

**GODFREY PHILLIPS INDIA LIMITED**  
**Unaudited Financial Results for the Quarter ended June 30, 2006**  
**(Rupees in lacs)**

Sl. No.	Particulars	Quarter ended 30.6.2006	Quarter ended 30.6.2005	Year Ended 31.3.2006 (Audited)
		(1)	(2)	(3)
1	Gross sales	38978	35131	143187
2	Less: Excise duty	20625	18559	74771
3	Net sales	18353	16572	68416
4	Other income	922	525	1661
5	Total expenditure			
	a) Increase/(decrease) in excise duty on finished goods	(477)	344	1405
	b) (Increase)/decrease in stock in trade	543	(675)	(1797)
	c) Consumption of raw and packing materials	4355	4195	16742
	d) Purchases for resale (including transferred from raw and packing materials)	1887	1710	7426
	e) Staff cost	1693	1594	5968
	f) Advertising and sales promotion	2769	2657	11051
	g) Other expenditure	4575	4261	18062
6	Interest	80	59	278
7	Depreciation	467	404	1837
8	Profit before taxation and exceptional items	3383	2548	9105
9	Exceptional items - Refer note 3	240	-	864
10	Profit before taxation	3623	2548	9969
11	Provision for taxation (current and deferred)	1173	978	3956
12	Net profit	2450	1570	6013
13	Paid up equity share capital (Face value of Rs. 10 per share)	1040	1040	1040
14	Reserves excluding revaluation reserves			34770
15	Basic and diluted earnings per share (Rs.)	23.56	15.10	57.82

16	Aggregate of public shareholding			
	- Number of shares	2897547	2835547	2861947
	- Percentage of shareholding	27.86	27.27	27.52
	<b>Segmentwise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement</b>			
1	Segment Revenue:			
	Cigarettes and Tobacco Products	37842	34210	138323
	Tea and other Retail Products	1136	921	4864
	Gross sales	38978	35131	143187
2	Segment Results:			
	Cigarettes and Tobacco Products	3141	2523	9978
	Tea and other Retail Products	(109)	(68)	(462)
	Total	3032	2455	9516
	Add/(Less): i) Interest	(80)	(57)	(276)
	ii) Un-allocable income net of un-allocable expenditure	671	150	729
	Total profit before tax	3623	2548	9969
3	Segment Capital Employed:			
	Cigarettes and Tobacco Products	22995	17352	21131
	Tea and other Retail Products	1087	1227	1092
	Total segment capital employed	24082	18579	22223

**Notes:**

1. The above results are as per stock exchange regulations and have been taken on record by the Board of Directors at its meeting held on July 29, 2006 after being reviewed by the Audit Committee.
2. As per past practice, expenditure on cigarette advertising and sales promotion budgeted for the year is evenly spread over the year for the purpose of quarterly results and any excess or shortfall over the budgeted expenditure is adjusted in last quarter of the financial year.

3. Exceptional items comprise of:

	<u>Rs. Lacs</u>	
	Quarter ended 30.6.2006	Year ended 31.3.2006
i) Reversal of provision for luxury taxes on cigarettes and interest thereon made in earlier years, pursuant to assessment orders passed during the period by the tax authorities based on the Supreme Court judgement in January, 2005.	240	4303
ii) Additional purchase consideration to small scale cigarette manufacturing units in Assam in view of the Supreme Court judgement in September, 2005 which has the effect of denying them the benefit of exemption from payment of excise duty with retrospective effect. This amount is net of Rs. 2733 lacs provided for as doubtful of recovery in earlier years in respect of dues recoverable from these manufacturing units.	-	(3439)
	<u>240</u>	<u>864</u>

4. Provision for taxation includes tax on fringe benefits.
5. The revised Accounting Standard AS-15 on "Employee Benefits", issued by the Institute of Chartered Accountants of India which became effective from April 1, 2006 has been complied with.
6. During the quarter 24 investor complaints were received, all of which were responded to by the Company. No complaints were pending either at the beginning or at the end of the quarter.
7. The Board of Directors at its meeting held on June 30, 2006 had recommended a dividend of Rs. 22.50 per equity share of Rs.10 each for the year 2005-06 which will be paid after declaration in the forthcoming annual general meeting to be held on September 8, 2006.
8. Figures have been regrouped wherever considered necessary.

**Registered Office: Chakala, Andheri (East), Mumbai 400 099**  
**New Delhi: 29th July, 2006**

(S.V. Shanbhag)  
Whole-time Director

The Limited review as required under clause 41 of Listing Agreement has been completed by Statutory Auditors. The Limited Review Report for the quarter ended June 30, 2006 does not have any impact on the above results and notes in aggregate except in respect of matter explained in note 2.

**New Delhi: 29th July, 2006**

(S.V. Shanbhag)  
Whole-time Director