

KALYANIWALLA & MISTRY (Regd.)

CHARTERED ACCOUNTANTS

The Board of Directors
Godrej Industries Limited,
Pirojshanagar, Vikhroli,
Mumbai - 400 079.

Limited Review Report

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of **GODREJ INDUSTRIES LIMITED** for the quarter and nine months ended on December 31, 2011, except for 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 prepared by the Company pursuant to clause 41 of the Listing Agreement with stock exchanges in India. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on February 3, 2012. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accounts of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial consolidated statements is limited primarily to inquiries of persons responsible for financial and accounting matters and analytical procedures applied to financial data. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is expression of opinion regarding the financial statements taken as a whole. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our report, we draw your attention that the Group has instituted an Employee Stock Option Plan for the benefit of its eligible employees of participating companies. The Scheme is administered by an independent trust created with ILFS Trust Company Ltd. The ESOP Trust has been advanced loans which along with interest thereon and net of provision of Rs. 15.82 crores, amounts to Rs. 229.75 crores. The loans have been granted for purchase of shares of Godrej Industries Ltd. from the market equivalent to the number of options granted. As at December 31, 2011, the market value of the shares held by the ESOP Trust is lower than the holding cost of these shares by Rs. 71.26 crores, (net of provision of Rs. 15.82 crores). The repayment of the loans granted to the ESOP Trust and the interest payable by the Trust on the said loans is dependent on the exercise of options by the employees during the exercise period and or the market price of the underlying equity shares of the unexercised options at the end of the exercise period. In the opinion of the management, the fall in the value of the underlying equity shares is on account of market volatility and the loss, if any, can be determined only at the end of the exercise period.

K&M

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**KALYANIWALLA
& MISTRY**

4. *The recoverability of advances given to certain individuals amounting to Rs. 10.33 crores is contingent upon the transfer and / or disposal of the shares pledged against the loan. The said shares were lodged for transfer, which application was rejected and the Company has preferred an appeal to the Company Law Board. The investee company had in the mean while moved the High Court but the matter was referred back to the Company Law Board where the matter is awaiting hearing. The impact thereof on the profit for the quarter and nine months ended December 31, 2011 and the reserves as at that date could not be ascertained.*
5. We did not review the financial statements of certain subsidiaries and a joint venture, whose financial statements reflect the Group's share of total assets of Rs. 142.91 crores as at December 31, 2011, and the Group's share of total revenue of Rs. 859.69 crores for the nine months ended on that date as considered in the consolidated financial statements. We also did not review the financial statements of an associate wherein the Group's share of the associate's profit amounts to Rs. 0.03 crores for the nine months ended on that date as considered in the consolidated financial statements. These financial statements have been reviewed by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of such subsidiaries, associate and joint venture is based solely on the report of the other auditors.
6. *The financial statements of a joint venture, whose financial statements reflect the Group's share of total assets of Rs. 35.94 crores and the Group's share of total revenue of Rs. 102.09 crores for the nine months ended December 31, 2011, are not reviewed as of the date of this report and have been included in the consolidated financial statements on the basis of unaudited management accounts.*
7. *The financial statements of certain associates whose financial statements reflect the Group's share of associates' profit for the nine months ended December 31, 2011, of Rs. 21.53 crores have been included in the financial statements on the basis of unaudited management accounts.*
8. *Subject to para 4, 6 and 7 above and based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of Unaudited Consolidated Financial Results prepared in accordance with accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatements.*

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W


Darajis Z. Fraser
PARTNER
M. No.: 42454
Mumbai : February 3, 2012.

GODREJ INDUSTRIES LIMITED

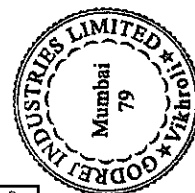
Regd. Office: Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai - 400 079

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER, 2011

(Amounts in Crores)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended			Year Ended
		31-Dec-11 (Unaudited)	30-Sep-11 (Unaudited)	31-Dec-10 (Unaudited)	31-Dec-11 (Unaudited)	31-Dec-10 (Unaudited)	31-Mar-11 (Audited)	
1	a) Net Sales	1,447.08	1,393.19	1,019.16	4,153.69	2,971.15	4,330.30	
	b) Other Operating Income	10.71	14.53	6.86	27.45	10.67	46.21	
	Total Income from Operations	1,457.79	1,413.72	1,026.02	4,181.14	2,981.82	4,384.51	
2	Expenditure							
	a) (Increase) / Decrease in Stock in Trade and Work in Progress	40.19	20.58	37.63	82.81	62.59	(21.35)	
	b) Consumption of Raw Materials	676.24	685.36	537.78	2,010.82	1,536.85	2,213.46	
	c) Cost of Sales - Property Development	116.19	100.92	322.98	322.98	103.31	324.00	
	d) Purchase of Traded Goods	315.56	272.74	173.01	839.81	617.29	835.67	
	e) Employees Cost	63.97	61.61	51.23	179.67	146.68	218.90	
	f) Depreciation	14.88	14.33	43.12	43.12	40.73	55.06	
	g) Other Expenses	182.07	177.95	145.28	516.05	413.08	555.18	
	Total Expenditure	1,409.10	1,333.49	986.66	3,992.26	2,920.53	4,180.92	
3	Profit / (Loss) from Operations Before Other Income, Interest and Exceptional Items	48.69	80.23	29.36	188.88	61.29	203.59	
4	Other Income	29.74	9.20	26.84	50.15	125.05	136.74	
5	Profit / (Loss) Before Interest and Exceptional Items	78.43	89.43	56.20	239.03	186.34	342.33	
6	Interest and Financial Charges (net)	26.08	26.43	21.21	87.57	87.93	87.93	
7	Profit / (Loss) After Interest But Before Exceptional Items	52.35	63.00	34.99	151.46	125.43	254.40	
8	Exceptional Items - Income (net)	32.58	45.99	23.30	90.84	63.71	68.31	
9	Profit / (Loss) from Ordinary Activities Before Taxation	84.93	108.99	58.29	242.30	189.14	322.71	
10	Tax Expense							
	- Current Tax (net of MAT Credit Entitlement)	23.91	25.52	11.73	66.93	45.05	73.76	
	- Deferred Tax	(1.63)	0.95	1.97	(1.55)	4.23	0.57	
	- Adjustment for Previous Year (net)	0.01	0.15	0.10	0.16	0.10	(1.19)	
11	Profit / (Loss) from Ordinary Activities After Tax	62.84	82.37	44.49	179.76	139.76	249.57	
12	Extraordinary Items (net of tax expense)	0.01	0.11	(0.08)	0.12	(0.08)	-	
13	Prior Period Items (net of tax expense)	36.86	27.43	115.69	115.69	83.12	111.22	
14	Share of Profit / (Loss) in Associate Companies	(14.78)	(17.08)	(10.98)	(46.68)	(38.17)	(67.40)	
15	Minority Interest	84.73	92.83	60.86	248.89	184.63	293.39	
16	Net Profit / (Loss) for the Period	31.76	31.76	31.76	31.76	31.76	31.76	
17	Paid-up Equity Share Capital (Face value- Re. 1 per share)							
18	Reserves Excluding Revaluation Reserves							
19	Basic EPS (₹) Excluding Extraordinary Items (Not Annualised)	2.8676	2.9225	1.9161	7.8360	5.8128	9.2370	
20	Diluted EPS (₹) Excluding Extraordinary Items (Not Annualised)	2.8627	2.9176	1.9161	7.8216	5.8128	9.2370	
21	Basic EPS (₹) Including Extraordinary Items (Not Annualised)	2.8676	2.9225	1.9161	7.8360	5.8128	9.2370	
	Diluted EPS (₹) Including Extraordinary Items (Not Annualised)	2.8627	2.9176	1.9161	7.8216	5.8128	9.2370	
22	Public Shareholding							
	Number of Shares	6,63,90,718	6,63,90,718	6,63,90,718	6,63,90,718	6,63,90,718	6,63,90,718	
	Percentage of Shares	20.90%	20.90%	20.90%	20.90%	20.90%	20.90%	
	Promoters and Promoter Group Shareholding							
a)	Pledged / Encumbered							
	- Number of Shares	-	-	-	-	-	-	
	- Percentage of Shares (as a % of Total Shareholding of Promoter and Promoter Group)	-	-	-	-	-	-	
b)	Non Encumbered							
	- Percentage of Shares (as a % of Total Shareholding of Promoter and Promoter Group)	-	-	-	-	-	-	
	- Number of Shares	25,12,34,174	25,12,34,174	25,12,34,174	25,12,34,174	25,12,34,174	25,12,34,174	
	- Percentage of Shares (as a % of Total Shareholding of Promoter and Promoter Group)	100%	100%	100%	100%	100%	100%	
	- Percentage of Shares (as a % of Total Share Capital of the Company)	79.10%	79.10%	79.10%	79.10%	79.10%	79.10%	

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Notes:

1 Stand alone results of Godrej Industries Limited

Sr. No.	Particulars	(Amounts in ` Crores)				
		31-Dec-11 (Unaudited)	30-Sep-11 (Unaudited)	31-Dec-10 (Unaudited)	31-Dec-11 (Unaudited)	31-Mar-11 (Audited)
1	Turnover	339.81	348.86	278.90	976.32	1,058.83
2	Profit Before Tax	28.44	88.68	26.52	135.48	136.01
3	Profit After Tax	28.51	84.18	24.97	130.14	133.43

2 The above results, were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 3rd February, 2012 and have been prepared in accordance with Clause 41 of the Listing Agreement. These results have been subjected to a Limited Review by the Statutory Auditors of the Company.

3 The results include consolidated financials of subsidiary companies, proportionate share of Joint Venture and Associates companies. The financial results of certain Associates have been included in the consolidated results on the basis of management accounts not reviewed by the auditors.

4 In view of change in the company's shareholdings in some of the subsidiaries, joint ventures and associates, as also business restructuring including acquisitions, divestitures/ joint ventures in some of these companies, the consolidated results for the period are not strictly comparable with those of the previous period.

5 The Auditors' Limited Review Report for the quarter and nine months ended 31st December, 2011, draws reference to recoverability of advances amounting to `10.33 crores given to certain individuals being contingent upon the transfer and/or disposal of the shares pledged against the loan. The Company has enforced its securities and lodged the shares for transfer in its name. However, as the transfer application was rejected, the Company filed an appeal before the Company Law Board (CLB). The investee company had in the meanwhile, moved the Bombay High Court and the Court remanded the matter back to CLB. The CLB has advised that the parties may approach the Bench after final disposal of the suit filed by the investee company and the application made by minority shareholders under section 397/398 before the Hon'ble High Court. The Company has filed an appeal with the Hon'ble High Court against the order of the Company Law Board under section 10 F of the Companies Act, which is pending for final disposal. The impact thereof on the profit for the quarter and nine months and the reserves as at 31st December, 2011 cannot be ascertained.

6 The group's ESOP plan is administered by an independent ESOP Trust which purchases shares of Godrej Industries Limited from the market, equivalent to the number of stock options granted from time to time to eligible employees. These purchases are financed by loans from the group companies which along with interest thereon aggregates to `229.76 crores (net of provision of `15.82 crores). The Auditors' Limited Review Report for the quarter and nine months ended December 31, 2011, draws attention, without qualifying the report, that the market value, as on December 31, 2011, of the shares held by the ESOP trust is lower than the holding cost of these shares by `71.26 crores (net of provision of `15.82 crores). The repayment of the loans granted to the ESOP Trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period. The fall in value of the underlying equity shares is on account of market volatility and the loss, if any, can be determined only at the end of the exercise period. The weighted average balance life of options outstanding as on December 31, 2011 is about 4.79 years.

7 Details of Exceptional Items and Extraordinary Items

Sr. No.	Particulars	(Amounts in ` Crores)				
		31-Dec-11 (Unaudited)	30-Sep-11 (Unaudited)	31-Dec-10 (Unaudited)	31-Dec-11 (Unaudited)	31-Mar-11 (Audited)
1	Exceptional items					
2	Profit on Sale of Long Term Investments	32.58	45.99	23.30	90.84	78.79
	Provision for Depletion in Value of Investments	-	-	-	-	(10.49)
	Total	32.58	45.99	23.30	90.84	68.31

8 There was 1 investor complaint that was unresolved as of October 1, 2011. During the quarter ended December 31, 2011, the Company has received 13 investor complaints and all 14 were resolved during the quarter.

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9 Segmental Information

Sr. No.	Particulars	(Amounts in Crores)				
		31-Dec-11 (Unaudited)	Quarter Ended 30-Sep-11 (Unaudited)	31-Dec-10 (Unaudited)	Nine Months Ended 31-Dec-11 (Unaudited)	Year Ended 31-Mar-11 (Audited)
1	Segment Revenue	332.19	340.04	270.14	950.50	1,022.86
	Chemicals	453.52	404.98	330.35	1,277.83	1,292.60
	Animal Feed	347.44	308.97	185.21	941.15	857.18
	Veg Oils	177.30	150.56	79.50	489.06	612.19
	Estate and Property development	38.97	39.88	33.30	123.81	155.96
	Beverages and Foods	48.40	90.93	35.54	173.05	166.16
	Finance and Investments	134.93	177.82	147.87	451.68	571.03
	Others	1,532.75	1,512.98	1,086.91	4,397.08	4,677.98
	Total	12.64	44.07	10.75	74.95	75.94
	Less : Inter Segment Revenue	1,520.11	1,468.91	1,076.16	4,322.13	4,602.04
2	Segment Results (Profit Before Interest and Tax)					
	Chemicals	27.66	36.05	23.31	83.27	89.99
	Animal Feed	22.96	18.79	11.51	64.10	51.21
	Veg Oils	18.44	19.33	9.85	55.95	29.52
	Estate and Property development	49.28	39.51	34.52	115.68	251.50
	Beverages and Foods	(4.68)	(5.26)	(3.00)	(14.95)	(13.96)
	Finance and Investments	39.05	48.75	27.38	104.69	85.83
	Others	11.43	25.73	12.13	53.48	55.65
	Profit Before Interest and Tax	164.14	182.90	115.70	462.22	549.74
	Less: Interest (Net)	26.08	26.43	21.21	81.57	87.93
	Less: Other Un-allocation Expenses (net)	53.13	47.48	36.20	135.35	139.10
	Profit Before Tax	84.93	108.99	58.29	245.30	322.71
3	Segment Capital Employed					
	Chemicals	96.99	175.87	189.94	96.99	187.92
	Animal Feed	(46.42)	23.75	21.10	(46.42)	50.56
	Veg Oils	150.56	152.89	137.77	150.56	131.79
	Estate and Property development	2,995.95	2,145.26	1,776.23	2,995.95	1,888.20
	Beverages and Foods	66.73	67.76	64.83	66.73	70.83
	Finance and Investments	1,535.53	1,475.77	1,436.94	1,535.53	1,525.35
	Others	156.42	220.20	252.10	156.42	203.29
	Unallocated	(2,906.98)	(2,259.83)	(1,925.32)	(2,906.98)	(2,127.36)
	Total	2,048.78	2,001.67	1,953.59	2,048.78	1,930.56

Notes to Segmental Information:

- Unallocable expenditure includes expenses incurred on common services at the corporate level and relate to the Company as a whole.
- Others includes Integrated Poultry, Agri Inputs and Tissue Culture, Energy Generation through Windmills, and the business of Urban Retailing.
- Segment Revenue Reconciliation:

Sr. No.	Particulars	(Amounts in Crores)				
		31-Dec-11 (Unaudited)	Quarter Ended 30-Sep-11 (Unaudited)	31-Dec-10 (Unaudited)	Nine Months Ended 31-Dec-11 (Unaudited)	Year Ended 31-Mar-11 (Audited)
1	Total Income from Operations	1,457.79	1,413.72	1,026.02	4,181.14	4,384.51
2	Other Income	29.74	9.20	26.84	50.15	138.74
3	Exceptional Items - Income	32.58	45.99	23.30	90.84	78.79
	Total	1,520.11	1,468.91	1,076.16	4,322.13	4,602.04

10 Figures for the previous periods have been regrouped / restated wherever necessary to facilitate comparison.

11 The stand alone results of Godrej Industries Limited is available on the Company's website www.godrejindts.com



By Order of the Board
For Godrej Industries Limited

N. B. Godrej
N. B. Godrej
Managing Director