

**GODFREY PHILLIPS INDIA LIMITED**  
**Unaudited Financial Results for the Quarter ended June 30, 2007**

(Rupees in lacs)

Sl. No.	Particulars	Quarter ended 30.6.2007	Quarter ended 30.6.2006	Year Ended 31.3.2007 (Audited)
		(1)	(2)	(3)
1	Gross sales	40893	38978	159677
2	Less: Excise duty	21166	20625	83528
3	Net sales	19727	18353	76149
4	Other income	2471	922	3360
5	Total expenditure			
	a) Increase/(decrease) in excise duty on finished goods	1453	(477)	(1105)
	b) (Increase)/decrease in stock in trade	(1872)	543	1126
	c) Consumption of raw and packing materials	4982	4355	18997
	d) Purchases for resale (including transferred from raw and packing materials)	1855	1887	7829
	e) Staff cost	1897	1693	6636
	f) Advertising and sales promotion	3219	2769	11198
	g) Other expenditure	4955	4575	19346
6	Interest	63	80	292
7	Depreciation	457	467	1907
8	Profit before taxation and exceptional item	5189	3383	13283
9	Exceptional item - Refer note 3	-	240	240
10	Profit before taxation	5189	3623	13523
11	Provision for taxation	1406	1173	4713
12	Net profit	3783	2450	8810
13	Paid up equity share capital (Face value of Rs. 10 per share)	1040	1040	1040
14	Reserves excluding revaluation reserves			40539
15	Basic and diluted earnings per share (Rs.)	36.37	23.56	84.73
16	Aggregate of public shareholding			
	- Number of shares	2905897	2897547	2901547
	- Percentage of shareholding	27.94	27.86	27.90
<b>Segmentwise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement</b>				
1	Segment Revenue:			
	Cigarettes and Tobacco Products	39537	37842	153906
	Tea and other Retail Products	1356	1136	5771
	Gross sales	40893	38978	159677
2	Segment Results:			
	Cigarettes and Tobacco Products	3416	3141	12136
	Tea and other Retail Products	(181)	(109)	(652)
	Total	3235	3032	11484
	Add/(Less): i) Interest	(63)	(80)	(287)
	ii) Un-allocable income net of un-allocable expenditure	2017	671	2326
	Total profit before taxation	5189	3623	13523
3	Segment Capital Employed:			
	Cigarettes and Tobacco Products	28021	22995	21779
	Tea and other Retail Products	1107	1087	1131
	Total segment capital employed	29128	24082	22910

**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 31, 2007 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 item for the quarter ended June 30, 2006 represents reversal of provision for luxury tax on cigarettes made in earlier years, pursuant to assessment order passed by the tax authorities based on the Supreme Court judgement in January, 2005.
4. Provision for taxation comprises of current tax, deferred tax and 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, 2007 has been complied with.
6. In view of the Companies (Accounting Standards) Rules, 2006, exchange differences arising on repayment /restatement of term loan liabilities incurred for the purpose of acquiring fixed assets from outside India, hitherto adjusted in the carrying amount of the respective fixed assets, are now recognized as income/expense in the profit and loss account with effect from April, 2007. Accordingly, Rs.140 lacs has been recognized as income during the quarter ended June 30, 2007.
7. During the quarter 21 investor complaints were received , all of which were disposed off. No complaints were pending either at the beginning or at the end of the quarter.
8. The Board of Directors of the Company at its meeting held on June 20, 2007 had recommended a dividend of Rs.25 per equity share of Rs.10 each for the year 2006-07 which will be paid after declaration in the forthcoming annual general meeting to be held on August 30, 2007.
9. Figures have been regrouped wherever considered necessary.

**Registered Office: Chakala, Andheri (East), Mumbai 400 099**  
**Mumbai : 31st July, 2007**

(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, 2007 does not have any impact on the above results and notes in aggregate except in respect of the matter explained in note 2.

**Mumbai: 31st July, 2007**

(S.V.Shanbhag)  
Whole-time Director