

**GODFREY PHILLIPS INDIA LIMITED**  
**Unaudited Financial Results for the Quarter ended September 30, 2005**

(Rupees in lacs)

Sl. No.	Particulars	Quarter ended 30.09.2005	Quarter ended 30.09.2004	Half year ended 30.09.2005	Half year ended 30.09.2004	Year ended 31.03.2005 (Audited)
		(1)	(2)	(3)	(4)	(5)
1	Gross sales	35216	30930	70347	62351	129570
2	Less: Excise duty	18287	14580	36846	29550	61274
3	Net sales	16929	16350	33501	32801	68296
4	Other income	579	392	1104	930	2968
5	Total expenditure					
	a) Increase/(decrease) in excise duty on finished goods	465	106	809	(767)	(253)
	b) (Increase)/decrease in stock in trade	(740)	(611)	(1415)	386	118
	c) Consumption of raw and packing materials	4196	3862	8391	7450	15808
	d) Purchases for resale (including transferred from raw and packing materials)	1992	2150	3702	3525	7611
	e) Staff cost	1290	1212	2884	3096	5691
	f) Advertising and sales promotion	2655	2636	5312	5195	9896
	g) Other expenditure	4365	5057	8626	9996	20171
6	Interest	61	167	120	323	572
7	Depreciation	424	311	828	556	1655
8	Profit before taxation and exceptional items	2800	1852	5348	3971	9995
9	Provision for taxation (current and deferred)	1114	663	2092	1389	3635
10	Profit after taxation before exceptional items	1686	1189	3256	2582	6360
11	Exceptional items (net of tax) - Refer note 5	658	-	658	-	-
12	Net profit	2344	1189	3914	2582	6360
13	Paid up equity share capital (Face value of Rs. 10 per share)	1040	1040	1040	1040	1040
14	Reserves excluding revaluation reserves					31425
15	Basic and diluted earnings per share (Rs.)	22.54	11.43	37.64	24.83	61.16
16	Aggregate of non-promoter shareholding					
	- Number of shares	2835547	2828991	2835547	2828991	2835547
	- Percentage of shareholding	27.27	27.20	27.27	27.20	27.27
	<b>Segmentwise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement</b>					
1	Segment Revenue:					
	Cigarettes and Tobacco Products	34026	29817	68236	60335	125336
	Tea and Related Products	1190	1113	2111	2016	4234
	Gross sales	35216	30930	70347	62351	129570
2	Segment Results:					
	Cigarettes and Tobacco Products	2810	1801	5333	3785	9486
	Tea and Related Products	(76)	(32)	(144)	(93)	(104)
	Total	2734	1769	5189	3692	9382
	Add/(Less): i) Interest	(60)	(13)	(117)	(35)	(54)
	ii) Un-allocable income net of un-allocable expenditure	126	96	276	314	667
	Total profit before tax and exceptional items	2800	1852	5348	3971	9995
3	Segment Capital Employed:					
	Cigarettes and Tobacco Products	18078	15191	18078	15191	16028
	Tea and Related Products	1309	1268	1309	1268	1051
	Total segment capital employed	19387	16459	19387	16459	17079

**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 October 30, 2005 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. Staff cost for the half year ended September 30, 2004 includes a non recurring pay out of Rs. 740 lacs.
4. Provision for taxation for the quarter and half year ended September 30, 2005 includes tax on fringe benefits.
5. Exceptional items comprise of:

	<u>Rs. Lacs</u>
i) Provision for luxury taxes on cigarettes and interest thereon made in earlier years, now reversed pursuant to assessment orders passed during the quarter by the tax authorities based on the Supreme Court Judgement in January, 2005.	4286
ii) Provision made out of abundant caution for estimated additional purchase consideration payable 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 provision has been made in addition to Rs.2733 lacs provided for as doubtful of recovery in an earlier year in respect of dues recoverable from these manufacturing units.	(3294)
Sub-total	992
Less: Income-tax thereon (current and deferred)	334
Exceptional items (net of tax)	658
6. 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.
7. Figures have been regrouped wherever considered necessary.

**Registered Office: Chakala Andheri (East), Mumbai 400 099**  
**New Delhi: 30th October, 2005**

(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 and half year ended September 30, 2005 does not have any impact on the above results and notes in aggregate except in respect of matter explained in note 2.

**New Delhi: 30th October, 2005**

(S.V. Shanbhag)  
Whole-time Director