



# NIRMA LIMITED

REGD. OFFICE : NIRMA HOUSE, ASHRAM ROAD, AHMEDABAD-380 009. PHONES : 079-27546565 - 74 FAX : (079) 27546603 - 27546605 Email : info@nirma.co.in

**By Fax / Courier**

Ref: NNL/SC/002/057/2010-11

October 29, 2010

To,  
National Stock Exchange of India Limited  
'Exchange Plaza', C-1, Block G  
Bandra-Kurla Complex, Bandra (E)  
Mumbai 400 051

**Kind Attn: Shri Hari K.**

**Sub : Submission of Unaudited Financial Result for the Quarter ended on 30<sup>th</sup> September 2010 pursuant to Clause 41 of the Listing Agreement**

Dear Sir,

With reference to the captioned subject, we enclose herewith Unaudited Financial Result (standalone) for the Quarter ended on 30<sup>th</sup> September 2010 approved by the Board of Directors of the Company at its meeting held on 29<sup>th</sup> October 2010 along with Limited Review Report.

We hope you will find the same in order.

Thanking you,

Yours faithfully,  
For, **NIRMA LIMITED**

Paresh Sheth  
Company Secretary

Encl: As Above

**NIRMA**

*Better Products. Better Value. Better Living.*

| NIRMA LTD                                                                           |                                                                                         |                                                                                                                                       |                              |            |                                 |            |                                                                  |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------|---------------------------------|------------|------------------------------------------------------------------|
| Regd Office : Nirma House, Ashram Road, Ahmedabad - 380 009                         |                                                                                         |                                                                                                                                       |                              |            |                                 |            |                                                                  |
| UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE QUARTER ENDED 30TH SEPTEMBER, 2010 |                                                                                         |                                                                                                                                       |                              |            |                                 |            |                                                                  |
| Sr. No                                                                              | Particulars                                                                             |                                                                                                                                       | Quarter ended<br>(Unaudited) |            | Cumulative up to<br>(Unaudited) |            | Rs. In Lacs<br>Previous<br>year ended<br>(Audited)<br>31.03.2010 |
|                                                                                     |                                                                                         |                                                                                                                                       | 30.09.2010                   | 30.09.2009 | 30.09.2010                      | 30.09.2009 |                                                                  |
| 1                                                                                   | (a)                                                                                     | Net Sales/Income from Operations                                                                                                      | 78,243                       | 75,005     | 160,363                         | 158,687    | 311,795                                                          |
|                                                                                     | (b)                                                                                     | Other Operating Income                                                                                                                | 9                            | 20         | 9                               | 20         | -                                                                |
| 2                                                                                   |                                                                                         | Expenditure                                                                                                                           |                              |            |                                 |            |                                                                  |
|                                                                                     | (a)                                                                                     | (Increase)/decrease in stock in trade and work in progress                                                                            | (2,139)                      | (3,336)    | (1,106)                         | (2,249)    | (680)                                                            |
|                                                                                     | (b)                                                                                     | Consumption of raw materials                                                                                                          | 33,225                       | 30,032     | 68,858                          | 64,901     | 125,402                                                          |
|                                                                                     | (c)                                                                                     | Purchase of traded goods                                                                                                              | 628                          | 1,556      | 951                             | 2,254      | 3,687                                                            |
|                                                                                     | (d)                                                                                     | Employee cost                                                                                                                         | 3,130                        | 2,842      | 6,128                           | 5,506      | 11,345                                                           |
|                                                                                     | (e)                                                                                     | Depreciation                                                                                                                          | 6,979                        | 6,592      | 13,986                          | 13,164     | 28,756                                                           |
|                                                                                     | (f)                                                                                     | Other expenditure                                                                                                                     | 31,399                       | 26,277     | 60,948                          | 55,319     | 113,499                                                          |
|                                                                                     |                                                                                         | i) Power & fuel                                                                                                                       | 13,338                       | 9,492      | 24,280                          | 18,448     | 39,483                                                           |
|                                                                                     |                                                                                         | ii) Others                                                                                                                            | 18,061                       | 16,785     | 36,668                          | 36,871     | 74,016                                                           |
|                                                                                     | (g)                                                                                     | Total                                                                                                                                 | 73,222                       | 63,963     | 149,765                         | 138,895    | 282,009                                                          |
| 3                                                                                   | Profit from operations before other income, interest and exceptional items (1-2)        |                                                                                                                                       | 5,030                        | 11,062     | 10,607                          | 19,812     | 29,786                                                           |
| 4                                                                                   | Other Income                                                                            |                                                                                                                                       | 141                          | 93         | 367                             | 1,087      | 1,917                                                            |
| 5                                                                                   | Profit before interest and exceptional items (3+4)                                      |                                                                                                                                       | 5,171                        | 11,155     | 10,974                          | 20,899     | 31,703                                                           |
| 6                                                                                   | Interest                                                                                |                                                                                                                                       | 787                          | 1,103      | 1,573                           | 1,630      | 3,172                                                            |
| 7                                                                                   | Profit after interest but before exceptional items (5-6)                                |                                                                                                                                       | 4,384                        | 10,052     | 9,401                           | 19,269     | 28,531                                                           |
| 8                                                                                   | Exceptional item : (Refer Note No.6)                                                    |                                                                                                                                       | 418                          | (399)      | 273                             | (737)      | (15)                                                             |
| 9                                                                                   | Profit (+)/Loss(-) from Ordinary Activities before tax (7+8)                            |                                                                                                                                       | 4,802                        | 9,653      | 9,674                           | 18,532     | 28,516                                                           |
| 10                                                                                  | Tax expenses                                                                            |                                                                                                                                       | 2,447                        | 1,724      | 2,597                           | 4,202      | 4,722                                                            |
| 11                                                                                  | Net Profit(+)/ Loss(-) from ordinary activities after tax (9-10)                        |                                                                                                                                       | 2,355                        | 7,929      | 7,077                           | 14,330     | 23,794                                                           |
| 12                                                                                  | Extraordinary item (Net of tax expenses rupees)                                         |                                                                                                                                       | -                            | -          | -                               | -          | -                                                                |
| 13                                                                                  | Net Profit(+)/ Loss(-) for the period (11-12)                                           |                                                                                                                                       | 2,355                        | 7,929      | 7,077                           | 14,330     | 23,794                                                           |
| 14                                                                                  | Paid up equity share capital (Face value of Rs.5 each)                                  |                                                                                                                                       | 7,957                        | 7,957      | 7,957                           | 7,957      | 7,957                                                            |
| 15                                                                                  | Reserve excluding revaluation reserves as per balance sheet of previous accounting year |                                                                                                                                       |                              |            |                                 |            | 259,141                                                          |
| 16                                                                                  | Earnings per share (EPS)                                                                |                                                                                                                                       |                              |            |                                 |            |                                                                  |
|                                                                                     | (a)                                                                                     | Basic and diluted EPS before extraordinary item for the period, for the year to date and for the previous year (not to be annualised) | 1.48                         | 4.98       | 4.45                            | 9.00       | 14.95                                                            |
|                                                                                     | (b)                                                                                     | Basic and diluted EPS after extraordinary item for the period, for the year to date and for the previous year (not to be annualised)  | 1.48                         | 4.98       | 4.45                            | 9.00       | 14.95                                                            |
| 17                                                                                  | Public shareholding                                                                     |                                                                                                                                       |                              |            |                                 |            |                                                                  |
|                                                                                     |                                                                                         | Number of shares                                                                                                                      | 36326362                     | 36326362   | 36326362                        | 36326362   | 36326362                                                         |
|                                                                                     |                                                                                         | Percentage of shareholding                                                                                                            | 22.83%                       | 22.83%     | 22.83%                          | 22.83%     | 22.83%                                                           |
| 18                                                                                  | Promoters shareholding and promoter group shareholding                                  |                                                                                                                                       |                              |            |                                 |            |                                                                  |
|                                                                                     | (a)                                                                                     | Pledged/Encumbered                                                                                                                    |                              |            |                                 |            |                                                                  |
|                                                                                     |                                                                                         | Number of shares                                                                                                                      | Nil                          | Nil        | Nil                             | Nil        | Nil                                                              |
|                                                                                     |                                                                                         | Percentage of shares (as a % of the total shareholding of promoter and promoter group)                                                | N.A.                         | N.A.       | N.A.                            | N.A.       | N.A.                                                             |
|                                                                                     |                                                                                         | Percentage of shares (as a % of the total share capital of the company)                                                               | N.A.                         | N.A.       | N.A.                            | N.A.       | N.A.                                                             |
|                                                                                     | (b)                                                                                     | Non-encumbered                                                                                                                        |                              |            |                                 |            |                                                                  |
|                                                                                     |                                                                                         | Number of shares                                                                                                                      | 122815920                    | 122815920  | 122815920                       | 122815920  | 122815920                                                        |
|                                                                                     |                                                                                         | Percentage of shares (as a % of the total shareholding of promoter and promoter group)                                                | 100                          | 100        | 100                             | 100        | 100                                                              |
|                                                                                     |                                                                                         | Percentage of shares (as a % of the total share capital of the company)                                                               | 77.17%                       | 77.17%     | 77.17%                          | 77.17%     | 77.17%                                                           |



## STATEMENT OF ASSETS AND LIABILITIES

|                                                                | As on<br>30.09.2010 | As on<br>30.09.2009 |
|----------------------------------------------------------------|---------------------|---------------------|
| <b>SHAREHOLDERS FUND:</b>                                      |                     |                     |
| (a) Capital                                                    | 7,957               | 7,957               |
| (a) Reserves and Surplus                                       | 274,667             | 266,477             |
| <b>LOAN FUNDS</b>                                              | 100,300             | 100,361             |
| <b>TOTAL</b>                                                   | <b>382,924</b>      | <b>374,795</b>      |
| <b>FIXED ASSETS</b>                                            | 211,503             | 225,633             |
| <b>INVESTMENTS</b>                                             | 70,756              | 53,585              |
| <b>CURRENT ASSETS, LOANS AND ADVANCES</b>                      |                     |                     |
| (a) Inventories                                                | 59,344              | 59,301              |
| (b) Sundry Debtors                                             | 28,433              | 28,219              |
| (c) Cash and Bank balances                                     | 1,796               | 12,491              |
| (d) Other current assets                                       | -                   | -                   |
| (e) Loans and Advances                                         | 75,036              | 60,416              |
| Less: Current Liabilities and Provisions                       |                     |                     |
| (a) Liabilities                                                | 27,370              | 28,859              |
| (b) Provisions                                                 | 5,647               | 4,920               |
| <b>Net Current Assets</b>                                      | 131,592             | 126,648             |
| <b>Deferred Tax Liabilities (net)</b>                          | 30,927              | 31,071              |
| <b>MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)</b> | -                   | -                   |
| <b>PROFIT AND LOSS ACCOUNT</b>                                 | -                   | -                   |
| <b>TOTAL</b>                                                   | <b>382,924</b>      | <b>374,795</b>      |

## Notes :

- The above financial results were reviewed by the Audit Committee at their meeting held on October 29, 2010 and approved by the Board of Directors at their meeting held on October 29, 2010.
- The Statutory Auditors of the Company have carried out "Limited Review" of the above financial results.
- There were no pending complaints at the beginning of the September 2010 quarter. During the quarter ended September 2010 the Company had received 9 complaints, out of which 8 complaints were disposed off, and one complaint was outstanding at the end of quarter. The Company has further forwarded 5 complaints received during the quarter to Core Healthcare Ltd. (CHL) / Official Liquidator which were related to the data of shareholders of CHL on account of non-availability of data to the Company.
- The members of the Company have approved, at the court convened meeting held on 16th August 2010, the scheme of arrangement in nature of demerger and transfer of Cement and Mining Division of Nirma Credit and Capital Private Ltd. to the Company. The Company has filed petition with Hon'ble High Court of Gujarat. Further, the petition is also filed by Nirma Consumer Care Ltd. wholly owned subsidiary of the Company with Hon'ble High Court of Gujarat for amalgamation with the Company. The requisite approvals are under process.
- The Company has taken over Demerged undertaking of Core Healthcare Ltd.(CHL), under the Composite Scheme of Compromise and Arrangement sanctioned by the High Court of Gujarat by order dated 1st March, 2007. The appointed date for this purpose was 1st December, 2004 and the effective date was 7th March, 2007. Three parties of CHL have filed an appeal against the said order before the Division Bench of Hon'ble High Court of Gujarat. The appeal is pending.
- Effective from April 01, 2008, consequent to the exercise of the option available as per the new paragraph 46 of the Accounting Standard 11, The Effects of Changes in foreign exchange rate notified by the Ministry of Corporate Affairs vide Notification dated March 31, 2009 on Companies (Accounting Standard) Amendment rules, 2009 [G.S.R.225(E) dated 31.03.2009] on exercise of option, the Company transferred Rs.11.09 crores to Foreign Currency Monetary Item Translation Difference Account. The Company has written back Rs.2.73 crores to Profit and Loss Account up to September 30, 2010 and Rs.8.36 crores is remaining to be written back.
- Figures of the previous year/quarter have been regrouped wherever necessary.

By order of the Board  
For NIRMA LIMITEDHIREN K. PATEL  
Managing DirectorPlace : Ahmedabad  
Date : 29.10.2010

## Unaudited Segment wise Revenue, Results and Capital Employed

| Segment Revenue (Net sales/Income from each segment) |                                                             |                           |            |                              |            | Rs. In Lacs                   |
|------------------------------------------------------|-------------------------------------------------------------|---------------------------|------------|------------------------------|------------|-------------------------------|
| Sr. No                                               | Particulars                                                 | Quarter ended (Unaudited) |            | Cumulative up to (Unaudited) |            | Previous year ended (Audited) |
|                                                      |                                                             | 30.09.2010                | 30.09.2009 | 30.09.2010                   | 30.09.2009 | 31.03.2010                    |
| 1                                                    | Segment Revenue (Net sales/Income from each segment)        |                           |            |                              |            |                               |
| a                                                    | Soaps & Surfactants                                         | 62,078                    | 60,198     | 127,631                      | 132,236    | 261,282                       |
| b                                                    | Pharmaceuticals                                             | 8,525                     | 6,541      | 16,205                       | 11,986     | 22,509                        |
| c                                                    | Others                                                      | 7,640                     | 8,266      | 16,527                       | 14,465     | 28,004                        |
|                                                      | G. Total                                                    | 78,243                    | 75,005     | 160,363                      | 158,687    | 311,795                       |
|                                                      | Less : Inter segment revenue                                | -                         | -          | -                            | -          | -                             |
|                                                      | Net Sales / Income from Operations                          | 78,243                    | 75,005     | 160,363                      | 158,687    | 311,795                       |
| 2                                                    | Segment Results (Profit before Tax and Interest)            |                           |            |                              |            |                               |
| a                                                    | Soaps & Surfactants                                         | 7,083                     | 13,243     | 15,055                       | 25,987     | 46,730                        |
| b                                                    | Pharmaceuticals                                             | (632)                     | (1,352)    | (1,659)                      | (3,395)    | (4,921)                       |
| c                                                    | Others                                                      | 640                       | 990        | 1,825                        | 1,975      | 2,818                         |
|                                                      | G. Total                                                    | 7,091                     | 12,881     | 15,221                       | 24,567     | 44,627                        |
|                                                      | Less : 1) Interest                                          | 787                       | 1,103      | 1,573                        | 1,630      | 3,030                         |
|                                                      | 2) Other unallocable expenditure net of unallocable income. | 1,502                     | 2,125      | 3,974                        | 4,405      | 13,081                        |
|                                                      | Total Profit Before Tax                                     | 4,802                     | 9,653      | 9,674                        | 18,532     | 28,516                        |
| 3                                                    | Capital Employed (Segment Assets - Segment Liabilities)     |                           |            |                              |            |                               |
| a                                                    | Soaps & Surfactants                                         | 219,544                   | 213,789    | 219,544                      | 213,789    | 226,235                       |
| b                                                    | Pharmaceuticals                                             | 51,419                    | 48,485     | 51,419                       | 48,485     | 51,248                        |
| c                                                    | Others                                                      | 28,636                    | 27,992     | 28,636                       | 27,992     | 26,407                        |
| d                                                    | Unallocable                                                 | (16,975)                  | (15,832)   | (16,975)                     | (15,832)   | (28,344)                      |
|                                                      | Total Capital Employed in Segments                          | 282,624                   | 274,434    | 282,624                      | 274,434    | 275,546                       |

## Notes to Segment Information for the quarter ended 30th September 2010

1 As per Accounting Standard 17 on Segment Reporting (AS 17), the Company has reported "Segment Information", as described below :

- a) The Soaps and Surfactants includes detergents, toilet soap and its ingredients.
- b) The Pharma business.
- d) Others includes Single super phosphate, Vaccume salt, Iodised salt and Castor oil etc.



**HEMANSHU SHAH**

B. Com., F.C.A., A.C.W.A.  
D.I.S.A.

**Hemanshu Shah & Co.**

CHARTERED ACCOUNTANTS

**LIMITED REVIEW REPORT**

The Board of Directors,  
Nirma Limited  
Nirma House, Ashram Road,  
Ahmedabad - 380 009

1. We have reviewed the accompanying statement of unaudited financial results of Nirma Limited for the period ended 30<sup>th</sup> September 2010 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. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. 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 Engagement (SRE) 2400, Engagements to Review Financial Statements 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The Company has taken over Demerged undertaking of Core Healthcare Ltd. (CHL) under the Composite Scheme of Compromise and Arrangement sanctioned by the High Court of Gujarat by order dated 1<sup>st</sup> March, 2007. Three Parties of CHL have filed an appeal against the said order before the Division Bench of Hon'ble High Court of Gujarat. The appeal is pending.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards issued by the Institute of Chartered Accountants of India and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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hcshah25@gmail.com

Place: Ahmedabad  
Date: 29<sup>th</sup> October, 2010



For, Hemanshu Shah & Co.  
Chartered Accountants  
Firm Registration No. 122439W

H.C. Shah  
Proprietor  
Membership No. 36441