

KALYANIWALLA & MISTRY (Regd.)

CHARTERED ACCOUNTANTS

The Board of Directors
Godrej Industries Limited,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East)
Mumbai - 400 079.

Limited Review Report

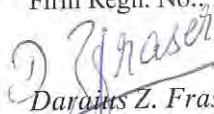
1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of **GODREJ INDUSTRIES LIMITED**, its Subsidiaries, Joint Ventures and Associates (collectively referred to as the "Group") for the quarter and nine months ended on December 31, 2012, except for disclosures regarding '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 6, 2013. 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 Accountants 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 to the following:
The Group has instituted an Employee Stock Option Plan for the benefit of 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. 20.88 crores, amounts to Rs. 170.44 crores. The loans have been granted for financing the purchase of equity shares of Godrej Group Companies equivalent to the number of options granted. As at December 31, 2012, the market value of the equity shares held by the ESOP Trust is lower than the holding cost (cost or market value whichever is lower) of these equity shares by Rs. 5.91 crores, (net of provision of Rs. 20.88 crores). The repayment of the loans granted to the ESOP Trust and interest payable by the Trust on the said loan 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.



**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 Company has enforced its security and lodged the shares for transfer in its name, which application was rejected and the Company has preferred an appeal to the Company Law Board (CLB). The CLB rejected the application and advised the parties to approach the High Court. The Company has filed an appeal before the Hon'ble Bombay High Court against the order of the Company Law Board under section 10 F of the Companies Act, which is pending final disposal. The Bombay High Court however, vide its order dated September 18, 2012, restrained the Company from interalia, dealing, selling or creating third party rights, etc. and referred the matter to arbitration. The Company has filed a Special Leave Petition before the Supreme Court against this Judgment of the Bombay High Court which is pending final disposal. The impact thereof on the profit for the quarter and nine months ended December 31, 2012 and the reserves as at that date could not be ascertained.*
5. We did not review the financial statements of certain subsidiaries whose financial statements reflect the Group's share of total assets of Rs. 68.26 crores as at December 31, 2012, and the Group's share of total revenue of Rs. 329.81 crores and Rs. 1242.87 crores respectively, for the quarter and 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. 4.22 crores, for the quarter and nine months ended December 31, 2012, 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 and an associate is based solely on the report of the other auditors.
6. The financial statements of certain joint ventures, whose financial statements reflect the Group's share of total assets of Rs. 34.08 crores as at December 31, 2012, and the Group's share of total revenue of Rs. 30.77 crores and Rs. 172.48 crores respectively, for the quarter and nine months ended on that date have not been reviewed and have been considered in the Consolidated Financial Statements based solely on the unaudited separate financial statements certified by the Management.
7. The financial statements of certain associates whose financial statements reflect the Group's share of Associates' profit of Rs. 0.23 crores and Rs. 1.78 crores respectively, for the quarter and nine months ended December 31, 2012, have not been reviewed and have been considered in the Consolidated Financial Statements based solely on the unaudited separate financial statements certified by the Management.
8. *Subject to our comment in paragraph 4 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


Darajit Z. Fraser
PARTNER
M. No.: 42454

Mumbai : February 6, 2013.

GODREJ INDUSTRIES LIMITED

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

(Amounts in Rs Crore)



PART I STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2012									
Sr. No.	Particulars	Quarter Ended			Nine Months Ended			Year Ended	
		31-Dec-12 (Unaudited)	30-Sep-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Dec-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Mar-12 (Audited)		
1	Income from Operations a) Net Sales (Net of excise duty) b) Other Operating Income Total income from Operations (net)	1,680.59 32.55 1,713.14	1,946.12 32.29 1,978.41	1,440.14 13.65 1,453.79	5,415.64 91.14 5,506.78	4,127.99 42.02 4,170.01	5,547.69 64.40 5,612.09		
2	Expenses a) Cost of Material Consumed b) Cost of Property Development c) Purchase of Stock in Trade d) Change in inventories of Finished Goods, Work in Progress and Stock in Trade e) Employee Benefits Expense f) Depreciation and Amortisation Expense g) Other Expenses Total Expenses	825.02 125.61 365.50 14.35 61.62 14.70 181.80 1,635.74	950.66 125.61 542.13 40.19 75.04 14.96 186.34 1,893.08	676.24 116.19 315.56 40.19 63.97 14.88 182.07 1,409.10	2,849.18 458.11 1,400.14 196.40 179.67 43.12 572.71 5,277.92	2,010.82 322.98 839.81 82.81 179.67 43.12 516.05 3,995.26	2,835.66 481.67 1,136.03 (36.53) 263.14 56.35 666.55 5,402.87		
3	Profit from Operations Before Other Income, Finance costs and Exceptional Items	77.40	85.33	44.69	228.86	174.75	209.22		
4	Other Income	9.84	10.59	33.74	38.25	61.28	97.94		
5	Profit Before Finance Cost and Exceptional Items	87.24	95.92	78.43	267.11	236.03	307.16		
6	Finance Costs	23.05	30.60	26.08	86.24	110.83	110.83		
7	Profit from Ordinary Activities after Finance Cost But Before Exceptional Items	64.19	65.32	52.35	180.87	154.46	196.33		
8	Exceptional Items - (net)	131.33	35.04	32.58	167.39	90.84	93.83		
9	Profit from Ordinary Activities Before Taxation	195.52	100.36	84.93	348.26	245.30	290.16		
10	Tax Expense	36.61	36.71	22.29	104.59	65.54	94.90		
11	Net (Loss) / Profit from Ordinary Activities After Tax	158.91	63.65	62.64	243.67	179.76	195.26		
12	Extraordinary items (net of tax expense)	-	-	0.01	-	0.12	-		
13	Prior Period Items (net of tax expense)	42.12	34.51	36.86	104.15	115.69	156.60		
14	Share of Profit in Associate Companies	(21.59)	(21.54)	(14.78)	(50.31)	(46.68)	(60.25)		
15	Minority Interest	179.44	76.62	84.73	297.51	248.89	291.61		
16	Net Profit for the Period	33.51	33.51	31.76	33.51	31.76	31.76		
17	Paid-up Equity Share Capital (Face value: ₹ 1 per share)						2,324.68		
18	Reserves Excluding Revaluation Reserves								
19 i	Earnings per share (before extraordinary items) (In Rs.) (Not Annualised)	5.4775	2.3660	2.6676	9.0817	7.8360	9.1811		
	(a) Basic	5.4669	2.3606	2.6627	9.0641	7.8216	9.1642		
	(b) Diluted								
19 ii	Earnings per share (after extraordinary items) (In Rs.) (Not Annualised)	5.4775	2.3660	2.6676	9.0817	7.8360	9.1811		
	(a) Basic	5.4669	2.3606	2.6627	9.0641	7.8216	9.1642		
	(b) Diluted								

Part II Select Information for the Quarter And Nine Months Ended December 31, 2012

Sr. No.	Particulars	Quarter Ended			Nine Months Ended			Year Ended	
		31-Dec-12 (Unaudited)	30-Sep-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Dec-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Mar-12 (Audited)		
A	PARTICULARS OF SHAREHOLDING								
1	Public Shareholding	83,854,533	83,750,625	66,390,718	83,854,533	66,390,718	66,390,718		
	- Number of Shares	25.02%	25.00%	20.90%	25.02%	20.90%	20.90%		
2	Promoters and Promoter Group Shareholding	-	-	-	-	-	-		
	a) Pledged / Encumbered	-	-	-	-	-	-		
	- Number of Shares	-	-	-	-	-	-		
	- Percentage of Shares (as a % of Total Shareholding of Promoter and Promoter Group)	-	-	-	-	-	-		
	- Percentage of Shares (as a % of Total Share Capital of the Company)	-	-	-	-	-	-		
	b) Non Encumbered	-	-	-	-	-	-		
	- Number of Shares	251,234,174	251,234,174	251,234,174	251,234,174	251,234,174	251,234,174		
	- 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)	74.98%	75.00%	79.10%	74.98%	79.10%	79.10%		

B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	2
	Disposed off during the quarter	2
	Remaining unresolved at the end of the quarter	-

Notes

Stand alone results of Godrej Industries Limited						
Sr. No.	Particulars	Quarter Ended			Nine Months Ended	
		31-Dec-12 (Unaudited)	30-Sep-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Dec-12 (Unaudited)	31-Mar-12 (Audited)
1	Turnover	338.02	399.73	346.91	1,108.50	1,438.04
2	Profit/(Loss) Before Tax	136.31	(52.83)	28.44	96.64	201.05
3	Profit/(Loss) After Tax	131.37	(51.38)	28.51	93.17	201.56

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 February 06, 2013 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, joint ventures and Associates companies. The financial results of certain Associates & Joint Ventures have been included in the consolidated results on the basis of management accounts not reviewed by the Auditors.

4 In view of changes in the Company's shareholdings during the period in some of the subsidiaries, joint ventures and associates, 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 December 31, 2012, draws reference to recoverability of advances amounting to Rs. 10.33 crores being contingent upon the transfer / disposal of equity shares pledged against the loan. The Company has enforced its security and lodged the shares for transfer in its name, which application was rejected and the Company has preferred an appeal to the Company Law Board (CLB). The CLB rejected the application and advised the parties to approach the High Court. The Company has filed an appeal before the Hon'ble High Court against the order of the Company Law Board under section 10 F of the Companies Act, which is pending final disposal. The Bombay High Court, however, vide its order dated September 18, 2012, restrained the Company from interalia, dealing, selling or creating third party rights, etc. in the pledged shares and referred the matter to arbitration. The Company has filed a Special Leave Petition before the Supreme Court against this Judgment of the Bombay High Court which is pending final disposal. The impact thereof on the profit for the quarter and nine months ended December 31, 2012 and the reserves as at that date is not ascertainable.

6 The Group has instituted an Employee Stock Option Plan for the benefit of 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 or provision of Rs. 20.88 crores, amounts to Rs. 170.44 crores. As at December 31, 2012, the market value of the equity shares held by the ESOP Trust is lower than the holding cost (cost or market value whichever is lower) of these equity shares by Rs. 5.91 crores, (net of provision of Rs. 20.88 crores). The loans have been granted for financing the purchase of equity shares of Godrej Group Companies equivalent to the number of options granted. The repayment of the loans granted to the ESOP Trust and interest payable by the Trust on the said loan 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. The weighted average balance life of options outstanding as on December 31, 2012, is 4.16 years.

7 In July 2012, the Company has issued 17,233,407 equity shares of Re 1 each at a premium of Rs 214 per share under the Institutional Placement Programme (IPP) aggregating to Rs 370.52 crore. The net issue proceed of Rs 350.52 crore have been partially utilised for investment and balance unutilised amount has been temporarily invested in mutual funds schemes and fixed deposit with banks.

8 During the quarter, the Company has issued 103,908 equity shares of Rs 1 each to eligible employees against the exercise of options given under Employees Stock Grant Scheme.

9 During the quarter, the Company has sold part of its holding in its subsidiary, Godrej Agrovet Limited. The profit on sale of this investment has been included under exceptional item.

10 Dividend income has been considered as Revenue from Operations since Finance and Investments is an Operating business segment for the Company.

Details of Exceptional Items						
Sr. No.	Particulars	Quarter Ended			Nine Months Ended	
		31-Dec-12 (Unaudited)	30-Sep-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Dec-12 (Unaudited)	31-Mar-12 (Audited)
1	Profit/(Loss) on Sale of Long Term Investments	131.33	47.62	32.58	179.97	91.30
2	Provision for Diminution in Value of Investments / Loans	-	(8.16)	-	(8.16)	2.53
3	Voluntary Retirement Compensation	-	(4.42)	-	(4.42)	-
	Total	131.33	35.04	32.58	167.39	93.83



12 Segmental Information

(Amounts in ₹ Crores)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended			Year Ended	
		31-Dec-12 (Unaudited)	30-Sep-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Dec-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Mar-12 (Audited)		
1	Segment Revenue								
	Chemicals	301.83	346.59	332.19	995.61	950.50	1,283.60		
	Animal Feed	622.48	628.24	453.52	1,770.01	1,277.83	1,747.93		
	Veg Oils	383.56	592.28	347.44	1,498.73	941.15	1,232.86		
	Estate and Property development	283.55	252.80	177.30	787.29	469.06	900.78		
	Beverages and Foods	-	34.37	38.97	81.70	123.81	169.83		
	Finance and Investments	161.64	76.28	48.40	257.84	173.05	215.38		
	Others	150.90	175.71	134.93	508.17	461.68	576.90		
	Total	1,903.76	2,106.27	1,532.75	5,899.35	4,397.08	6,127.28		
	Less: Inter Segment Revenue	49.45	69.65	12.64	174.35	74.95	323.42		
2	Segment Results (Profit Before Interest and Tax)	1,854.31	2,036.62	1,520.11	5,725.00	4,322.13	5,803.86		
	Chemicals	(3.54)	24.29	27.66	44.82	83.27	119.81		
	Animal Feed	29.40	32.21	22.96	86.21	64.10	95.49		
	Veg Oils	17.97	14.68	18.44	50.79	55.95	53.67		
	Estate and Property development	72.55	58.92	49.28	168.79	115.68	156.73		
	Beverages and Foods	-	(10.17)	(4.68)	(14.95)	(14.95)	(18.69)		
	Finance and Investments	134.21	45.94	39.05	186.18	104.69	114.35		
	Others	1.43	10.56	11.43	30.01	53.48	53.77		
	Profit Before Interest and Tax	252.02	176.43	164.14	549.35	462.22	574.93		
	Less: Interest (net)	23.05	30.60	26.08	86.24	81.57	110.83		
3	Segment Capital Employed	195.52	100.36	84.93	348.26	245.30	290.16		
	Chemicals	114.15	89.64	96.99	114.15	96.99	51.21		
	Animal Feed	53.93	95.53	(46.42)	53.93	(46.42)	(75.73)		
	Veg Oils	195.18	192.34	150.56	195.18	150.56	68.78		
	Estate and Property development	3,526.59	3,435.03	2,995.95	3,526.59	2,995.95	3,428.23		
	Beverages and Foods	-	-	66.73	-	66.73	65.36		
	Finance and Investments	1,722.52	1,654.15	1,535.53	1,722.52	1,535.53	1,707.83		
	Others	151.59	167.20	156.42	151.59	156.42	114.26		
	Unallocated	(2,491.26)	(2,639.45)	(2,906.98)	(2,491.26)	(2,906.98)	(2,992.93)		
	Total	3,272.70	2,974.44	2,048.78	3,272.70	2,048.78	2,367.01		

Notes to Segmental Information:

- a) Unallocable expenditure includes expenses incurred on common services at the corporate level and relate to the Company as a whole.
b) Others includes Vegolis Division and energy generation through windmills.
c) Segment Revenue Reconciliation :

Sr. No.	Particulars	Quarter Ended			Nine Months Ended			Year Ended	
		31-Dec-12 (Unaudited)	30-Sep-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Dec-12 (Unaudited)	31-Dec-11 (Unaudited)	31-Mar-12 (Audited)		
1	Total Income from Operations (net)	1,713.14	1,978.41	1,453.79	5,506.78	4,170.01	5,612.09		
2	Other Income	9.84	10.59	33.74	38.25	61.28	97.94		
3	Exceptional Items - Income	131.33	47.62	32.58	179.97	90.84	93.83		
	Total	1,854.31	2,036.62	1,520.11	5,725.00	4,322.13	5,803.86		

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

14 The Standalone results of Godrej Industries Ltd. is available on the Company's website www.godrejind.com

By Order of the Board
For Godrej Industries Limited

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

Place: Mumbai
Date : February 06, 2013

