

GODFREY PHILLIPS INDIA LIMITED
Audited Financial Results for the Year Ended March 31, 2006

(Rupees in lacs)

Sl. No.	Particulars	Godfrey Phillips India Limited					Consolidated		
		Nine Months Ended	Quarter Ended			Year Ended		Year Ended	
		31.12.2005 (Unaudited)	31.03.2006 (Unaudited)	31.03.2005 (Unaudited)	31.03.2006 (Audited)	31.03.2005 (Audited)	31.03.2006 (Audited)	31.03.2006 (Audited)	31.03.2005 (Audited)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)		
1	Gross sales	106695	36492	33898	143187	129570	143187	129530	
2	Less: Excise duty	56193	18578	15663	74771	61274	74771	61274	
3	Net sales	50502	17914	17915	68416	68296	68416	68256	
4	Other income	1749	(88)	1469	1661	2968	1559	2640	
5	Total expenditure								
	a) Increase(decrease) in excise duty on finished goods	335	1070	89	1405	(253)	1405	(253)	
	b) (Increase)/decrease in stock in trade	(794)	(1003)	353	(1797)	115	(1792)	110	
	c) Consumption of raw and packing materials	12343	4399	3897	16742	15808	16742	15808	
	d) Purchases for resale (including transferred from raw and packing materials)	5083	2343	2310	7426	7611	7426	7572	
	e) Staff cost	4162	1906	1410	5988	5691	7067	6645	
	f) Advertising and sales promotion	7816	3235	2136	11051	9096	11051	9897	
	g) Other expenditure	13467	4595	5128	18062	20171	16629	18444	
6	Interest	210	68	(295)	278	572	278	576	
7	Depreciation	1291	546	804	1837	1655	2053	1856	
8	Profit before taxation and exceptional items	8338	767	3542	9105	9995	9116	10241	
9	Exceptional items - Refer note 5	890	(26)	-	864	-	864	-	
10	Profit before taxation	9228	741	3542	9969	9995	9980	10241	
11	Provision for taxation (current and deferred)	3537	419	1406	3956	3635	4004	3728	
12	Net profit	5691	322	2136	6013	6360	5976	6513	
13	Net profit with share from associates and after minority interests						5979	6515	
14	Paid up equity share capital (Face value of Rs. 10 per share)	1040	1040	1040	1040	1040	1040	1040	
15	Reserves excluding revaluation reserves				34770	31425	35329	32018	
16	Basic and diluted earnings per share (Rs.)	54.72	3.10	20.54	57.82	61.16	57.50	62.66	
17	Aggregate of non-promoter shareholding								
	- Number of shares	2847917	2861947	2835547	2861947	2835547	2861947	2835547	
	- Percentage of shareholding	27.39	27.52	27.27	27.52	27.27	27.52	27.27	
Segmentwise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement									
1	Segment Revenue:								
	Cigarettes and Tobacco Products		35078	32770	138323	125336			
	Tea and other Retail Products		1414	1128	4864	4234			
	Gross sales		36492	33898	143187	129570			
2	Segment Results:								
	Cigarettes and Tobacco Products		882	3477	9978	9486			
	Tea and other Retail Products		(245)	(45)	(462)	(104)			
	Total		637	3432	9516	9382			
	Add:(Less): i) Interest		(69)	(8)	(276)	(54)			
	ii) Un-allocable income net of un-allocable expenditure		173	118	729	667			
	Total profit before tax		741	3542	9669	9995			
3	Segment Capital Employed:								
	Cigarettes and Tobacco Products		21131	16028	21131	16028			
	Tea and other Retail Products		1092	1051	1092	1051			
	Total segment capital employed		22223	17079	22223	17079			

Notes:

- 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 June 30, 2006 after being reviewed by the Audit Committee.
- 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.
- Staff cost for the year ended March 31, 2005 includes a non recurring pay out of Rs. 740 lacs.
- Interest for the quarter ended March 31, 2005 is net of write back of Rs.364 lacs in relation to a tax demand, following a favourable court decision.
- Exceptional items as at March 31, 2006 comprise of:

i) Reversal of provision (including Rs.17 lacs during the quarter ended March 31, 2006) for luxury taxes on cigarettes and interest thereon made in earlier years, pursuant to assessment orders passed during the year by the tax authorities based on the Supreme Court Judgement in January, 2005.	Rs. Lacs 4303
ii) Additional purchase consideration (including Rs.43 lacs during the quarter ended March 31, 2006) 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>864</u>
- Provision for taxation for the nine months period ended December 31,2005 and for the quarter/year ended March 31, 2006 includes tax on fringe benefits.
- During the quarter 16 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.
- The Board of Directors of the Company has recommended a dividend of Rs.22.50 per equity share of Rs.10 each for the year 2005-06.
- Figures have been regrouped wherever considered necessary.

Registered Office: Chakala Andheri (East), Mumbai 400 059
Mumbai: 30th June, 2006

(S.V.Srinanphag)
whole-time Director