

## Auditors' Report

### TO THE MEMBERS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GODREJ CONSUMER PRODUCTS LIMITED AND ITS SUBSIDIARIES

1. We have audited the attached consolidated balance sheet of GODREJ CONSUMER PRODUCTS LIMITED (the Company) and its subsidiaries (collectively referred to as the "Godrej Group") as at March 31, 2008, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended annexed thereto (consolidated financial statements). These consolidated financial statements are the responsibility of the Company's Management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries included in the consolidated financial results whose financial statements reflect the Group's share of total assets of Rs. 14013.81 lacs as at March 31, 2008, the Group's share of total revenues of Rs. 25101.11 lacs and net cash flows amounting to Rs. 197.23 lacs for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the report of the other auditors.
4. As stated in Note 2(b) of Schedule 16 to the Consolidated Financial Statements, certain subsidiaries whose financial statements reflect the Group's share of total assets of Rs. 6652.71 lacs as at March 31, 2008 and the Group's share of total revenues of Rs. 26.67 lacs and net cash flows amounting to Rs. 191.84 lacs for the year ended on that date have not been audited and have been considered in the consolidated financial statements based solely on the unaudited separate financial statements certified by the Management.
5. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting for Investments in Subsidiaries in Separate Financial Statements, issued by the Institute of Chartered Accountants of India.
6. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the management's certification of the unaudited financial statements, in our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of Godrej Consumer Products Limited and its subsidiaries as at March 31, 2008;
  - (b) in the case of the Consolidated Profit and Loss Account, of the consolidated profit for the year ended on that date; and
  - (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

For and on behalf of  
**Kalyaniwalla & Mistry**  
Chartered Accountants

**Daraius Z. Fraser**  
Partner  
M. No.: 42454  
Mumbai, April 28, 2008.