

Media Release

Nandan Denim to issue fully convertible warrants at Rs. 200 per share to FII Polus Global Fund

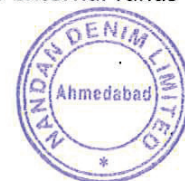
September 21, 2015: Nandan Denim Limited (NDL), India's second and world's fifth largest integrated denim fabric maker, to issue 25 lakh fully convertible warrants to UK-based foreign institutional investor, Polus Global Fund, for a total consideration of Rs 50 crore. The warrants will be converted into equity shares at Rs 200 per share within 18 months time. The conversion price of Rs. 200 per share is at over 70% premium to Friday, September 18 closing price of Rs. 115.50 per share on BSE and 250% premium to the book value of Rs 57 per share.

Nandan Denim will seek shareholders' approval for this preferential allotment at its upcoming Annual General Meeting (AGM) on September 29, 2015. The UK-based FII currently holds 1.35 lakh shares or 0.30% stake currently in the company which will increase to 26.35 lakh shares or 5.48% post conversion of the warrants into equity shares. The warrant holder will have to pay an amount equivalent to at least 25% (Rs 12.5 crore) of the consideration on or before the allotment of warrants while balance 75% shall be payable on or before the time of exercise of the warrants (i.e. within 18 months).

Polus Global Fund is registered in the Republic of Mauritius and is managed by Fidelis Trust & Corporate Services Limited having category 1 global business licence. The Fund has made strategic investments in the following Indian entities till 31st December 2014: Zee Learn Limited, Omaxe Limited, Archies Limited, ERA Infra. Engineering Ltd, Gujarat Apollo Industries Ltd, IDFC Limited, Mandhana Industries Limited, Radico Khaitan Limited, Siti Cable Network Limited, Tata Global Beverages Limited.

Deepak Chiripal, CEO, Nandan Denim Ltd. said, "The Company is following its well defined charter of growth and we are pleased with the performance so far. A disciplined approach in line with the long term strategy would enable us to further cement our position in the industry. Company will use the fresh funds for its expansion project. Having attained global scale, we now aim to internalise the 'global way of doing business'. We wish to sustain our efforts on our quality and commitment level across the board."

Nandan Denim is in the middle of its capex execution with outlay of Rs 612 crore for expansion of denim fabric manufacturing capacity, spinning capacity and shirting capacity. The CAPEX has a requirement of equity funding to the tune of 30% and this equity infusion, coupled with the internal accruals would balance the funding while the external funds have already been tied up.



Nandan Denim Limited
(Formerly known as Nandan Exim Limited)
(CIN:L51909GJ1994PLC022719)

Plant & Regd. Office:

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Company at its board meeting on April 29, 2015 approved infusion of capital through issue of convertible warrants to promoter & non promoter group for an amount not exceeding Rs 100 crore for the growth of the company. As required under the SEBI (ICDR) Regulations, the allotment of warrants pursuant to the special resolution shall be completed within a period of fifteen days from the date of annual general meeting and on obtaining in-principle approval from the stock exchanges and should be convertible into equity shares on receipt of the entire amount, within a period of 18 months from the date of their allotment.

About Nandan Denim Ltd (www.nandandenim.com)

Nandan Denim Limited (NDL) is India's second and world's fifth largest integrated denim fabric maker. Company commenced its operations in 1994 with textile trading business and forayed into textile manufacturing in 2004. Nandan Denim currently engages in manufacturing of denims, cotton fabrics and khakis.

NDL is a part of leading conglomerate, Chiripal Group, established in 1972 and is currently diversified across several businesses like Textiles, Petrochemicals, Chemicals, Packaging, Infrastructure and Education.

Headquartered in Ahmedabad, Gujarat, NDL has expanded its capacity from 6 MMPA to the intended capacity of 110 MMPA over the period of last 10 years. Further, company has earmarked a capacity expansion plan to strengthen its domestic market share, expand its exports business and have an increased focus on value-added segments. Post expansion, NDL will become the largest denim manufacturer in the country and the fourth largest in the world.

The Company has a state-of-the-art manufacturing facility unit near Ahmedabad, Gujarat and exports its denim fabric to over 28 countries. A team of 3,000 passionate & motivated individuals drive Nandan Denim Ltd.

The company is listed on BSE and NSE. For the year ended March 31, 2015, Nandan Denim Ltd posted net profit of Rs. 51.4 crore on net sales of Rs. 1,096.5 crore. In the last 5 years, company has managed strong growth with CAGR of 21% in sales and 31% in net profit.

For further information please contact:

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