

NIRMA LIMITED

Registered Office: Nirma House, Ashram Road, Ahmedabad - 380 009, Gujarat, India

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The Equity Shares of Nirma Limited ("Company") have been discontinued to be traded at the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") with effect from March 24, 2011 and are being delisted from BSE and NSE with effect from March 31, 2011.

This public announcement ("Public Announcement") is being issued by Shri Karsanbhai K. Patel, Smt. Shantaben K. Patel and M/s. Kulgam Holdings Private Limited (collectively referred to as the "Acquirers") to provide the residual public shareholders of the Company an exit opportunity in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("SEBI Regulations") and by Nirma Limited to intimate about the delisting of its equity shares from the BSE and NSE.

- The Acquirers invite all Residual Shareholders (as defined hereinafter) of the Company to tender, on the terms and subject to the conditions set out below and the Letter of Offer (as defined hereinafter), their fully paid up equity shares in the Company pursuant to the SEBI Regulations.
- The Acquirers had made an offer to the public shareholders of the Company for the acquisition of 3,63,26,362 fully paid-up equity shares of ₹5/- each ("Offer Shares") of the Company vide a public announcement published on December 23, 2010 and the bid letter dated December 24, 2010 in accordance with the SEBI Regulations.
- The public shareholders holding equity shares of the Company were invited to tender bids pursuant to a Reverse Book Building ("RBB") process made available through the electronic facility of the BSE from January 17, 2011 to January 20, 2011 ("Bid Period"), in accordance with the SEBI Regulations.
- In terms of regulation 15(1) of the SEBI Regulations, the Discovered Price (i.e. the price at which maximum number of Offer Shares were tendered by the public shareholders) determined through the RBB process was ₹260/- per Offer Share.
- Vide a public announcement published on January 31, 2011 and in accordance with SEBI Regulations, the Acquirers accepted the discovered price of ₹260 per Share ("Final Price"). All the public shareholders of the Company who tendered their Offer Shares at or below the Final Price through valid bids were paid the consideration at the Final Price. After the acquisition of the Offer Shares pursuant to the delisting offer, the Acquirer's and Promoter Group holding in the Company increased to 90.82% of the fully paid-up equity share capital of the Company.
- The Company had thereafter applied for the delisting of its equity shares from the BSE and the NSE (collectively referred to as the "Stock Exchanges"), where the equity shares of the Company were listed. Pursuant to the same, BSE vide its Notice no. 20110310-15 dated March 10, 2011 and NSE vide its Notice no. NSE/LIST/C/2011/0223 dated March 10, 2011 informed their members about discontinuation of trading of the equity shares of the Company with effect from March 24, 2011 and the delisting of equity shares with effect from March 31, 2011.
- Delisting of equity shares of the Company from the Stock Exchanges means that the equity shares of the Company cannot be and will not be traded on the Stock Exchanges and a liquid market for the Shares on stock exchanges will not be available.

8. In accordance with regulation 21 of the SEBI Regulations, the Acquirers hereby provide an exit opportunity ("Exit Offer") to the public shareholders holding Offer Shares in the Company ("Residual Shareholders"). The Residual Shareholders of the Company can tender their Offer Shares to the Acquirers at the Final Price of ₹260/- (Rupees Two Hundred and Sixty only) per Offer Share ("Exit Price"), at any time from March 31, 2011 till March 30, 2012 ("Exit Period"), as per the terms and conditions set out in this public announcement and the letter of offer ("Letter of Offer") for the Exit Offer.

9. Procedure for tendering Offer Shares under the Exit Offer

The Letter of Offer along with the Application Form has been dispatched to all Residual Shareholders on **29th March, 2011**. Shareholders are requested to contact the Registrar to the Offer in case of non receipt of the same.

9.1. Procedure for Residual Shareholders holding Offer Shares in Dematerialised Form

9.1.1 All Residual Shareholders holding Offer Shares in dematerialized form who wish to tender their Offer Shares in the Exit Offer must transfer their dematerialized Offer Shares from the depository account in which they are currently held, in off-market mode to the special depository account opened with National Securities Depository Limited (NSDL) ("Special Depository Account"), details of which are as below:

Special Depository Account Name	KMCC - Nirma Limited - Special Depository Escrow Account
Depository	NSDL
Depository Participant	HDFC Bank Limited
ISIN	INE091A01029
DP ID	IN301549
Client Identification Number	31834794

- All transfers to the Special Depository Account should be in Off-Market mode
- The Residual Shareholders should submit the Application Form enclosed with the Letter of Offer ("Application Form") duly completed and signed. In order for the Application Form to be valid, the Residual Shareholders must have transferred their Offer Shares from their respective depository accounts to the Special Depository Account, and should enclose a photocopy of the delivery instruction to their depository participant with the due acknowledgement of such depository participant.
- The shareholders who hold their Offer Shares through Central Depository Services (India) Limited ("CDSL") will have to execute an inter-depository delivery instruction for the purpose of crediting their Offer Shares in favour of the Special Depository Account.
- The Offer Shares will be held in trust by the Manager to the Offer in the above Special Depository Account until the consideration payable has been dispatched to the eligible Residual Shareholders and the unaccepted Shares are credited back to the Residual Shareholders' depository account.

9.2. Procedure for Residual Shareholders holding Offer Shares in Physical Form

- All Residual Shareholders holding Offer Shares in the form of physical share certificates ("Physical Shares") who wish to tender their Offer Shares in the Exit Offer should submit the Application Form duly completed and signed by the Residual Shareholder(s) in the order in which their name(s) appear on the Physical Shares.
- The Residual Shareholders must enclose the Physical Shares and valid share transfer deed/form(s) enclosed herewith duly signed as transferors by sole or all registered Residual Shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Company and duly witnessed at the place.
- The Registrar to the Offer will hold in trust the Physical Shares and the share transfer deed (in accordance with instructions of the Manager to the Offer) until the dispatch of the consideration payable has been completed to the eligible Residual Shareholders and the unaccepted Physical Shares have been dispatched to the Residual Shareholder concerned.
- The Offer Shares to be acquired under this Exit Offer are to be acquired free from all liens, charges and encumbrances and together with the rights attached thereto.
- The Residual Shareholders should submit the aforesaid documents either by hand delivery or by Registered Post or courier (at their own risk and cost) to the Registrar to the Offer, Unit: Nirma Limited, Sharepro Services (India) Private Limited, 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072, Tel : +91 22 6772 0300, 6772 0400, Fax: +91 22 2859 1568 on or before March 30, 2012.
- In the event that Residual Shareholders do not receive their Letter of Offer, they may obtain a copy by writing to the Registrar to the Offer by marking the envelopes to "NIRMA DELISTING EXIT OFFER". A copy of this Letter of Offer (including

the Application Form) would also be available on the website of Registrar (www.shareproservices.com) and Manager (www.investmentbank.kotak.com) during the Exit Offer.

9.6. Application Form / Shares should not be submitted to the Manager to the Offer or to the Acquirers or to the Company.**10. Non Resident Shareholders**

- If you are a Non-Resident Shareholders, you should also enclose with your Application Form a copy of the original permission received from the Reserve Bank of India ("RBI") and the additional consents or confirmations or declarations or undertakings as may be required and as enumerated in the Application Form to tender your Offer Shares in the Exit Offer failing which, your Offer Shares may either not be accepted under the Exit Offer or tax may be deducted as per applicable laws. Non-resident Residual Shareholders are also requested to refer the Letter of Offer for documents to be submitted with the Application Form.

11. Settlement

- Following fulfilment of the terms and conditions mentioned in the Letter of Offer, the applicable consideration will be paid by the Acquirers either by way of NEFT / RTGS / cheque / demand draft, which will be dispatched by the Registrar to Offer to the relevant Residual Shareholders whose shares are accepted under the Exit Offer (or, in the case of joint holders, the first-name holder's bank account), at their own risk, by way of Registered Post / Speed Post. So as to avoid fraudulent encashment in transit, the shareholder(s) holding Offer Shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For Offer Shares that are tendered in dematerialised form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the payment shall be processed with the said bank particulars, and not any details provided in the Application Form. In case of shareholder(s) holding Shares in physical form, if the bank account details are not provided, then the consideration will be dispatched in the name of the sole/first named holder at his registered address (at their own risk).
- The First Settlement Cycle shall begin on March 31, 2011 and shall end on April 20, 2011. All subsequent settlement cycles will begin on 21st day of each calendar month and end on 20th day of subsequent calendar month except the last monthly settlement cycle which shall begin on February 21, 2012 and end on March 30, 2012. The Relevant Settlement Date shall be last date of the respective settlement cycle.
- The Registrar to the Offer shall dispatch / transfer the consideration to Residual Shareholders, who have validly tendered their shares in the Exit Offer on or before the relevant settlement date, within seven working days of the Relevant Settlement Date, (subject to receipt of regulatory approvals, if required).
- Residual Shareholders to whom the funds have been transferred electronically shall be duly intimated by way of a letter by the Registrar to the Offer.

12. Statutory and Other Approvals

- RBI vide its letter dated November 30, 2010, has granted its no objection for the acquisition of upto 3,63,26,362 equity shares of the Company by the Acquirers from the shareholders of the Company (other than those holding as erstwhile Overseas Corporate Bodies ("OCBs")) in accordance with the SEBI Regulations and other applicable laws and regulations and subject to the terms and conditions stated therein. If the equity shares are tendered by OCBs, payment will be made to them only after receipt of necessary approvals from the RBI. To the best of the Acquirers' knowledge, as on date, there are no other statutory or regulatory approvals required to acquire the Offer Shares of the Company. If any other statutory or regulatory approvals need to be obtained, the acquisition of Offer Shares by the Acquirers will be subject to such statutory or regulatory approvals.
- It shall be the responsibility of the Residual Shareholders tendering Offer Shares in the Exit Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering in the Exit Offer, and the Acquirers shall take no responsibility for the same. The shareholder should attach a copy of any such approval to the Application Form, wherever applicable.
- Tax shall be deducted at source from the payment to be made to Residual Shareholders in accordance with applicable law and as per the terms and subject to the conditions as contained in detail in the Letter of Offer.

13. Compliance Officer

The Compliance Officer of the Company is:

Paresh Sheth

Company Secretary

Nirma Limited

Nirma House,

Ashram Road

Ahmedabad-380 009

Tel: +91 79 2754 6565, Fax: +91 792754 6603

Email: secretarial@nirma.co.in

14. General

- Every Residual Shareholder who desires to avail of the Exit Offer may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Acquirers, the Manager to the Offer, the Registrar to the Offer or the Company whatsoever by reason of any loss which may be suffered by such Residual Shareholder consequent to or in connection with the Exit Offer.
- The Acquirers will inform the Residual Shareholders by way of a public announcement of any changes if any, to the information set out in this public announcement or the Letter of Offer.

Manager to the Offer

kotak[®]

Investment Banking

Kotak Mahindra Capital Company Limited

Bakhtawar, 1st Floor, 229, Nariman Point,

Mumbai-400 021

Tel : +91 22 6634 1100

Fax: +91 22 2284 0492

Contact Person: Mr. Chandrakant Bhole

Email: project.nirmaoffer@kotak.com

Registrar to the Offer

Sharepro Services (India) Private Limited

13 AB, Samhita Warehousing Complex,

2nd Floor, Sakinaka Telephone Exchange Lane,

Off Andheri-Kurla Road, Sakinaka,

Andheri (E), Mumbai - 400 072

Tel: +91 22 6772 0300, 6772 0400

Fax: +91 22 2859 1568

Contact Person: Mr. Anand Moolya

Email: nirmadelist@shareproservices.com

Signed on behalf of the Acquirers

Mr. Paresh Sheth on behalf of Shri Karsanbhai K. Patel as his attorney vide a power of attorney dated November 27, 2010

Mr. Paresh Sheth on behalf of Smt Shantaben K. Patel as her attorney vide a power of attorney dated November 27, 2010

M/s Kulgam Holdings Private Limited

Karsanbhai K. Patel, Director

Shantaben K. Patel, Director

Signed on behalf of Nirma Limited

Paresh Sheth, Company Secretary

Date: 30th March, 2011

Place: Ahmedabad