to get the refund of GST including interest and penalty aggregating to Rs. 3,443 Lacs from the Department.

- 4 The Company has ongoing proceedings under Haryana Value Added Tax Act, 2003 in respect of Value Added Tax liability arising on account of issue regarding classification of one of the item sold by the Company for the year 2010-11 to 2016-17 in Samalkha involving amount of Rs. 735 lacs and for the year 2010-11 to 2012-13 in Hisar involving amount of Rs. 326 lacs. The Company has filed appeals against the demand orders received in respect of these proceedings, which are pending for disposal at various forums.
- 5 Subsequent to the quarter ended December 31, 2022, the Income Tax Department ("the Department") has conducted a search and seizure operation at the head office of the Company at New Delhi, along with other premises of the Company from January 30, 2023 to February 03, 2023 under Section 132 of the Income Tax Act, 1961. The Company has extended full cooperation to the authorities. Currently, the proceedings by the Department are in progress.

While the uncertainty exists regarding the outcomes of the proceedings by the Department, the Company after considering all available information and facts as of date, has not identified the need for any adjustments to the current or prior period financial results.

For Globus Spirits Limited



Place: New Delhi
Date : February 14, 2023

AJAY
KUMAR
SWARUP

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SWARUP
Date: 2023.02.14
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Ajay K. Swarup
Managing Director