

Nandan Denim Limited



Fashion. Freedom. Fun.



ANNUAL
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Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Fashion. Freedom. Fun.



We are a brand offering fashion, freedom and fun to our consumers.

For over five decades, we continue to have a strong leadership in India's denim market. We are known for our ability to create revolutionary and affordable denim. We are a brand offering fashion, freedom and fun experiences that enrich our fashion consumers' lives.

Our quintessential commitment to deliver genuinely unique denim, to deliver more freedom with fashion and to promote innovation, forms the backbone of our philosophy.

With a business model that controls the entire process from manufacturing yarn to fabric under a single roof and with the largest vertically-integrated and world-class facility, we transcend market trends. By being a trusted supplier to 15 countries, we remain well positioned to ride the opportunity wave and stay ahead of the fashion curve with our value-added products and deliver value across the chain.

We continue to be guided by our unwavering motto of making fashion affordable. With this, we seek to fulfil our promise of delivering quality and stylish, yet affordable, denim to our consumers.



About The Chiripal Group

Incorporated in 1972, Chiripal Group is a professionally managed business entity with a team of professionals from different fields and expertise.

Addressing diverse needs of customers for five decades

Chiripal Industries was founded by Mr. Vedprakash Chiripal with 12 powerlooms in the city of Ahmedabad, with a focus on textile trading. The Group acquired a leadership position in polyester yarn manufacturing and became the largest renowned process house. It later diversified into cotton spinning, weaving denim fabric, becoming the largest manufacturer in India and the third-largest in the world.

The Group has also positioned itself as a global player in the textile and packaging industry by vertically expanding throughout the value chain. It is committed to maintaining a sustainable balance and contribute towards assisting India in meeting its energy demands, while minimising the negative effect on the environment.

Building on our Legacy

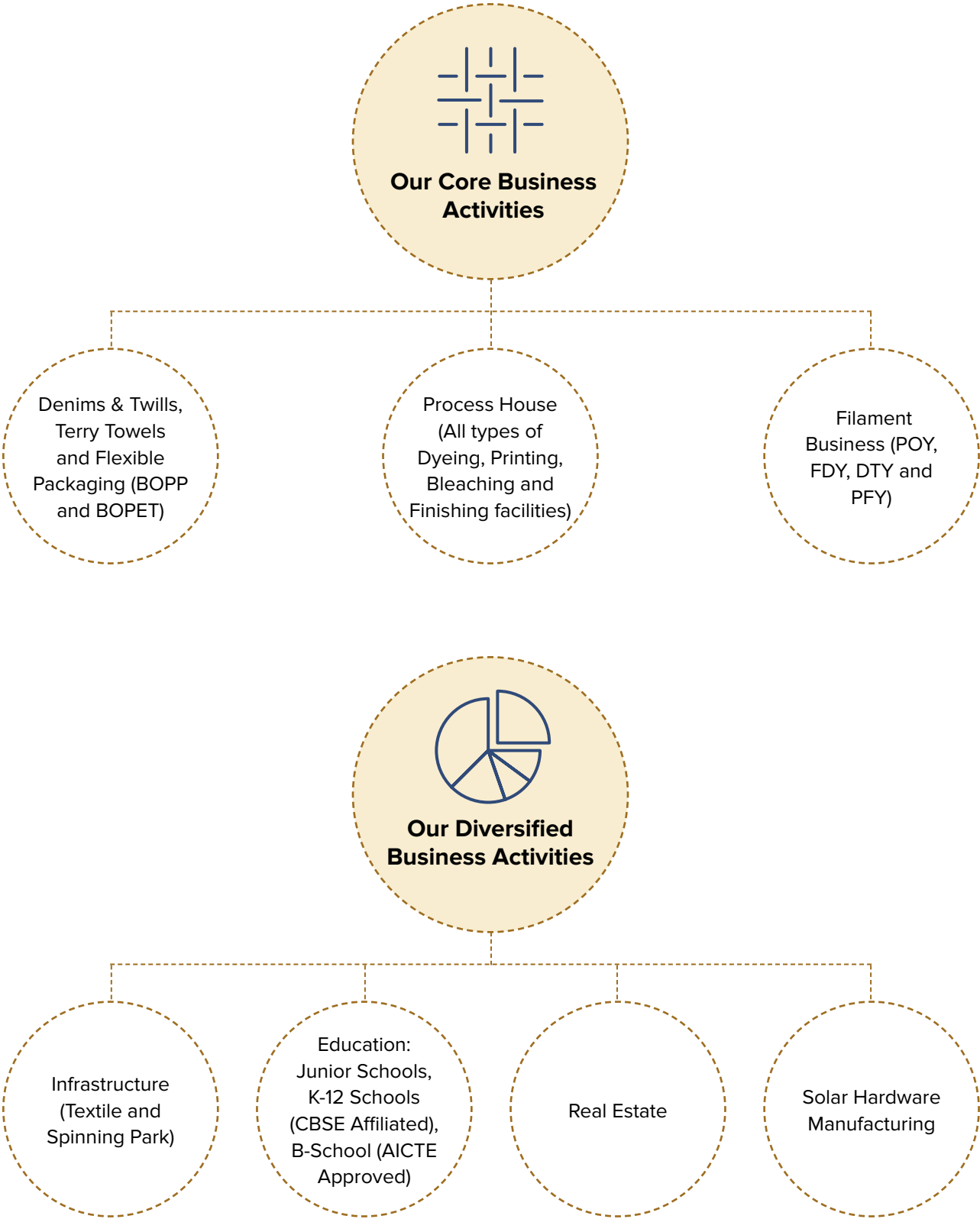


One of India's leading textile manufacturing groups

One of the largest process houses in the Indian market

A strong employee strength of 20,000+ people

Extensive presence across diverse Business Segments



Transforming The Fashion Landscape

Staying ahead of
the fashion curve by

Employing
more than
1,182
employees

Producing
more than
2,000
denim products
each year

Having an
annual production
capacity of
110 million
metres
per annum

DNA of original
denim incarnated for
New-Gen
Fashionistas

Being India's
largest
denim
manufacturer

Having
state-of-
the-art
machinery and
robust control
systems

Crafting
high-quality
fibre yarn



Catalysing a denim revolution

Nandan Denim Limited is a global leading denim manufacturer, redefining the denim industry for nearly three decades. It is the largest denim manufacturer in Asia and the third-largest in the world.

With a strong passion for fashion and design, we manufacture and supply denim fabric, yarn-dyed, cotton fabric and shirting fabric to renowned clients across the globe.

Nandan Denim is the largest, fully vertical set-up for manufacturing a whole range of denim fabrics. We manufacture denims and yarn-dyed shirting, and have one of the largest fully-integrated manufacturing facility in India, with a capacity of 110 MMPA. We have one of the most sophisticated and state-of-the-art weaving facilities with capacity of 10 MMPA to manufacture superior quality grey yarn-dyed shirting and denims.

Revolutionising the way fashion is perceived in India

By sustaining our market leadership across key products and reaping the benefits of scale, we continue to deliver on our stated objective of serving our global customer base, and making fashion living affordable in India.

Our Brand Partners

MYNTRA

MUFTI

PANTALOONS

MAX

CRIMSON

WESTSIDE

SIN

ZUDIO

ROADSTAR

Vision

- Efficient & good quality producer
- Diversity in handling capabilities
- Compliant Environment
- AGILE
- Drive Fashion & become a Fashion company
- Growth Driver for the Customer

Mission

- To have Nandan on every table
- To develop Nandan into a Fashion Brand
- To ensure smooth transitioning from manufacturing to service provider

Values

- Flow & Rythm
- Pride & quality in work
- Customer Orientation
- Ownership & Integrity
- Self awareness & being one self



Forecasting the next fashion trends with our growth drivers

Need for apparel of choice

Increasing disposable income

Versatility and style quotient

Comfort and convenience

Growing urbanisation

Increasing preference for denim















Increase in denim usage in small towns and rural population



Our Global Presence

We export to more than **15 countries** across the globe through our strong global dealer-distribution network. With our latest technology, we are capable of producing a wide range of denim fabrics.

Countries we are present in

-  Central America
-  Columbia
-  Peru
-  Chile
-  Morocco
-  Egypt
-  Turkey
-  South Africa
-  Sri Lanka
-  Bangladesh
-  Korea
-  Thailand
-  Kenya
-  Guatemala



Developed lasting relationships with national and international brands

A trusted supplier to partners in 15 countries

Gaining competitive advantages of being in Gujarat



Map not to scale. For illustration only

Being in the textile
hub of India

Capitalising on easy
availability of cotton

Benefiting from
low transportation
overheads,
uninterrupted power
supply and superior
infrastructure

Having close
proximity to machine
vendors, fabric
dealers and garment
manufacturers

Chairman's Letter to Shareholders



Dear Shareholders,

We are delighted to share our thoughts with you through our Annual Report for the financial year 2022-23. Today, despite the challenges we faced during the year, we have come this far thanks to our vision, work culture and our dedicated workforce.

A clear focus. An ambitious growth plan.

Today, as one of India's largest denim suppliers with an integrated denim manufacturing process. With our wide range of products, we are serving a large customer base which includes the Indian denim market, and also exporting our products to more than 15 countries across the globe. From being a denim manufacturer earlier, we expanded our portfolio over the years to also include shirting and other fabrics. Our industry leadership enables us to become the preferred choice to our customers.

Macro-economic scenario

As the world grappled with rising geopolitical tensions, supply chain disruptions and rise in commodity prices, the global economy faced significant headwinds, with many developed nations witnessing decadal high inflationary pressures. As central banks raised interest rates to contain inflation, it impacted growth, and resultant strengthening of the US Dollar led to sharp depreciation pressure on other currencies. On the other hand, the Indian economy showed resilience and emerged as the fastest growing major economy in the world, despite global macroeconomic challenges. Macro-economic fundamentals emerged stronger and key parameters such as current account deficit, fiscal deficit and levels of inflation improved.

India's Denim Market

India has long been a leader in denim fabrics. According to various market studies, the Indian domestic denim market has been maintaining an average CAGR of 8% to 9% for a few years and is expected to reach \$ 12.27 billion by 2028. With an annual capacity of over 1,600 million metres, India has the second-largest installed capacity for denim fabrics in the world, behind China.

Besides age and gender barriers, denim can also be worn on social and official occasions. An increasing number of women joining workforce, westernisation of lifestyle, growing rates of urbanisation and rising fashion consciousness are few other reasons propelling the growth of denim market in India. With an ongoing transition from commoditised denim to high-quality variants, the denim market is gaining further traction.

Key challenges

Ripples of economic upheaval in Europe, Latin America and US, following the Russia-Ukraine war were felt in Gujarat, India's denim capital. Slowing demand in major export markets, coupled with volatility in cotton prices, affected revenues of denim majors. Cotton price fluctuations led to declining demand for denim fabric. Since COVID-19, the price of denim fabric has gone up by an estimated 30% owing to hike in cotton prices. Towards the end of the year, cotton prices stabilised, bringing more optimism about a revival in domestic demand.