

**KALYANIWALLA
& MISTRY** (Regd.)

CHARTERED ACCOUNTANTS

**Auditor's Report on Consolidated Financial Results of Godrej Consumer Products
Limited Pursuant to Clause 41 of the Listing Agreement.**

**TO THE BOARD OF DIRECTORS OF
GODREJ CONSUMER PRODUCTS LIMITED**

1. We have audited the consolidated financial results of **GODREJ CONSUMER PRODUCTS LIMITED** (the Company) and its subsidiaries and joint venture (collectively referred to as the "Godrej Group") for the quarter and year ended March 31, 2011, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us. These consolidated financial results have been prepared from consolidated interim financial statements, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006, as per section 211(3C) of the Companies Act, 1956, or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.
2. 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 results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of seven subsidiaries included in these consolidated financial results, whose consolidated financial statements reflect total assets of Rs. 163,642.16 lac as at March 31, 2011, as well as total revenue of Rs. 125,970.49 lac and Rs. 36,549.67 lac respectively, for the year and quarter ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion on the other financial results, insofar as the results have been derived from such interim financial statements, is based solely on the report of such other auditors.



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4. Certain subsidiaries whose financial statements reflect the Group's share of total assets of Rs. 104,580.77 lac as at March 31, 2011 and the Group's share of total revenues of Rs. 3,289.19 lac for the year ended on that date has not been audited and has been considered in the Consolidated Financial Statements based solely on the unaudited separate financial statements certified by the Management.
5. Without qualifying our report, attention is drawn to Note 2, Notes to Financial Results for the Quarter and Year Ended 31st March 2011. The Hon'ble High Court of Judicature at Bombay has approved a Scheme of Amalgamation whereby the assets and liabilities of the transferor company have been taken over and recorded at their fair values as on April 1, 2010, as determined by the Board of Directors of the Company. In accordance with the Scheme of Amalgamation, an amount of Rs. 3,777 lac on account of fair valuation of loans and advances and an amount of Rs. 5,274 lac on account of brand amortization aggregating to Rs. 9,051 lacs has been charged to General Reserve instead of charging the same to the Profit and Loss Account. Had this amount been charged to the Profit and Loss Account, the profit for the year would have been lower by Rs. 9,051 lacs and the General Reserve would have been higher by Rs. 9,051 lacs.
6. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of Godrej Consumer Products Limited and its subsidiaries and joint venture, in our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results:
 - a) include the financial results of the following entities:
 1. Godrej Netherlands BV and its subsidiaries.
 2. Rapidol (Proprietary) Limited, South Africa.
 3. Godrej Global Mideast FZE, Sharjah.
 4. Godrej Consumer Products Mauritius Ltd., Mauritius and its subsidiaries.
 5. Godrej Hygiene Products Limited.
 6. Godrej Consumer Products Holding (Mauritius) Limited, Mauritius and its subsidiaries.
 7. Godrej Household Products Lanka Pvt. Ltd.
 8. Godrej Household (Bangladesh) Pvt. Ltd.
 9. Godrej Consumer Products Bangladesh Limited.
 10. Essence Consumer Care Private Limited.
 11. Naturesse Consumer Care Private Limited.
 12. Godrej Mauritius Africa Holdings Limited.
 13. Godrej Weave Holdings Limited
 - b) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - c) give a true and fair view of the consolidated net profit and other financial information for the quarter as well as for the year ended March 31, 2011.

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7. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS

Firm Regn. No.: 104607W



Daraius Z. Fraser

PARTNER

M. No.: 42454

Mumbai: May 2, 2011.

GODREJ CONSUMER PRODUCTS LIMITED
 Regd. Office: Pirojshanagar, Eastern Express Highway, Vikhroli (E), Mumbai 400 079 www.godrejcp.com
FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2011



GCPL Consolidated					(Amounts in Rs. Lac) GCPL Standalone				
Quarter ended	Quarter ended	Year ended	Year ended	Sr. No.	PARTICULARS	Quarter ended	Quarter ended	Year ended	Year ended
31-Mar-11 (Unaudited)	31-Mar-10 (Unaudited)	31-Mar-11 (Audited)	31-Mar-10 (Audited)			31-Mar-11 (Reviewed)	31-Mar-10 (Reviewed)	31-Mar-11 (Audited)	31-Mar-10 (Audited)
102134	51916	372529	208178		Gross Sales	66541	28840	247747	129434
2184	997	8229	4058		Less: Excise Duty	2180	600	8229	2646
99950	50919	364300	204120	1	Net Sales	64361	28240	239518	126788
736	318	2121	1565	2	Other Operational Income	1211	318	4746	1215
100686	51237	366421	205685	3	Total Income	65572	28557	244264	128003
				4	Expenditure				
(391)	(1544)	(4521)	(4045)	a)	(Increase)/Decrease in Stock in Trade and Work in progress	1212	(1902)	(3145)	(1513)
40930	18342	151789	74902	b)	Consumption of Raw Material	28710	12315	102992	54113
5514	5879	27615	23775	c)	Purchase of Traded Goods	4164	1048	17771	3618
7194	3265	28451	18767	d)	Employees' Cost	2647	1032	13358	12094
1327	606	4992	2360	e)	Depreciation	462	266	2198	1375
7434	3453	35215	17208	f)	Advertisement and Publicity	4001	2817	19855	10167
21494	10772	61677	32782	g)	Other Expenditure	11735	5930	43216	21611
83502	40773	305218	165749		Total Expenditure (a+b+c+d+e+f+g)	52931	21506	196245	101465
17184	10464	61203	39936	5	Profit from Operations before Other Income, Interest & Exceptional Items (3-4)	12641	7052	48019	26538
2867	904	5168	3166	6	Other Income (Including Interest Income)	1651	666	3322	3742
20051	11368	66371	43102	7	Profit before Interest and Exceptional Items (5+6)	14292	7718	51341	30280
1915	270	5192	1110	8	Interest and Financial charges	374	61	876	366
18136	11098	61179	41992	9	Profit after Interest but before Exceptional Items (7-8)	13918	7657	50465	29914
0		4114		10	Exceptional Items	0		4031	
18136	11098	65293	41992	11	Profit Before Tax (9+10)	13918	7657	54496	29914
3968	1922	13822	8033	12	Tax Expenses	2860	1345	11000	5102
14168	9176	51471	33959	13	Profit After Tax (11-12)	11058	6312	43496	24812
14168	9176	51471	33959	14	Net Profit	11058	6312	43496	24812
3236	3082	3236	3082	15	Paid-up Equity Share Capital (Face value per share: Re. 1/-)	3236	3082	3236	3082
		174729	92387	16	Reserves excluding revaluation reserves			150131	79665
				17	Earnings per share				
4.38	2.98	16.11	11.33	a)	Basic and Diluted EPS Before Extraordinary Items (Not Annualised) (Rs.)	3.42	2.05	13.62	8.28
4.38	2.98	16.11	11.33	b)	Basic and Diluted EPS After Extraordinary Items (Not Annualised) (Rs.)	3.42	2.05	13.62	8.28
				18	Public Shareholding				
105888970	86952657	105888970	86952657		Number of shares	105888970	86952657	105888970	86952657
32.72%	28.21%	32.72%	28.21%		Percentage of Shareholding	32.72%	28.21%	32.72%	28.21%
				19	Promoters and Promoter Group Shareholding				
				a)	Pledged/Encumbered				
6500000	9750000	6500000	9750000		- Number of Shares	6500000	9750000	6500000	9750000
2.98%	4.41%	2.98%	4.41%		- Percentage of Shares (as a % of total shareholding of promoter and promoter group)	2.98%	4.41%	2.98%	4.41%
2.01%	3.16%	2.01%	3.16%		- Percentage of Shares (as a % of the total share capital of the company)	2.01%	3.16%	2.01%	3.16%
				b)	Non-Encumbered				
211201174	211487387	211201174	211487387		- Number of Shares	211201174	211487387	211201174	211487387
97.02%	95.59%	97.02%	95.59%		- Percentage of Shares (as a % of total shareholding of promoter and promoter group)	97.02%	95.59%	97.02%	95.59%
65.27%	68.63%	65.27%	68.63%		- Percentage of Shares (as a % of the total share capital of the company)	65.27%	68.63%	65.27%	68.63%

GODREJ CONSUMER PRODUCTS LIMITED

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FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2011

Notes:

1. These results were taken on record at the meeting of the Board of Directors of Godrej Consumer Products Ltd. (GCPL) held on May 02, 2011 and are being published in accordance with Clause 41 of the Listing Agreement.
2. The Hon'ble High Court of Judicature at Bombay has vide order dated February 28, 2011, sanctioned a Scheme of Amalgamation of Godrej Household Products Ltd. (GHPL), a wholly owned subsidiary of the Company with GCPL. The Appointed Date as per the Scheme is April 1, 2010 and the Effective Date is March 31, 2011. Accordingly, the standalone results of the Company for the quarter and year ended March 31, 2011, includes the results of the erstwhile GHPL for the financial year ended March 31, 2011.
In accordance with the Scheme of Amalgamation, the assets and liabilities of GHPL have been taken over and recorded at their fair values as on April 1, 2010, as determined by the Board of Directors of GCPL. Accordingly, the following effect has been given in the books of account of the Company:
a) Loans and Advances have been reduced by Rs. 3777 lac on account of:
i) Restatement of loans given by the erstwhile GHPL to the GHPL ESOP Trust for acquiring shares of Godrej Industries Limited (GIL) granted under the ESOP Scheme to the employees of GHPL. The loans have been restated at the market value of the underlying GIL shares as on April 1, 2010, resulting in a reduction of Loans & Advances amounting to Rs. 2955 lac; and
ii) Reduction in the excise duty refund receivable by GHPL amounting to Rs. 822 lac on account of uncertainty of recoverability.
b) Addition to fixed assets amounting to Rs.105500 lac on account of fair valuation of the "Goodknight" & "Hit" brands of the erstwhile GHPL as on April 1, 2010. Depreciation for the year amounting to Rs.5274 lac has been charged to General Reserve as per the Scheme.
c) Net reduction of Rs. 9051 lac from the General Reserve on account of (a) and (b) above.
3. During the year, the Company acquired a 100% stake in Naturesse Consumer Care Products Limited (NCCPL) and Essence Consumer Care Products Limited (ECCPL) which own the "Swastik" and "Genteel" brand respectively. The Board of Directors of the Company has approved a Scheme of Amalgamation of these Companies with GCPL subject to the consent of the Hon'ble High Court of Judicature at Bombay and such other necessary approvals and consents. The Appointed Date for the amalgamation is December 3, 2010. NCCPL and ECCPL have filed separate petitions with the Hon'ble High Court of Judicature at Bombay for sanction of the said Scheme. The approval of the Hon'ble High Court is awaited.
As the Appointed Date for the said Scheme is December 3, 2010, on receipt of the approval of the Hon'ble High Court and filing the same with the Registrar of Companies, the financial statements of GCPL for the year ended March 31, 2011, would be impacted as under:
Fixed Assets (net of depreciation) will increase by Rs. 15 lac representing the book value of "Swastik" and "Genteel" Brands, the Net Current Assets will increase by Rs. 172 lac. The General Reserve will reduce by Rs. 3768 lac being the difference between book value of assets and liabilities taken over after giving effect to the adjustments proposed in the Scheme.
4. The Kiwi Manufacturing and Distribution license for the use of Kiwi Shoe Care and Kiwi Kleen Brands in India and Sri Lanka granted to the erstwhile Godrej Household Products Ltd. by Sara Lee Corporation, USA, has been terminated with effect from April 3, 2011. The Company has received Rs. 15880 lac and its wholly owned subsidiary Godrej Household Products Lanka (Private) Ltd. has received Rs.1820 lac as a one time exit compensation in the financial year 2011-12.
5. During the year, the Company issued 15,400,100 equity shares of face value Re. 1 each at a premium of Rs. 344 per equity share to Qualified Institutional Buyers (QIB's). The pricing was equal to the floor price of Rs. 345 calculated in accordance with SEBI guidelines. The issue proceeds aggregating to Rs. 531.30 crore has been utilized to retire debt and for general corporate purposes.
6. During the quarter ended March 2011, the Company has redeemed zero coupon non convertible debentures aggregating to Rs. 200 crore and made a fresh issue of zero coupon non convertible debentures aggregating to Rs. 200 crore on private placement basis. Out of these, Debentures amounting to Rs. 45 crore are redeemable in December 2011 and the balance Rs. 155 crore are redeemable in January 2012.
7. During the quarter, the shareholders have approved a new Employee Stock Grant Scheme. The Scheme envisages the issue of up to 25,00,000 fully paid equity shares at a nominal value of Re. 1 each in the Company to certain eligible employees of the Company and / or its subsidiaries.
8. The Company has commenced commercial production of personal care products at its new factory at Plot No. 52, Brahmaputra Industrial Park, Dol Gobinda Mandir Road, Village Sila, Guwahati, on March 23, 2011.
9. During the quarter, the Company incorporated Godrej Mauritius Africa Holdings Limited (w.e.f. March 14, 2011) as its 100% subsidiary, which in turn acquired Godrej Weave Holdings Limited (w.e.f. March 14, 2011) as its 100% subsidiary.
10. The Board has declared a fourth interim dividend for the year 2010-11 at the rate of Rs. 1.50 /- per share (150% on the face value of Re. 1 /- each). The record date for the same has been fixed as May 10, 2011 and the dividend shall be paid on or before May 25, 2011. This dividend, along with the first, second and third interim dividend constitutes a total payout of Rs. 4.50 /- per share (450% on the face value of Re 1/- each) for the financial year 2010-11 till date.
11. The Company has only one business segment in which it operates viz. Personal & Household Care.
12. There were no investor complaints that were unresolved as on January 1, 2011. During the quarter ended March 31, 2011, the Company received 49 investor complaints and all, except 3, were resolved during the quarter. The 3 unresolved complaints have since been resolved.
13. The figures for the current quarter and year ended March 31, 2011, are not comparable with those of the corresponding periods of the previous year because of acquisitions / amalgamations made since then. Previous period's figures have been regrouped and reclassified wherever necessary.

Place : Mumbai
Date : May 02, 2011.

By Order of the Board
For Godrej Consumer Products Limited

