

**NIRMA LTD**

Regd Office : Nirma House, Ashram Road, Ahmedabad - 380 009

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2010**

Rs. In Lacs

Sr. No	Particulars	Quarter ended (Unaudited)		For the year ended 31.03.2010 (Audited)	For the year ended 31.03.2009 (Audited)	Consolidated Accounts	
		31.03.2010	31.03.2009			For the year ended 31.03.2010 (Audited)	For the year ended 31.03.2009 (Audited)
		1	(a) Net Sales/Income from Operations	77,309	82,349	311,795	303,017
	(b) Other Operating Income	-	-	-	9	-	9
2	Expenditure						
	(a) (Increase)/decrease in stock in trade and work in progress	1,444	5,811	(680)	(3,108)	5,286	(12,250)
	(b) Consumption of raw materials	31,314	30,180	125,402	139,889	132,643	152,849
	(c) Purchase of traded goods	530	598	3,687	2,270	4,083	2,277
	(d) Employee cost	2,812	2,739	11,345	9,900	43,874	40,302
	(e) Depreciation	8,723	5,946	28,756	24,438	33,748	28,801
	(f) Other expenditure	30,024	28,097	113,499	104,946	210,812	214,529
	i) Power & fuel	11,065	9,159	39,483	40,106	66,236	69,659
	ii) Others	18,959	18,938	74,016	64,840	144,576	144,870
	(g) <b>Total</b>	<b>74,847</b>	<b>73,371</b>	<b>282,009</b>	<b>278,335</b>	<b>430,446</b>	<b>426,508</b>
3	<b>Profit from operations before other income, interest and exceptional items (1-2)</b>	<b>2,462</b>	<b>8,978</b>	<b>29,786</b>	<b>24,691</b>	<b>31,592</b>	<b>30,983</b>
4	Other Income	482	430	1,917	869	7,572	6,984
5	<b>Profit before interest and exceptional items (3+4)</b>	<b>2,944</b>	<b>9,408</b>	<b>31,703</b>	<b>25,560</b>	<b>39,164</b>	<b>37,967</b>
6	Interest	702	638	3,172	4,741	5,199	7,485
7	<b>Profit after interest but before exceptional items (5-6)</b>	<b>2,242</b>	<b>8,770</b>	<b>28,531</b>	<b>20,819</b>	<b>33,965</b>	<b>30,482</b>
8	Exceptional item : (Refer Note No.6)	788	(1,962)	(15)	(8,986)	(517)	(8,906)
9	<b>Profit (+)/Loss(-) from Ordinary Activities before tax (7+8)</b>	<b>3,030</b>	<b>6,808</b>	<b>28,516</b>	<b>11,833</b>	<b>33,448</b>	<b>21,576</b>
10	Tax expenses	431	805	4,722	2,490	8,515	8,276
11	<b>Net Profit(+)/ Loss(-) from ordinary activities after tax (9-10)</b>	<b>2,599</b>	<b>6,003</b>	<b>23,794</b>	<b>9,343</b>	<b>24,933</b>	<b>13,300</b>
12	Extraordinary item (Net of tax expenses rupees)	-	-	-	-	-	-
13	<b>Net Profit(+)/ Loss(-) for the period (11-12)</b>	<b>2,599</b>	<b>6,003</b>	<b>23,794</b>	<b>9,343</b>	<b>24,933</b>	<b>13,300</b>
14	Paid up equity share capital (Face value of Rs.5 each)	7,957	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	249,141	259,743	239,935
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)	1.63	3.77	14.95	5.86	15.67	8.35
	(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)	1.63	3.77	14.95	5.86	15.67	8.35
17	Share of Profit in Associates					8	80
18	Public shareholding						
	Number of shares	36326362	36326362	36326362	36326362	36326362	36326362
	Percentage of shareholding	22.83%	22.83%	22.83%	22.83%	22.83%	22.83%
19	Promoters shareholding and promoter group shareholding						
	(a) Pledged/Encumbered						
	Number of shares	Nil	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.	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.	N.A.
	(b) Non-encumbered						
	Number of shares	122815920	122815920	122815920	122815920	122815920	122815920
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	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%	77.17%

Statement of Assets and Liabilities as at 31st March, 2010				
	Standalone (Audited)		Consolidated (Audited)	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
<b>SHAREHOLDERS FUND:</b>				
(a) Capital	7,957	7,957	7,957	7,957
(a) Reserves and Surplus	267,589	252,147	274,579	248,190
LOAN FUNDS	98,728	113,379	132,685	166,702
<b>TOTAL</b>	<b>374,274</b>	<b>373,483</b>	<b>415,221</b>	<b>422,849</b>
<b>FIXED ASSETS</b>	219,535	216,202	282,535	276,405
<b>INVESTMENTS</b>	53,573	53,977	240	636
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>				
(a) Inventories	59,215	60,027	80,961	88,821
(b) Sundry Debtors	26,928	25,049	51,463	56,173
(c) Cash and Bank balances	9,229	21,359	17,114	27,062
(d) Other current assets	-	-	-	-
(e) Loans and Advances	75,939	59,959	74,006	62,108
Less: Current Liabilities and Provisions				
(a) Liabilities	24,907	18,993	38,952	36,906
(b) Provisions	14,947	13,528	24,137	25,068
Deferred Tax Liabilities (net)	30,291	30,569	28,009	26,382
<b>MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)</b>	-	-	-	-
<b>PROFIT AND LOSS ACCOUNT</b>	-	-	-	-
<b>TOTAL</b>	<b>374,274</b>	<b>373,483</b>	<b>415,221</b>	<b>422,849</b>

**Notes :**

- 1 The above financial results were reviewed by the Audit Committee at their meeting held on May 29, 2010 and approved by the Board of Directors at their meeting held on May 31, 2010.
- 2 Figures of the previous year/quarter have been regrouped wherever necessary.
- 3 There were no pending complaints at the beginning of the March 2010 quarter. During the quarter ended March 2010 the Company had received 15 complaints, which were disposed off, and no complaint was outstanding at the end of quarter. The Company has further forwarded 3 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.
- 4 The Board of Directors of the Company at its meeting held on 31st March 2010 has approved (1) Scheme of Arrangement in the nature of amalgamation of Nirma Consumer Care Ltd., wholly owned subsidiary of the Company with, the Company and (2) Scheme of Arrangement in the nature of Demerger of Cement and Mining Division of Nirma Credit and Capital Private Limited and transfer to the Company. The appointed date of both the Schemes is 1st April 2009.  
  
These schemes are subject to the approval of Members, Hon'ble High Court of Gujarat and other regulatory authorities if any. The requisite approval is under process and no effect has been given in the accounts of current financial year.
- 5 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.
- 6 (a) 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.16.48 crores to Foreign Currency Monetary Item Translation Difference Account. The Company has written off Rs.5.05 crores to Profit and Loss Account up to March 31, 2010 and Rs.11.43 crores is remaining to be written back.  
(b) Exceptional item includes Profit of Associates Rs.0.08 crores in current year of consolidated account.  
(c) Excess depreciation provided in earlier years written back Rs.8.84 crores and Loss on asset not available Rs.3.94 crores included in exceptional items.  
(d) Short depreciation of earlier years provided during the year in Consolidated Accounts Rs.5.10 crores included in exceptional items.
- 7 The Company has changed the remaining life of Trademark from four years to two years. Hence profit for the quarter understated by Rs.39.34 crores.
- 8 The Board of Directors has recommended a dividend of Rs.4.50 per equity share of Rs.5/- each for the financial year 2009-10 subject to the approval of the members in the ensuing Annual General Meeting.

By order of the Board  
**For NIRMA LIMITED**

Place : Ahmedabad  
Date : 31.05.2010

**HIREN K. PATEL**  
Managing Director

## Audited Segment wise Revenue, Results and Capital Employed

Rs. In Lacs

Sr. No	Particulars	Quarter ended (Unaudited)		For the year ended (Audited)	For the year ended (Audited)	Consolidated Accounts	
		31.03.2010	31.03.2009	31.03.2010	31.03.2009	For the year ended (Audited)	For the year ended (Audited)
<b>1</b>	<b>Segment Revenue (Net sales/Income from each segment)</b>						
a	Soaps & Surfactants	65,005	72,744	261,282	263,680	260,571	263,684
b	Pharmaceuticals	6,392	4,110	22,509	15,636	22,510	15,636
c	Processed minerals	-	-	-	-	150,952	154,461
d	Others	5,912	5,495	28,004	23,701	28,005	23,701
	<b>G. Total</b>	<b>77,309</b>	<b>82,349</b>	<b>311,795</b>	<b>303,017</b>	<b>462,038</b>	<b>457,482</b>
	Less : Inter segment revenue	-	-	-	-	-	-
	<b>Net Sales / Income from Operations</b>	<b>77,309</b>	<b>82,349</b>	<b>311,795</b>	<b>303,017</b>	<b>462,038</b>	<b>457,482</b>
<b>2</b>	<b>Segment Results (Profit before Tax and Interest)</b>						
a	Soaps & Surfactants	7,941	13,742	46,730	37,320	46,336	37,323
b	Pharmaceuticals	949	(2,540)	(4,921)	(8,675)	(4,921)	(8,675)
c	Processed minerals	-	-	-	-	5,020	12,497
d	Others	(5)	(234)	2,818	4,396	3,084	4,396
	<b>G. Total</b>	<b>8,885</b>	<b>10,968</b>	<b>44,627</b>	<b>33,041</b>	<b>49,519</b>	<b>45,541</b>
	Less : 1) Interest	560	638	3,030	4,741	3,024	7,485
	2) Other unallocable expenditure net of unallocable income.	5,295	3,522	13,081	16,467	13,047	16,480
	<b>Total Profit Before Tax</b>	<b>3,030</b>	<b>6,808</b>	<b>28,516</b>	<b>11,833</b>	<b>33,448</b>	<b>21,576</b>
<b>3</b>	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>						
a	Soaps & Surfactants	226,235	225,745	226,235	225,745	226,287	225,789
b	Pharmaceuticals	51,248	44,454	51,248	44,454	51,248	44,454
c	Processed minerals	-	-	-	-	9,378	(9,419)
d	Others	26,407	20,033	26,407	20,033	26,407	20,033
e	Unallocable	(28,344)	(30,128)	(28,344)	(30,128)	(30,784)	(24,710)
	<b>Total Capital Employed in Segments</b>	<b>275,546</b>	<b>260,104</b>	<b>275,546</b>	<b>260,104</b>	<b>282,536</b>	<b>256,147</b>

## Notes to Segment Information for the year ended 31st March 2010

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

- The Soaps and Surfactants includes detergents, toilet soap and its ingredients.
- The Pharma business.
- Processed Minerals - Operations at USA
- Others includes single super phosphate, vaccume salt, iodised salt and castor oil etc.