

**26th**  
**ANNUAL REPORT**  
**2010 - 2011**

**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

**AUDITORS**

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

**FACTORY**

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

**BANKERS**

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Indian Overseas Bank  
Secunderabad

**HYDERABAD OFFICE**

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76-B, Street No. 3, Vengalraonagar,  
Hyderabad – 500 038

**REGISTERED OFFICE**

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

**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 Sixth Annual General Meeting of the Members of Globus Corporation Limited (Previously known as Karuna Cables Limited) will be held on Saturday 24<sup>th</sup> day of September 2011 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 31<sup>st</sup> March 2011 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. Ashok Shah - 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.

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

Date: 12<sup>th</sup> August, 2011  
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](mailto: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 Friday, the 23<sup>rd</sup> of September 2011 to Saturday, 24<sup>th</sup> September 2011 (both days inclusive).
5. At the ensuing Annual General Meeting Mr. Ashok Shah – Director, retires by rotation and being eligible offers himself for re-appointment, the brief resume of this director is as under:

Name	Mr. Ashok Shah
Age	70 Yrs
Qualification	Under Graduate
Expertise in Specific Area	Metal business
Date of First Appointment on the Board of the Company	6 <sup>th</sup> July, 2010
Name(s) of the other companies in which Directorship held and Committee Membership/Chairmanship held.	Refer to Report on Corporate Governance

6. 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.
7. ***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: 12<sup>th</sup> August, 2011  
Place: Mumbai

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

## DIRECTORS' REPORT

Your Directors have pleasure in presenting their **TWENTY SIXTH ANNUAL REPORT** together with the Audited Accounts of the Company for the year ended on 31<sup>st</sup> day of March 2011.

### FINANCIAL HIGHLIGHTS:

	For the year ended on 31.03.2011	(Rs. in Lacs) For the year ended on 31.03.2010
Turnover	2316.12	2018.70
Other Income	(0.06)	32.54
Increase / Decrease in Stock	141.53	(5.28)
Total Income	2457.59	2056.52
Total Expenditure	2438.00	2085.62
Profit / (Loss) before Taxation	19.59	(29.10)
Provision for Tax	2.55	—
Profit / (Loss) after Taxation	17.04	(29.10)
Balance b/f from Previous Year	1.76	36.95
Deferred Tax	(11.71)	(6.08)
Balance Carried to Balance Sheet	7.09	1.76

### OPERATIONAL REVIEW:

The Sales for the period ended 31.03.2011 were at Rs 2316.12 lacs as against Rs.2018.70 Lac for the previous year. The Profit After Tax is Rs 17.04 Lacs against Rs.(29.10) Lac for the previous year.

### FUTURE OUTLOOK:

In the wake of ongoing economic scenario the outlook of the company is to sustain itself against domestic as well as world crisis and to maintain itself in prevailing market condition, competition and to emerge as niche player in the market through constant endeavour to excel and improve its position in the market.

### DIVIDEND:

In view of the revival of the company's operation, your Directors have decided not to recommend any dividend on account 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. Ashok Shah retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Directors recommends his re-appointment.

### 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 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: 12<sup>th</sup> August, 2011  
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.

Sr. Particulars	31-03-2011	31.03.2010
1. Electricity		
a. Purchased Units	92114	79525
Total Amount in Rs.	779903	671502
Average Rate	8.46	8.44
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 (Lits)	—	—
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 EARING 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: 12<sup>th</sup> August, 2011  
Place: Mumbai

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

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31<sup>st</sup> March 2011.

### 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 cheaper and stable power could be secured through large size Power projects and for which we require efficient critical technology and better quality of power cables and conductors to minimize transmission and distribution line loss. Also easier norms for qualification of tender and lower earnest money for tender will make the industry grow at required pace. An increase in working capital is required to execute more orders.

### b. **OPPORTUNITES, THREATS AND RISKS**

At the world level, there are significant changes occurred in micro level as well as macro level, particularly EUROZONE crisis, U.S. slowdown, PIGS crisis and even in India fluctuation of GDP and production and inflation level. Also at local level in Andhra Pradesh due to Telengana issue has been hampering the production and business. The above issues have made the raw material price very volatile. This puts pressure on the profitability. The above factors have had an adverse effect on the demand for conductors in the short term. It has resulted in a very competitive environment. The power industry is showing healthy signs of growth for long term. The tender prerequisites have become more stringent. Thus smaller companies are not qualified to participate. The company is planning to diversify its products and expand its capacity. This should enable the Company to stay on top of competition and capitalize on the industry growth.

### c. **SEGMENTWISE PERFORMACE:**

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 reviews the implementation of management policies to ensure that transaction has been accurately recorded and promptly reported.

### e. **OUTLOOK:**

The future of the industry looks quite encouraging. Although the demand for power conductors and cables has increased due to large scale electrification by the central and state governments; the tender norms have become more stringent. The Company however could not achieve the sales target due to delayed payment from our customers and single product production capacity. Thus to stay on top, the company must expand its product portfolio and increase capacity to stay competitive, and also plan a backward integration thereby cutting costs further through economies of scale and by manufacturing our own raw materials.

### f. **HUMAN RESOURCES & INDUSTRIAL RELATION:**

The company promotes open and transparent working environment to enhance teamwork and business focus. Human resource is a priority and well emphasized through continuous training of the Company employees both skilled and unskilled. The issues pertaining to workers are resolved in harmonious and cordial manner. The Company is well respected in regards to Industrial relation because of our transparent and open working system.



## 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.

### (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
*Dr. M. C. Shah	Managing Director	NIL	NIL	NIL	NIL
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 has resigned w.e.f. 25<sup>th</sup> June, 2010.

\*Mr. Ashok C. Shah appointed w.e.f. 6<sup>th</sup> July, 2010.

\*Mr. Mit M. Shah appointed as Whole-Time director w.e.f. 31<sup>st</sup> July, 2010.

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 3<sup>rd</sup> May, 2010, 6<sup>th</sup> July, 2010, 31<sup>st</sup> July, 2010, 2<sup>nd</sup> November, 2010, 4<sup>th</sup> February, 2011

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	5	No
Mr. Ashok C. Shah	Director	3	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 31<sup>st</sup> March 2011 are given below:

Name of the Director	Chairman of Committee*	Member of Committee*
Mr. Mit M. Shah	-	2
Mr.N.S. Ranganath	2	-
Mr. Ashok Shah	-	2

\* 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; 1 director is executive and other 2 directors are non-executive & majority of them is independent. The committees met 4 times during the year under review on 3<sup>rd</sup> May, 2010, 31<sup>st</sup> July, 2010, 2<sup>nd</sup> November, 2010 and 4<sup>th</sup> February, 2011.

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.**

Name of Director	Designation	No. Of Meeting Attended
Mr. N. S. Ranganath	Chairman	4
Mr. Mit M. Shah	Member	4
Mr. Ashok Shah	Member	2

### (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 Committee met 4 times during the year under review on 3<sup>rd</sup> May, 2010, 31<sup>st</sup> July 2010, 2<sup>nd</sup> November, 2010 and 4<sup>th</sup> February, 2011.

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

Name of Director	Designation	No. Of Meeting Attended
Mr. N. S. Ranganath	Chairman	4
Mr. Mit M. Shah	Member	4
Mr. Ashok Shah	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 constituted a Remuneration Committee, to determine the remuneration payable to the Managing Director & Executive Directors taking into account their qualification, experience, contribution and the prevailing levels of remuneration in companies of corresponding size & nature. As on 31st March, 2011, the Company has not paid any remuneration to any of its directors. The Board has recommended the reappointment of Mr. Mit M. Shah w.e.f. 31st July, 2010 with salary of Rs. 50,000/- per month, but due to austerity measures Mr. Mit M. Shah has decided not to take any remuneration.

The Details of payment of Directors during the year are given below:

Name	Sitting Fees for attending Board Meeting & Committee Meeting *Rs.
Mr. N. S. Ranganath	Rs. NIL
Mr. Ashok Shah	Rs. NIL
Mr. Mit M. Shah	Rs. NIL

\* The company has not paid sitting fees in the financial year 2010-2011 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
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
2007-2008	6 <sup>th</sup> Sept,2008	10.00 A.M.	The Swastik League Hall, 324-A, Vithalbhai Patel Road, Opera House, Mumbai-400004	NIL

(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 15<sup>th</sup> 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 24<sup>th</sup> 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.

**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 Managing 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](mailto: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	24 <sup>th</sup> September 2011
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 30 <sup>th</sup> June 2011	: on or before 15 <sup>th</sup> August 2011
For 2 <sup>nd</sup> quarter ended on 30 <sup>th</sup> September 2011	: on or before 15 <sup>th</sup> November 2011
For 3 <sup>rd</sup> quarter ended on 31 <sup>st</sup> December 2011	: on or before 15 <sup>th</sup> February 2012
For last quarter ended on 31 <sup>st</sup> March 2012	: on or before 15 <sup>th</sup> May 2012
AGM for the year ended on 31 <sup>st</sup> March 2012	: on or before 30 <sup>th</sup> September 2012

**(c) Book Closure**

The Share Transfer Books and the Register of Members will remain closed from Friday the 23<sup>rd</sup> day of September, 2011 to Saturday, the 24<sup>th</sup> day of September, 2011 (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 31<sup>st</sup> March 2011 was as under:

Month	(Amount in Rs.)	
	High	Low
April 2010	1.40	0.97
May 2010	1.08	0.82
June 2010	0.92	0.78
July 2010	1.25	0.79
August 2010	1.20	0.82
September 2010	0.94	0.74
October 2010	0.87	0.75
November 2010	0.85	0.60
December 2010	0.78	0.57
January 2011	0.79	0.56
February 2011	0.70	0.53
March 2011	0.74	0.51

**(f) Distribution of Shareholding as on 31<sup>st</sup> March 2011 was as under:**

Holding of nominal value of Rs. (No. of Shares)	No. of Shareholders	% of Shareholders	Shares In Rs.	% of Shares
Upto 5000	3499	67.80	6038638	4.73
5001 to 10000	696	13.49	5729292	4.49
10001 to 20000	404	7.83	6631242	5.19
20001 to 30000	144	2.79	3674572	2.88
30001 to 40000	100	1.94	3624656	2.84
40001 to 50000	71	1.38	3304456	2.59
50001 to 100000	97	1.88	7259724	5.68
100001 & above	150	2.91	91455320	71.61
<b>Total</b>	<b>5161</b>	<b>100.00</b>	<b>127718000</b>	<b>100.00</b>

**(g) Shareholding Pattern as on 31<sup>st</sup> March 2011 was as under:**

Category	No. Of Shares Held	% Of Capital	No. Of Holders	% of Holders
Resident Individuals	35521049	55.62	4888	94.71
Non-resident Indians	535579	0.84	28	0.54
Bodies Corporate	18418814	28.84	173	3.35
Directors & Relatives	7923925	12.41	13	0.26
Clearing Members	157496	0.25	3	0.06
Hindu Undivided Family	1302137	2.04	56	1.09
<b>Total</b>	<b>63859000</b>	<b>100.00</b>	<b>5161</b>	<b>100.00</b>

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

As on 31<sup>st</sup> March 2011, 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 31<sup>st</sup> March 2011.

For **GLOBUS CORPOORATION LIMITED**

Date: 12<sup>th</sup> August, 2011  
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 31<sup>st</sup> March, 2011 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*

**(Sandip V. Doshi)**

Proprietor

Membership No. 048949

Place : Mumbai  
Date : 12<sup>st</sup> Aug, 2011

**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 31<sup>st</sup> March, 2011 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 31 March, 2010, 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 31<sup>st</sup> March, 2011
    - 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 : 12<sup>st</sup> Aug, 2011

**(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) (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) (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.35,46,956/- and the year- end balance of loans taken from such party was Rs. 58,90,684/-.
- (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. The provisions of excise duty are not applicable to the Company.

- (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	T.D.S	Rs. 8,840/-	Paid on 07.04.2011
Maharashtra Sales Tax	Sales Tax	— Nil —	
A. P. Commercial Taxes	Vat Tax	Rs. 47062/-	Paid on 19.04.2011

- (c) According to the information and explanation given to us and based on the records of the Company had paid the old arrears of PF Rs.64,111/- on 17<sup>th</sup> May,2010 for the period from 2005 to 2010.Since then 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*

**(Sandip V. Doshi)**

Proprietor

Membership No. 048949

Place : Mumbai

Date : 12<sup>st</sup> Aug, 2011

**BALANCE SHEET AS AT 31ST MARCH, 2011**

(Amount in Rupees)

PARTICULARS	SCH. NO.	AS AT 31-03-2011	AS AT 31-03-2010
<b>I. SOURCES OF FUNDS</b>			
<b>SHAREHOLDER'S FUND</b>			
Share Capital	1	127,481,750.00	127,481,750.00
Reserves & Surplus	2	1,694,304.54	1,161,130.00
<b>LOAN FUNDS</b>			
Secured Loans	3	30,098,162.65	29,890,757.00
Unsecured Loans	4	9,437,640.00	4,919,733.00
	<b>TOTAL</b>	<b><u>168,711,857.19</u></b>	<b><u>163,453,370.00</u></b>
<b>II. APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	5	64,971,111.00	65,025,111.00
Less: Depreciation		<u>34,556,952.60</u>	<u>31,717,158.00</u>
NET BLOCK		30,414,158.40	33,307,953.00
<b>INVESTMENTS</b>	6	16,000.00	16,000.00
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories		71,078,077.55	59,263,868.00
Sundry Debtors		65,109,796.31	59,416,799.00
Cash & bank balances		1,314,087.40	5,349,526.00
Loans & Advances		<u>8,021,833.62</u>	<u>7,397,020.00</u>
		<u>145,523,794.88</u>	<u>131,427,213.00</u>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	8	9,714,119.68	5,077,419.00
Provisions		917,368.00	1,036,059.00
Provision For Income Tax		255,205.00	—
		<u>10,886,692.68</u>	<u>6,113,478.00</u>
<b>NET CURRENT ASSETS</b>		134,637,102.20	125,313,735.00
<b>MISCELLANEOUS EXPENDITURE</b>			
<b>PROFIT &amp; LOSS ACCOUNT</b>			
DEFERRED TAX ASSETS	9	3,644,596.59	4,815,681.00
	<b>TOTAL</b>	<b><u>168,711,857.19</u></b>	<b><u>163,453,369.00</u></b>

**NOTES FORMING PART OF THE ACCOUNTS**

16

the Schedule (1 to 16) referred to herein above form an integral 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 : 12<sup>th</sup> August, 2011

For and behalf of the Board.

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

Whole Time Director

**N. S. Ranganath**

Director

Place: Mumbai

 Date : 12<sup>th</sup> August, 2011

**PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31ST MARCH, 2011**

(Amount in Rupees)

PARTICULARS	SCH. NO.	YEAR ENDED 31-03-2011	YEAR ENDED 31-03-2010
<b>INCOME</b>			
Gross Sales	10	231,611,877.40	201,869,642.00
Other Income	11	(5,977.42)	3,254,260.00
Increase / Decrease of Finished Goods	12	14,153,413.55	527,793.00
	<b>TOTAL</b>	<u>245,759,313.53</u>	<u>205,651,695.00</u>
<b>EXPENDITURE</b>			
Materials Purchased	13	230,097,397.13	194,876,240.00
Operating & Administration Expenses	14	7,270,733.84	7,551,138.00
Interest & Financial Charges	15	3,591,924.02	3,278,837.00
Depreciation	5	2,839,794.59	2,855,956.00
	<b>TOTAL</b>	<u>243,799,849.58</u>	<u>208,562,171.00</u>
<b>PROFIT / (LOSS) BEFORE TAXATION</b>		1,959,463.95	(2,910,476.00)
Provisions for Income Tax		(255,205.00)	—
<b>PROFIT / (LOSS) AFTER TAXATION</b>		1,704,258.95	(2,910,476.00)
Balance b/f from P.Y.		176,271.00	3,694,756.00
Deferred Tax Liability	9	(1,171,084.41)	(608,009.00)
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<u>709,445.54</u>	<u>176,271.00</u>
Earnings per Equity Shares (Rs.)		0.03	(0.02)
(Face Value of Rs. 2.00 per Equity Shares)			
Basic & Diluted			

**NOTES FORMING PART OF THE ACCOUNTS 16**

the Schedule (1 to 16) referred to herein above form an integral 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 : 12<sup>th</sup> August, 2011

For and behalf of the Board.

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

Whole Time Director

**N. S. Ranganath**

Director

Place: Mumbai

 Date : 12<sup>th</sup> August, 2011

**SCHEDULES ANNEXED TO & FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2010**

(Amount in Rupees)

	AS AT 31-03-2011	AS AT 31-03-2010
<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	<u>(236,250.00)</u>	<u>78,750.00</u>
<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	984,859.00	984,859.00
Profit & Loss Account	709,445.54	176,271.00
<b>TOTAL</b>	<u>1,694,304.54</u>	<u>1,161,130.00</u>
<b>SCHEDULE 3:</b>		
<b>SECURED LOANS</b>		
Indian Overseas Bank CC A/c	30,023,444.05	29,750,402.00
Punjab & Sindh Bank - Car Loan	74,718.60	140,355.00
<b>TOTAL</b>	<u>30,098,162.65</u>	<u>29,890,757.00</u>
<b>SCHEDULE 4:</b>		
<b>UNSECURED LOANS</b>		
Loan from Directors	3,546,956.00	3,591,049.00
Loan from Others (Intercorporate loan).	5,890,684.00	1,328,684.00
<b>TOTAL</b>	<u>9,437,640.00</u>	<u>4,919,733.00</u>

**SCHEDULE 5:  
FIXED ASSETS**

Particulars	Rate of Dep.	Cost as on 01/04/10	Addition / (Deletion)	Cost as on 31/03/11	Depn upto 31/03/10	Current Depn.	Total Depn.	WDV as on 01/04/10	WDV as on 31/03/11
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	4,166,553.00	269,927.68	4,436,480.68	3,915,114.00	3,645,186.32
Plant & Machinery	4.75	50,650,795.00		50,650,795.00	26,416,000.00	2,405,912.76	28,821,912.76	24,234,795.00	21,828,882.24
Office Equipment	6.33	585,230.00	—	585,230.00	410,583.00	37,045.06	447,628.06	174,647.00	137,601.94
Furniture & Fixtures	6.33	349,144.00	—	349,144.00	292,540.00	22,100.82	314,640.82	56,604.00	34,503.18
Computer/Printers	16.21	236,565.00	—	236,565.00	214,379.00	22,186.00	236,565.00	22,186.00	—
Air Conditioners	6.33	71,600.00	—	71,600.00	11,807.00	4,532.28	16,339.28	59,793.00	55,260.72
Car	9.50	822,000.00	(54,000.00)	768,000.00	205,296.00	78,090.00	283,386.00	616,704.00	484,614.00
<b>TOTAL</b>		<b>65,025,111.00</b>		<b>64,971,111.00</b>		<b>2,839,794.59</b>	<b>34,556,952.60</b>	<b>33,307,953.00</b>	<b>30,414,158.41</b>

**AS AT  
31-03-2011**
**AS AT  
31-03-2010**
**SCHEDULE 6:  
INVESTMENTS**

National Saving Certificate	16,000.00	16,000.00
<b>TOTAL</b>	<b>16,000.00</b>	<b>16,000.00</b>

**SCHEDULE 7:  
CURRENT ASSETS, LOANS & ADVANCES  
INVENTORIES**

As verified, valued and certified by management

Raw Material	—	2,339,204.00
Finished Goods	1,051,837.90	858,158.00
Stock Trading	70,026,239.65	56,066,506.00
<b>TOTAL</b>	<b>71,078,077.55</b>	<b>59,263,868.00</b>

**SUNDRY DEBTORS**

Considered Good		
Over Six Months	12,244,746.19	49,611,493.58
Other	52,865,050.12	9,805,305.42
Considered Doubtful	—	—
<b>TOTAL</b>	<b>65,109,796.31</b>	<b>59,416,799.00</b>

**CASH & BANK BALANCES**

Cash in Hand	470,276.36	185,215.00
Bank Balances		
In Current A/c	328,914.04	4,341,685.00
FDs with Banks	514,897.00	822,626.00
<b>TOTAL</b>	<b>1,314,087.40</b>	<b>5,349,526.00</b>

**LOANS & ADVANCES**

Unsecured, Considered good		
Deposits/ Receivables from Govt. Depts., Excise, Income Tax etc.	1,618,261.00	508,919.00
Loans & Advances	6,401,904.62	6,888,101.00
TDS	1,668.00	—
<b>TOTAL</b>	<b>8,021,833.62</b>	<b>7,397,020.00</b>

Total Current Assets, Loans & Advances	<b>145,523,794.88</b>	<b>131,427,213.00</b>
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	AS AT 31-03-2011	AS AT 31-03-2010
<b>SCHEDULE 8:</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
Sundry Creditors (for Goods)	9,714,119.68	5,077,419.00
Provisions	917,368.00	1,036,059.00
Provision For Income Tax	255,205.00	—
<b>TOTAL</b>	<u>10,886,692.68</u>	<u>6,113,478.00</u>
<b>SCHEDULE 9:</b>		
<b>DEFERRED TAX ASSETS/LIABILITIES</b>		
<b>A. Deferred Tax Liabilities on Difference on Value of Fixed Assets</b>		
a) WDV of Fixed Assets as per the books of Account as on 31.03.2011	30,414,158.41	33,307,953.00
b) Less: WDV of Fixed Assets as per the Income Tax Act, 1961, as on 31.03.2011	15,708,871.45	17,723,226.00
c) Difference in Amount of Fixed Assets(a-b)	14,705,286.96	15,584,727.00
Current Income Tax Rates Applicable on Above	30.90	
14,705,287 difference, Deferred Tax Liability <b>(A)</b>	<u>4,543,933.67</u>	<u>4,815,681.00</u>
<b>B. Deferred Tax Assets on carried forward losses of earlier years</b>		
Losses of earlier years now carried forward under Provisions of the Income Tax Act, 1961 (In Assessment Year 2010-11) Current Income Tax Rates Applicable	2,910,476.00	—
On i.e, Deferred Tax Assets <b>(B)</b>	<u>899,337.08</u>	—
<b>C. Total Deferred Tax Liability/(Assets) <b>(B-A)</b></b>	<u>(3,644,596.59)</u>	<u>(4,815,681.00)</u>
<b>D. Less: Deferred Tax Provision made in the Earlier Years</b>	<u>(4,815,681.00)</u>	<u>(5,423,690.00)</u>
<b>E. Reverse Provision in the Year <b>(D-C)</b></b>	<u>(1,171,084.41)</u>	<u>(608,009.00)</u>
<b>SCHEDULE 10:</b>		
<b>GROSS SALES</b>		
Manufacturing and	33,203,308.00	29,005,997.00
Others Sales	197,784,268.40	168,092,321.00
Job Work	624,301.00	4,771,324.00
<b>TOTAL</b>	<u>231,611,877.40</u>	<u>201,869,642.00</u>
<b>SCHEDULE 11:</b>		
<b>OTHER INCOME</b>		
Gross Interest Received on FDR	6,733.00	69,682.00
Other Interest	16,680.00	2,942,347.00
Loss on Share Trading	(29,390.42)	—
Discount Recd.	—	242,231.00
<b>TOTAL</b>	<u>(5,977.42)</u>	<u>3,254,260.00</u>

	AS AT 31-03-2011	AS AT 31-03-2010
<b>SCHEDULE 12:</b>		
<b>INCREASE/ DECREASE IN STOCK</b>		
Closing Stock	71,078,077.55	56,924,664.00
Less: Opening Stock	56,924,664.00	56,396,871.00
<b>TOTAL</b>	<u>14,153,413.55</u>	<u>527,793.00</u>
<b>SCHEDULE 13:</b>		
<b>MATERIAL CONSUMED</b>		
Opening Stock	2,339,204.00	1,495,495.00
Add: Purchases	161,668,945.13	27,967,705.00
Less: Closing Stock	—	2,339,204.00
Trading Purchases	66,089,248.00	167,752,244.18
<b>TOTAL</b>	<u>230,097,397.13</u>	<u>194,876,240.18</u>
<b>SCHEDULE 14:</b>		
<b>OPERATING &amp; ADMINISTRATION EXPENSES</b>		
Salary / Bonus to Employees	2,339,947.00	1,783,491.00
Staff & Labour Welfare	247,002.70	170,902.00
Professional Tax	7,500.00	7,500.00
Power & Generator Maintenance and Electricity	835,373.00	720,650.00
Repair & Reconditioning & Maintenance	52,957.00	77,894.00
Vehicle Maintenance & Insurance	305,116.20	257,152.00
General Exp. & Office Expenses	318,950.30	306,827.00
Transport & Freight Charges.	198,064.00	98,304.00
Excise Duty	109,926.00	—
Vat Mumbai/Hydrabad	171,032.00	1,018,792.00
Postage, Telephone/ Printing Charges, Courier Expenses	233,903.39	308,128.00
Security Charges.	237,540.00	284,233.00
Tender & Court Charges	35,791.70	119,203.00
Legal & Professional Charges	204,100.00	104,675.00
Membership & Subscription Charges	20,000.00	7,885.00
Licence Fees,Rent, Rates & Taxes	372,212.00	104,545.00
Discounts & Rebates	276,644.56	82,879.00
Loading & Unloading, Forwarding Charges.	52,852.00	220,753.00
Factory General Expense	571,836.87	339,813.00
Advertisement, Business Promotion & Misc. Expenses	190,342.97	210,970.00
Travelling & Conveyance	316,604.15	257,220.00
Listing, ROC Fees, Share Trfr Charges, AGM Exps.	75,317.00	258,716.00
Misc. Exp. Of earlier years not w/off now w/off *	—	705,606.00
* Refer note below		
<b>Auditor's Remuneration</b>		
For Audit Fees	65,000.00	65,000.00
For Others	32,721.00	40,000.00
<b>TOTAL</b>	<u>7,270,733.84</u>	<u>7,551,138.00</u>
<b>SCHEDULE 15:</b>		
<b>INTEREST &amp; FINANCIAL CHARGES</b>		
Bank Charges.	166,767.30	91,418.00
Bank Interest	3,425,156.72	3,187,419.00
<b>TOTAL</b>	<u>3,591,924.02</u>	<u>3,278,837.00</u>



**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.

**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.

**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 Rs.9,89,476/-
- b) Andhra Pradesh value added tax Rs.60,44,248/-

**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.

**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>31.03.2011</u>	<u>31.03.2010</u>
Profits after tax (Rs. In Lacs) .....	<b>17.04</b>	(29.10)
Weighted number of equity shares Outstanding .....	<b>6,37,01,500</b>	6,37,01,500
(only fully paid shares)		
Basic Earning Per Share .....	<b>Rs. 0.03</b>	(Rs. 0.02)
(Face Value of Rs. 2/- Per Share)		

**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.20.61 lacs given to four power distribution companies for the amount of their outstanding contracts. Out of these 5.19 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 Private Limited has filed two cases against the company, one a company petition and one Summary Suit in the high court, for a claim of Rs. 91,06,848/-, out of which, company petition is set aside by the Honorable High court. Hence, company's appeal is succeeded and no second appeal is filed by Pankaj Metals Private Limited. The second case of summary suit is pending for hearing before the Honorable 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) Survey matter from Mumbai Sales tax authority (VAT Dept.) was duly handled by Accounting staff of the company and is in progress and records of sales, purchases & confirmations of the company has been submitted and VAT assessment is pending for the period 2005-06 to 2008-09.
- f) For A.Y 2006-07 Income. Tax department has passed an order U/s-143(3) of The Income Tax Act,1961, demanding Rs. 10,90,79,516/-. Against which the company had filed the first appeal with CIT A(IX), who had partly allowed the appeal made by the company on 30.10.2009. Company has made second appeal with I.T.A.T. Tribunal for the balance relief on 26.11.2009 in which tribunal directed the A. O of the company to re-assess the records of the company, vide their order dated 14.05.2010.

On reassessment notice company has submitted all the relevant document and records and company is positive in its outlook in above said matter in their favour.

- 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 31.03.2011 in terms of the provisions of " The Micro, Small, and Medium Enterprise Development Act, 2006."

- 6) In view of the overall restructuring of the company, the Whole Time Director has decided to waive his salary in full & 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) The company was liable to pay P.F to the employees, salary from 2005 to 2010, for which company has paid P.F of Rs. 64,111/- on 17.05.2010 from 2005 to march'10.also company has discharged its statutory liabilities of P.F. and ESIC for year ended 31.03.2011 in time.

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

For Audit	Rs.	65000
For Other	Rs.	40000
<b>Total</b>		<b><u>Rs. 105,000</u></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) Information in regard to Consumption, Purchases, Turnover and opening and Closing Stocks. (Rs. In Lacs)

	Unit	Qty.	Value (Rs. in lacs)
(a) Raw materials Consumed (Indigenous)			
Aluminum Alloy Wire Rods	MT	157.6	186.88
(b) Raw Materials Consumed (Imported)	NIL	NIL	NIL

- |                              | Unit | Qty. | Value (Rs. in lacs) |
|------------------------------|------|------|---------------------|
| 11) Stock in Process Sold: - | NIL  | NIL  | NIL                 |

- |                                 | Unit | Qty. | Value (Rs. in lacs) |
|---------------------------------|------|------|---------------------|
| 12) Opening & Closing Stocks: - |      |      |                     |

**(a) Raw Material**
**Opening Stock**

Aluminum Alloy Wire Rods	MT	17	20.96
1.60mm. Al.Wire	KGS	136	0.23
Paper	KGS	2922	2.20

**Closing Stock**

Bobbins	Nos.	365	0.88
Drawmet	Nos.	15	0.25
P.V.C Wrapper	Kgs.	16000	8.32
Raw Material	Kgs.	325	0.54
Sample 100 sq. mm	Kgs.	200	0.26
Scrap	Kgs.	761	0.27

- |                    | Unit | Qty. | Value (Rs. in lacs) |
|--------------------|------|------|---------------------|
| (b) Finished Goods |      |      |                     |

**Opening Stock**

P.V.C Wrapper	KGS	16000	8.321
100 SQ MM	KGS	200	0.261
Goods Under Process	NIL	NIL	NIL

**Closing Stock**

P.V.C Wrapper	KGS	16000	8.321
100 SQ MM	KGS	200	0.261

**(c) Trading**
**Opening Stock**

	Unit	Qty.	Value (Rs. in lacs)
Aluminium EC	MT	4	4.33
Aluminium Wire	Kgs	108843	126.05
Copper Rod	Kgs	4930	6.76
Copper Wire	Kgs	41086	5.53
E . C. Wire Rod	MT.	13	14.62
Electric Item	Nos.	7015	8.05
G. I. Wire	MT	4	0.23
G. P. Sheet	Kgs	63503	18.07
Kraft Paper	Kgs	100	0.16
Mtrs Cable	Mtrs	528092	260.13
Mtrs Wire	Mtrs	8125	1.89
S.S. Wire	Kgs	4087	5.15
Steel Rod	Kgs	255240	109.62

**Closing Stock**

Aluminium Rod	MT	100	119.41
Aluminium Wire	Kgs	19224	24.26
Copper Rod	Kgs	53031	60.74
Drums	Nos.	36	1.03
E . C. Wire Rod	MT.	21	23.83
G. I. Wire	MT	4	1.81
G. P. Sheet	Kgs	65503	30.48
Kraft Paper	Kgs	6286	7.37
Mtrs Cable	Mtrs	528092	313.68
Mtrs Wire	Mtrs	8125	1.90
S.S. Wire	Kgs	4087	5.66
Steel Rod	Kgs	255240	110.08

(@ Rate & Value considered at purchase price / cost, by the Management)

Closing stock valuation is made as per the certificates provided by the management.

**13) Production**
**Details of Manufacturing Activities :**
**Manufacturing**

	Unit	Qty.	Value (Rs. In lacs)
AAA Conductor	KMS	1377	258.18
DPC	Kgs.	47729	67.99
Job Work			6.24

**14) 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 +	338.28	1977.84	2316.12
Less: Inter segment Revenue	0.00	0.00	0.00
Total Revenue	338.28	1977.84	2316.12
<b>Results</b>			
Profit Before Interest	14.03	41.48	55.51
Less: 1) Interest *		35.92	35.92
2) Unallocable expenses net of unallocable income	N.A.	N.A.	N.A.
Total Profit Before Tax		19.59	19.59
<b>Assets/Liabilities**</b>			
Segment Debtors	33.10	618.00	651.10
Segment Creditors	0.99	96.15	97.14

+ 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.
- 15) 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.
- 16) Previous year figures are regrouped, rearranged and rounded off wherever necessary.
- 17) 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 17, 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 : 12<sup>th</sup> August, 2011

For and behalf of the Board.

**For GLOBUS CORPOORATION LIMITED**

**Mr. Mit M Shah**

— Whole Time Director

**N. S. Ranganath**

— Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**  
(Pursuant to Clause - 32 of the Listing Agreement)

PARTICULARS	Year ended 31.03.2011	Year ended 31.03.2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxation & Extra-ordinary Item	19.59	(29.10)
Adjustments for :		
Depreciation	28.40	28.56
Interest Received	(0.23)	(32.54)
Loss On Share Trading	0.29	—
Amortisation of preliminary expenses	—	7.06
Finance Charges	35.92	32.79
<b>Operating profit before working capital changes</b>	<b>83.97</b>	<b>6.77</b>
Increase in Inventories	(118.14)	(13.72)
Decrease in trade & other payable	1.36	(1.97)
Decrease in other current assets	(63.18)	797.71
Decrease in trade payable	46.37	(872.15)
<b>Cash generated from operations</b>	<b>(49.62)</b>	<b>(83.36)</b>
Income taxes paid	(2.55)	—
<b>Net cash from operating activities</b>	<b>(52.17)</b>	<b>(83.36)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of fixed assets	0.54	(4.02)
Loss On Share Trading	(0.29)	—
Interest received on Investments	0.23	32.54
<b>Net cash from investing activities</b>	<b>0.48</b>	<b>28.52</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Financial charges	(35.92)	(32.79)
Additions to/Repayment of Bank Borrowing	2.07	(0.35)
Additions to/Repayment of other Borrowing	45.18	(16.20)
<b>Net cash from financing activities</b>	<b>11.33</b>	<b>(49.34)</b>
<b>Net increase in cash &amp; cash equivalents</b>	<b>(40.36)</b>	<b>(104.18)</b>
Cash & cash equivalents at the beginning of the period	53.50	157.68
Cash & cash equivalents at the end of the period	13.14	53.50

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

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

**Mr. N.S.RANGANATH**  
Director

**AUDITORS' CERTIFICATE**

We have examined the above Cash Flow Statement of Globus Corporation Limited. for the period ended 31st March 2011. 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*

**(Sandip V. Doshi)**

Proprietor

Membership No. 048949

Place : Mumbai

Date : 12<sup>th</sup> Aug, 2011



**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****26th Annual General Meeting – 24th September 2011.**

I / We hereby record my / our presence at the TWENTY SIXTH 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 24th September 2011 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
Client ID

Registered Folio No.

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 SIXTH ANNUAL GENERAL MEETING of the Company to be held on Saturday, 24th September 2011 at 10:00 a.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

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)

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Mumbai - 400 004.  
Maharashtra (India)