

Globus Spirits Limited

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Globus Spirits successfully concludes its fund raising plan

Allots CCCPS to M/s. Templeton Strategic Emerging Markets Fund IV, L.D.C. and warrants to promoters

New Delhi, March 20, 2013: Globus Spirits Limited (GSL), a leading player in the spirits sector announced that the Board of Directors at its meeting held on March 19, 2013, have considered and approved the following:

- Allotment of 5,038,168 (4.75%) Cumulative Compulsorily Convertible Preference Shares (CCCPS) at a par value of Rs. 140 per CCCPS to M/s. Templeton Strategic Emerging Markets Fund IV, L.D.C. convertible into one equity share of face value of Rs. 10 each against each CCCPS within a period of 18 months from the date of allotment
- Allotment of 763,359 warrants at a price of Rs. 140 per warrant to promoter group entity M/s Chandbagh Investments Limited entitling to apply for and obtain allotment of one equity share of face value of Rs. 10 each against each such warrant within a period of 18 months from the date of allotment

The Company has successfully raised Rs. 81.22 crore through a combination of these instruments. Post conversion of these instruments, the promoter shareholding will dilute from 67.14% as on December 31, 2012 to 56.27%.

Additionally, the Board has appointed Mr. Rajesh Sehgal as an Additional Director of the Company w.e.f March 19, 2013. Mr. Sehgal is a Senior Executive Director with the Templeton Asset Management Group and the Company is confident to benefit from his strategic direction given his extensive experience and solid track record in capital markets.

Press Release

GSL has a proven 360° business model in North India and intends to utilise the net proceeds for extending its 360° play and establishing regional hub in the under-penetrated Eastern region. The East India liquor market is at a nascent stage and the Company expects growth momentum to be led by the transition from 'unorganized' to 'organized' and from 'commoditized' to 'branded' combined with support from government to promote good quality, safe liquor. The Company has pioneered in branding the IMIL segment and are confident of its abilities to replicate this model to develop these markets. Besides, the Company intends to leverage its expertise and experience to reduce the demand-supply gap by creating units which will serve the entire region. Further, the Company has deep relationships with leading IMFL players for securing Franchisee relationships. Overall, entry into the Eastern region will give significant mileage to GSL to capitalize on its first mover advantage as the market develops.

Commenting on the development, Mr. Ajay Kumar Swarup, Managing Director of Globus Spirits Limited said:

"We are glad to conclude the fund raising plan. Templeton's investment reinstates confidence in GSL's strong 360° portfolio which straddles across the entire Alcobev value chain. The marquee investor also brings in a lot of confidence and we very warmly welcome their association with us.

The under-penetrated Eastern India provides an ideal platform to expand our 360° play given the growing bulk alcohol industry and nascent IMIL industry. We believe that we can leverage our strengths in IMIL brand-building and franchisee relationships to develop these markets by providing good quality liquor.

We are confident of our abilities to aggressively implement various initiatives that will enable us to capitalize on first mover advantage and demonstrate sustained growth in the medium to long term."

Press Release

About Globus Spirits

Established in 1992, Globus Spirits Limited (BSE code: 533104, NSE Id: GLOBUSSPR, ISIN Id: INE615I01010) is engaged in manufacturing, marketing and sale of Indian Made Indian Liquor (IMIL), Indian Made Foreign Liquor (IMFL), Bulk Alcohol and contract bottling for established IMFL brands. The Company has a well-established presence in the IMIL 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 three modern and fully integrated distilleries at Behror, Rajasthan and Samalkha and Hisar, Haryana, which have a combined capacity of 120 million bulk litres (BL) per annum.

For more information about us, please visit www.globusspirits.com or contact:

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