

**Date: May 31, 2025**

**To**  
**BSE Limited**  
**25th Floor, PJ Towers**  
**Dalal Street,**  
**Mumbai-400001**  
**Scrip Code: 524654**

**To**  
**National Stock Exchange of India Limited**  
**Exchange Plaza , C-1, Block G**  
**Bandra Kurla Complex, Bandra (E)**  
**Mumbai – 400 051**  
**Symbol: NATCAPSUQ**

Dear Sir/Madam,

**Sub: Investor Presentation**

Pursuant to Regulation 30 and Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of investor presentation in connection with Audited Standalone & Consolidated Financial Results for the quarter and year ended 31<sup>st</sup> March, 2025.

Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

**For Natural Capsules Limited**

**Sunil L Mundra**  
**Managing Director**  
**DIN: 00214304**



BSE: 524654  
NSE: NATCAPSUQ

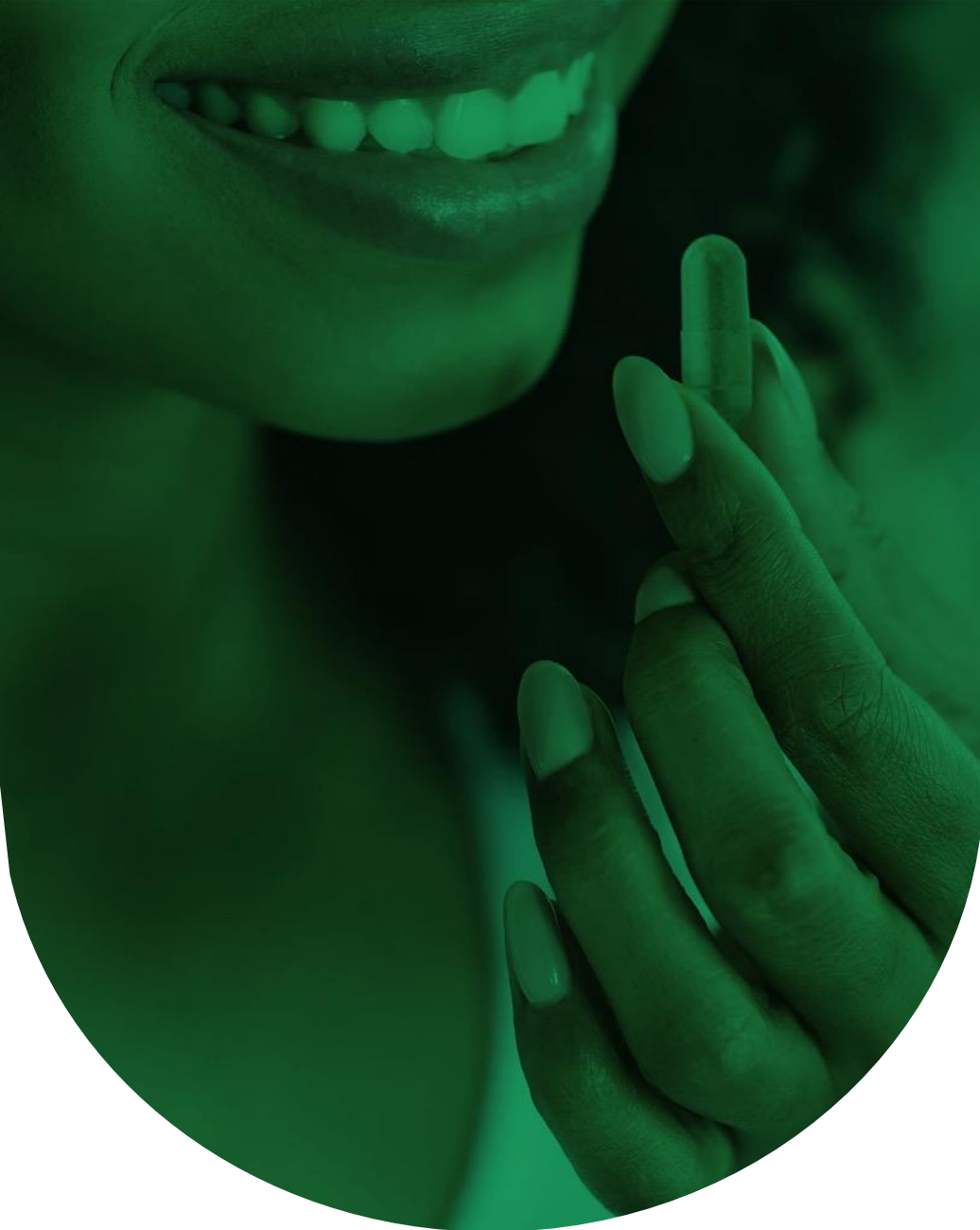


# Investor Presentation

MAY, 2025

# Safe Harbor

Certain statements and opinions with respect to the anticipated future performance of Natural Capsules Limited (NCL) in the presentation ("forward - looking statements"), which reflect various assumptions concerning the strategies, objectives and anticipated results may or may not prove to be correct. Such forward -looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward - looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Such forward - looking statements only speak as at the date the presentation is provided to the recipient and NCL is not under any obligation to update or revise such forward - looking statements to reflect new events or circumstances. No representation or warranty (whether express or implied) is given in respect of any information in this presentation or that this presentation is suitable for the recipient's purposes. The delivery of this presentation does not imply that the information herein is correct as at any time subsequent to the date hereof and Laxmi has no obligation whatsoever to update any of the information or the conclusions contained herein or to correct any inaccuracies which may become apparent subsequent to the date hereof.



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# Quarterly Highlights

# Quarterly Updates – Q4FY25 (Consolidated)

## REVENUES

**44.97 cr**

⬆ 2.61% Q-o-Q

⬆ 11.81% Y-o-Y

## EBITDA

**4.38 cr**

⬆ 2.71% Q-o-Q

⬆ 6.55% Y-o-Y

## EBITDA MARGINS

**9.74%**

⬆ 1 BPS Q-o-Q

⬆ -48 BPS Y-o-Y

## PAT

**0.52 cr**

⬆ 392.62% Q-o-Q

⬆ -46.32% Y-o-Y

## EPS

**₹ 0.13**

⬆ 30.00% Q-o-Q

⬆ -90.08% Y-o-Y





# Management Commentary



*A significant development during the quarter was the imposition of an 88% duty by the US on Chinese HPMC capsules, compared to a 14% duty on Indian HPMC capsules.*

**Sunil Mundra**

MANAGING DIRECTOR  
NATURAL CAPSULES LIMITED



"Q4FY25 was a stable period for our capsules business, characterised by steady realisations and robust demand, particularly in our export markets. Notably, towards the end of the quarter, we observed a softening of gelatin prices in international markets—our primary raw material for the capsules business. We anticipate that domestic prices will follow this trend, which should support improved profitability in the coming quarters.

A significant development during the quarter was the imposition of an 88% duty by the US on Chinese HPMC capsules, compared to a 14% duty on Indian HPMC capsules. This substantial price differential has created considerable opportunities for Indian manufacturers in the US market, and we are already experiencing a marked increase in enquiries from these customers. We are reasonably confident that this will translate into a rapid scale-up of our HPMC business in the US over the current financial year.

Looking ahead to FY26, we expect to see an increase in topline driven by our HPMC capsules, which not only command higher realisations but also offer superior profitability. Additionally, the softening of raw material prices should further enhance profitability in our gelatin capsules segment. We have already secured firm orders in the HPMC business, which provides us with strong visibility for an improved performance in the capsules business.

The operating environment in our API segment continues to be challenging, with industry-wide pressure on product realisations due to significant excess capacity in China, leading to heightened competition and declining prices. As our API facility is part of the PLI scheme, we have brought these concerns to the attention of the relevant Indian authorities, who are currently evaluating the introduction of a minimum import price for products manufactured under the PLI. We believe this measure, if implemented, will support the domestic industry and improve operational performance.

As previously guided, our focus this year remains on ramping up capacity utilisation across all products to achieve cash breakeven. During this quarter, we have capitalised the full capacity of our API facility, and expect this to begin impacting consolidated profitability from Q1 FY26, with associated expenses related to interest and depreciation. We anticipate a meaningful pickup in sales from the end of Q2, with sequential improvements throughout the year.

Our priorities for the next financial year are to drive growth and restore higher profitability in the capsules business, while also ramping up capacities in the API segment, aiming for cash breakeven and securing the necessary regulatory approvals that will unlock opportunities for higher-margin business. In conclusion, while the operating environment remains challenging, we are cautiously optimistic and remain steadfast in our commitment to executing our long-term strategies and delivering robust results for all stakeholders."

# Profit & Loss Statement Summary (Consolidated)

PARTICULARS <small>(₹ IN CRORES)</small>	Q4FY24	Q3FY25	Q4FY25	Q-o-Q	Y-o-Y	FY24	FY25	Y-o-Y
Revenue From Operations	40.22	43.83	44.97	2.61%	11.81%	155.42	169.21	8.87%
Other Income	0.92	0.11	0.30	176.89%	-66.92%	1.94	0.70	-63.73%
<b>Total Income</b>	<b>41.14</b>	<b>43.94</b>	<b>45.27</b>	<b>3.04%</b>	<b>10.05%</b>	<b>157.36</b>	<b>169.91</b>	<b>7.97%</b>
Total Operating Expenses	36.11	39.56	40.59	2.60%	12.41%	135.51	151.69	11.94%
<b>EBITDA</b>	<b>4.11</b>	<b>4.27</b>	<b>4.38</b>	<b>2.71%</b>	<b>6.55%</b>	<b>19.91</b>	<b>17.52</b>	<b>-12.01%</b>
<b>EBITDA Margins (Excluding OI)</b>	<b>10.22%</b>	<b>9.73%</b>	<b>9.74%</b>	<b>1 bps</b>	<b>(48 bps)</b>	<b>12.81%</b>	<b>10.35%</b>	<b>(246 bps)</b>
Depreciation and Amortisation	2.20	2.33	2.16	-7.58%	-2.13%	8.67	9.12	5.17%
Finance Cost	1.40	1.54	1.64	6.33%	17.11%	5.13	6.31	23.06%
Profit Before Tax and Exceptional Item	1.43	0.50	0.89	77.51%	-37.67%	8.05	2.79	-65.33%
<b>Profit After Tax</b>	<b>0.97</b>	<b>0.11</b>	<b>0.52</b>	<b>392.62%</b>	<b>-46.32%</b>	<b>5.55</b>	<b>0.62</b>	<b>-88.88%</b>
EPS	1.31	0.10	0.13	30.00%	-90.08%	6.23	0.22	-96.47%



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# Company Overview

# Introducing Natural Capsules Limited (NCL)

Natural Capsules Limited (NCL) is a hard capsule shell manufacturer, who pioneered manufacturing of vegetarian capsules in India and is the second largest Indian manufacturer for gelatin capsules. The company was incorporated as a Public Limited Company in 1993 at Bangalore, and it further expanded its operations to Pondicherry in 2003. The company is now foraying into API manufacturing with complex high-end patented technology developed in-house, under its subsidiary company Natural Biogenex Private Limited.

NCL prides itself on its abilities to provide turnkey solutions to all its customers.



## VISION

To become the global leader for supply of capsules, providing impeccable services all across the globe.



## MISSION

- To consistently innovate and manufacture products key to market's and customer's expectation
- To consistently provide highest quality products to its customers across the globe
- To become an integrated enterprise of global distinction

**1994**

Listed on BSE

**294**

Customers

**619**

Team Members

**02**

Manufacturing Units

**19.50 BCPA\***

Capacity in FY25

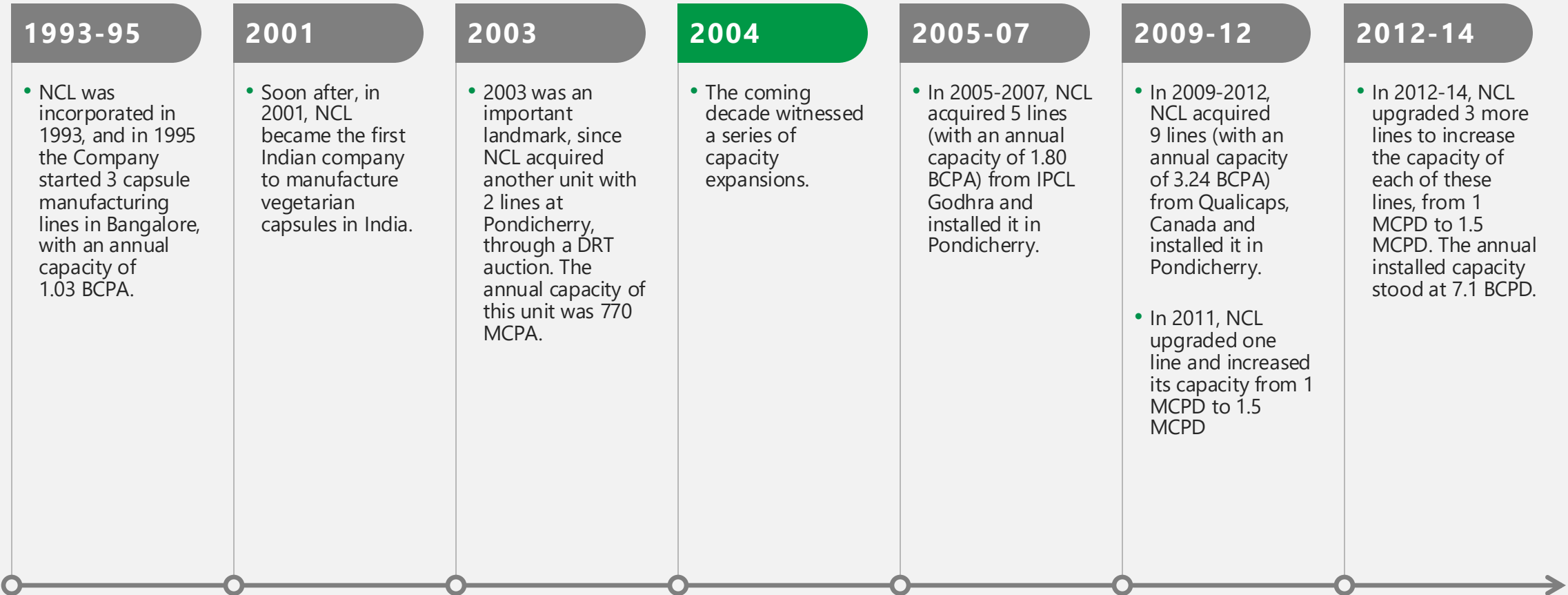
**31.23%**

Exports Revenue in FY25

\* BCPA – Billion Capsules per Annum

# Our Journey

## 1993- 2014: EARLY SUCCESSES AND A PERIOD OF EXPANSION



\* BCPA – Billion Capsules per Annum | MCPD – Million Capsules per Day

# Our Journey (contd.)

## 2015 – 2018: THE HURDLES WE FACED ON THE WAY

### 2015 – 18

- Fall in oil and commodity prices led to economic slowdown in African countries and caused a decline in export of pharmaceutical products and capsules from India. This led to a drop in demand for our products, which were selling well in Africa earlier. The selling prices gradually decreased as well, leading to drop in margins over a period of 3 years (FY16-FY18). NCL's strategy of focusing on exports proved to be counterproductive, during this period.
- NCL was quick to refocus on domestic markets, but soon demonetization and the implementation of GST in India caused disruption in the domestic pharmaceuticals industry, which led to bouts of severe drop in demand.

## 2019 ONWARD: THE BEGINNING OF A NEW AND IMPROVED NCL

### 2019 ONWARD

- 2019 onward NCL witnessed an increase in demand in both domestic and export markets, which led to improvement in margins.
- NCL also upgraded one of its capsule manufacturing lines to produce 2.5 MCPD (from its earlier capacity of 1.0 MCPD).
- The company's continued focus on R&D, in collaboration with other partners, led it to invent a new generation of capsule manufacturing technology as well.
- NCL replaced one of its old machines at Bangalore and installed its first new generation machine producing 4.8-5.0 MCPD (instead of the earlier capacity of 1 MCPD). The new generation machines are the fastest machines to manufacture capsules globally.

## GOING FORWARD

Installed capacity as at FY25 stands at **19.50 BCPA**

One new HPMC line machines was commissioned in **FY25** which enhanced the installed capacity from 18.75 BCPA to 19.50 BCPA



# Product Offerings

Natural Capsules Limited manufactures a vast array capsules, including vegetarian capsules which they have pioneered in India.

The company is now foraying into API manufacturing with complex high-end patented technology developed in-house, under its subsidiary company Natural Biogenex Private Limited.



## CAPSULES

- Hard Gelatin Capsules shells
- Hard Cellulose Capsules shells
- Others
  - Special Characteristic Variants
  - Shiny Capsules
  - Sweet Capsules
  - Fast Release Capsules
  - Regulatory Variants
  - SLS free Capsules
  - Preservative free Capsules
  - TSE free Capsules



## APIs

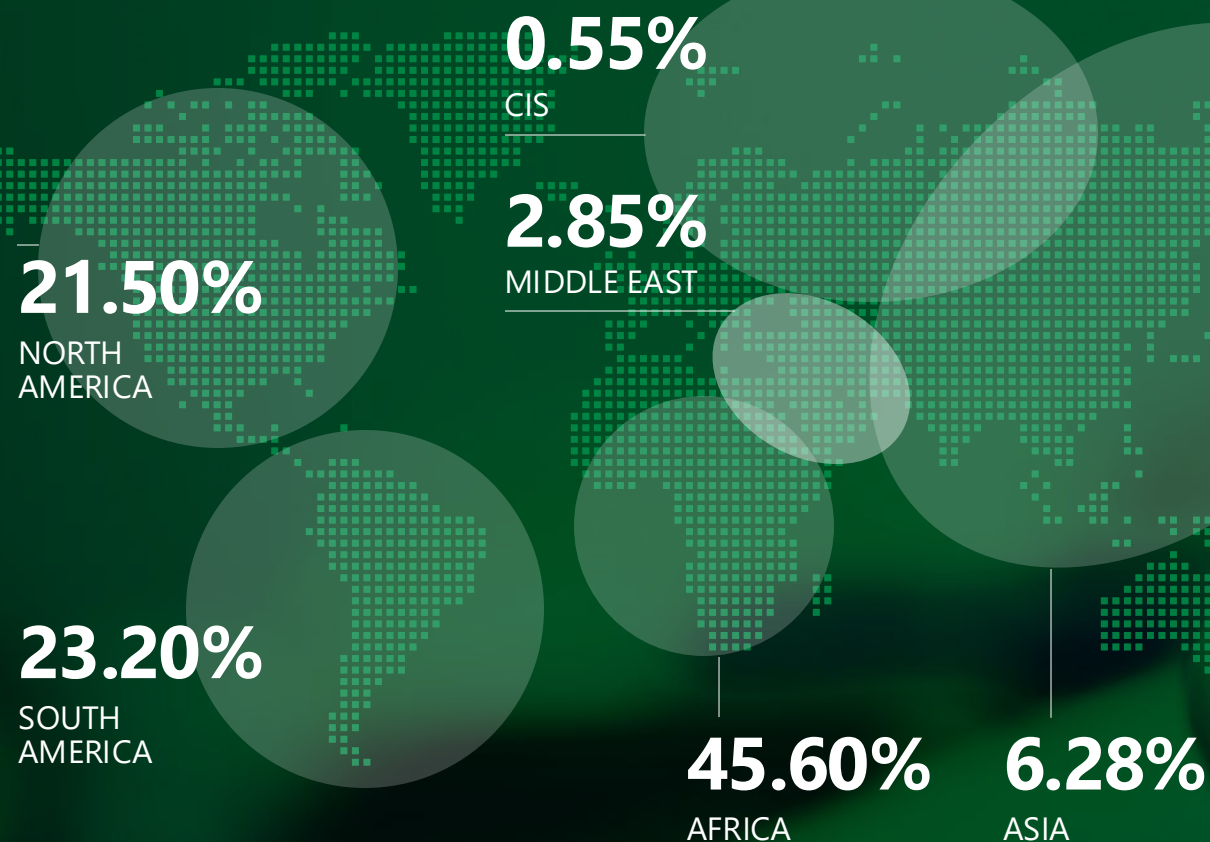
Key steroidal API products

- Prednisolone & Derivative Salts
- Betamethasone & Derivative Salts
- Dexamethasone & Derivative Salts
- Hydrocortisone & Derivative Salts

# Global Presence

Natural Capsules exports to 28 countries across 5 continents, bringing in sizable revenue from its export.

## % OF EXPORT SALES



### AFRICA

- Ghana
- Kenya
- Nigeria
- South Africa
- Tunisia
- Uganda
- Zimbabwe

### ASIA

- Bangladesh
- Hongkong
- Nepal
- Oman
- Phillipines
- Sri Lanka
- Syria
- Lebanon

### CIS

- Georgia
- Uzbekistan
- Turkey
- Russian Federation

### MIDDLE EAST

- Iran
- Iraq
- Kuwait

### SOUTH AMERICA

- Brazil
- Venezuela

### NORTH AMERICA

- Canada
- Mexico
- USA
- Guatemala

# Serving Leading Brands

With over 3 decades of experience in the pharma sector, NCL has garnered excellent relationship with customers across 28 countries. The company is now focused on acquiring customers who deal with regulated markets.

CUSTOMERS FOR  
MORE THAN 10 YEARS

**30% of total customers**

REPEAT BUSINESS  
DURING FY25

**86% of total turnover**

CUSTOMERS FOR  
MORE THAN 5 YEARS

**58% of total customers**

NEW BUSINESS DURING FY25

**32% of total turnover**

## MARQUEE CUSTOMERS

# Board of Directors



**Mr. Laxminarayan Mundra**  
WHOLE TIME DIRECTOR



**Mr. Satyanarayana Mundra**  
WHOLE TIME DIRECTOR



**Mr. Sushil Kumar Mundra**  
DIRECTOR



**Mr. Sunil Mundra**  
MANAGING DIRECTOR



**Mr. Pramod Kasat**  
INDEPENDENT DIRECTOR



**Mr. T Y Prabhu**  
CHAIRMAN & INDEPENDENT  
DIRECTOR



**Mr. S G Belapure**  
INDEPENDENT DIRECTOR



**Mrs. Jyothi Mundra**  
DIRECTOR



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# Business Canvas

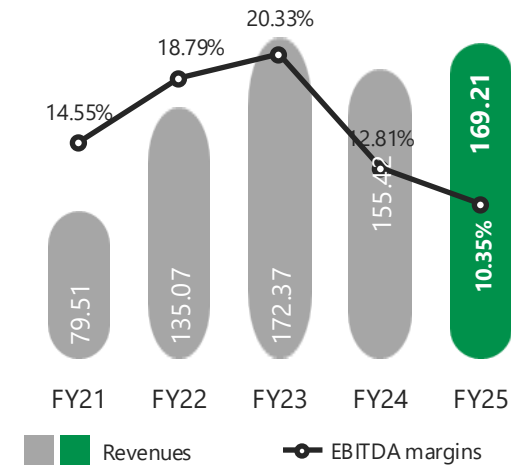
# Capsules Segment



With almost three decades of experience in the industry, Natural Capsules Limited is a leading manufacturer of hard capsules in India, its products are exported to regulated and unregulated markets across the globe, following stringent applicable rules and regulations.

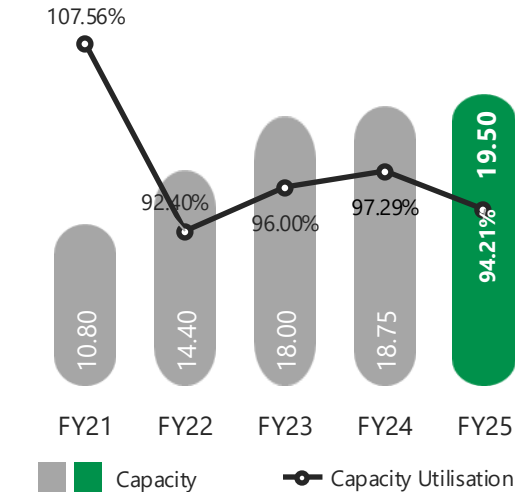
## REVENUES & EBITDA MARGINS

(IN ₹ CRORE & %)



## CAPACITY & CAPACITY UTILISATIONS

(IN BCPA & %)



## MANUFACTURING FACILITIES APPROVED BY



**2<sup>nd</sup> largest**

Indian manufacturer  
of gelatin capsule

**2 manufacturing**

Facilities at Bengaluru  
and Pondicherry

**19.50 BCPA**

Capsules per annum  
manufacturing capacity  
as at Q4FY25

**1<sup>st</sup> manufacturer**

Of vegetarian  
capsules in India

# API Segment



Natural Capsules Limited is now foraying into the API business segment through its subsidiary - Natural Biogenex Private Limited (NBPL) incorporated in 2020. The APIs that will be manufactured are,Hydrocortisone, Prednisolone, Betamethasone and Dexamethasone and their derivatives.

## KEY DEVELOPMENTS

AUG 2018	JUL 2019	OCT 2019	AUG 2020	FEB 2021	MARCH 2025
					Start of commercial production for large volume batches.
				Awarded Three PLI applications for Dexamethasone, Betamethasone and Prednisolone.	
		<ul style="list-style-type: none"> <li>Filed patent for innovative process for manufacture of 9OHAD</li> </ul>	<ul style="list-style-type: none"> <li>Achieved process improvements over existing knowhow in respect of effluent and de-foaming agents.</li> <li>Obtained Test Drug Licenses for Steroidal APIs.</li> </ul>		
Started R&D center to validate fermentation and synthesis technology to manufacture steroidal APIs using unique microbe.	<ul style="list-style-type: none"> <li>Achieved lab scale production of hydro cortisone from 9OHAD.</li> <li>Started second fermentation for manufacture of Prednisolone.</li> </ul>				

**Greenfield Capex** at Tumkur, spread across 5 acres

**1<sup>st</sup> integrated facility** in India for manufacturing of Steroidal API’s using fermentation and synthesis chain of reactions

**Facilities are being set up in compliance with WHO GMP (Geneva), USFDA and EU GMP certification guidelines**

**Zero Liquid Discharge** manufacturing facility

**3 approvals for steroidal API’s under the PLI scheme of Government of India for bulk drugs**

# API Segment (contd.)

THE FOLLOWING PRODUCTS AND CAPACITIES HAVE BEEN APPROVED UNDER THE PLI SCHEME

## DEXAMETHASONE

**10 MT**

Planned Capacity

**25 MT**

Imports to India in FY25  
worth ~ ₹68 crores

- NCL will be the **only manufacturer** of this product in India

## BETAMETHASONE

**12 MT**

Planned Capacity

**44 MT**

Imports to India in FY25  
worth ~ ₹179 crores

- NCL will be the **only manufacturer** of this product in India

## PREDNISOLONE

**15 MT**

Planned Capacity

**63 MT**

Imports to India in FY25  
worth ~ ₹176 crores

- NCL will be **one of the two manufacturers** of this product in India

Efforts will be focused on catering to the domestic demand by substituting the imported inputs.



# Production Linked Incentive (PLI) Scheme

With a view to attain self-reliance and reduce import dependence in critical APIs, a scheme called "Production Linked Incentive (PLI) Scheme for promotion of domestic manufacturing of critical Key Starting Materials (KSMs)/ Drug Intermediates (DIs) and active Pharmaceutical Ingredients (APIs) In India" has been approved by the Government of India on 20<sup>th</sup> March, 2020.



- The scheme intends to boost domestic manufacturing of identified KSMs, Drug Intermediates and APIs by attracting large investments in the sector and thereby reduce India's import dependence in critical APIs.



- A committee on drug security constituted by the Department of Pharmaceuticals collated the details of APIs imported in the country and identified 53 APIs for which the country is heavily dependent on imports.



- The scheme categorises four target segments covering 41 products.
- The 3 products to be manufactured by NCL fall under the 2<sup>nd</sup> category of Fermentation based niche KSMs/ Drug Intermediates / APIs



- Financial incentive under the scheme shall be provided on sales of identified products for six (06) years:
- For fermentation-based products, incentive for FY25 to FY28 would be 20%, incentive for 29 would be 15% and incentive for FY30 would be 10%.



The Company expects to receive an incentive amounting to

**~ ₹67 Crores**

**over**

the course of 6 years, which effectively de-risks the Company's investments significantly

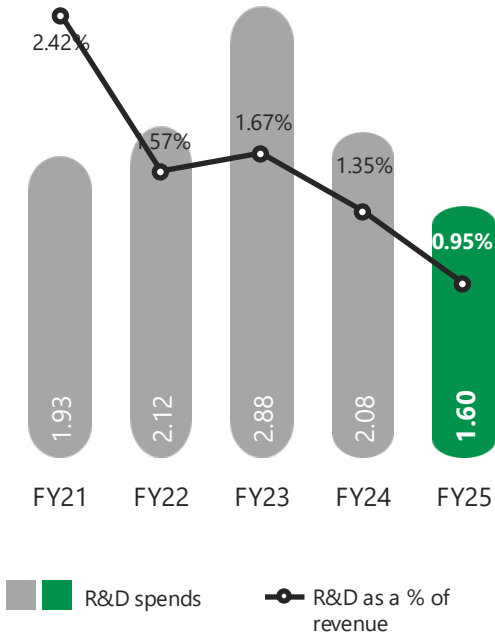
# Focus on R&D



NCL strongly believes in investing in R&D, to stay ahead of its peers and to consistently innovate. The Company's recent entry into the API business is a testament to its firm belief in R&D.

## R&D SPENDS & R&D AS A % OF REVENUE

(IN ₹ CRORE & %)



## KEY AREAS OF RESEARCH

-  New product development for steroidal and hormonal range of API's
-  Process improvements for enhancing yields
-  Development of new process for manufacturing existing products

## 2 DSIR

Recognised state of the art R&D facilities

## 103

Team members focusing on product innovations and product yield efficiencies

## 2 patent

**Granted, 3 patent under filing** - as a result of strong innovation in technology and manufacturing processes

## Team

Is qualified and experienced in scaling up steroidal APIs to commercial scale

## ESOPs

have been issued to senior members of R&D team to align the long-term interests

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# Financial Performance

# Profit & Loss Statement Summary (Consolidated)

PARTICULARS (₹ IN CRORES)	FY21	FY22	FY23	FY24	FY25
<b>Revenue from Operations</b>	<b>79.51</b>	<b>135.07</b>	<b>172.37</b>	<b>155.42</b>	<b>169.21</b>
Other Income	0.73	1.01	0.57	1.94	0.70
<b>Total Income</b>	<b>80.24</b>	<b>136.08</b>	<b>172.94</b>	<b>157.36</b>	<b>169.91</b>
Total Operating Expenses	68.58	109.69	137.33	135.51	151.69
<b>EBITDA (excl. Other Income)</b>	<b>10.93</b>	<b>25.38</b>	<b>35.04</b>	<b>19.91</b>	<b>17.52</b>
EBITDA Margins	13.75%	18.79%	20.33%	12.81%	10.35%
Interest Cost	0.37	1.96	3.41	5.13	9.12
Depreciation	4.31	5.04	7.21	8.67	6.31
<b>Profit Before Tax (excl. Exceptional Items)</b>	<b>6.98</b>	<b>19.39</b>	<b>24.99</b>	<b>8.05</b>	<b>2.79</b>
Profit After Tax	6.91	13.91	18.45	5.55	0.62
<b>EPS</b>	<b>10.99</b>	<b>19.56</b>	<b>19.82</b>	<b>6.23</b>	<b>0.22</b>



# Balance Sheet Summary (Consolidated)

PARTICULARS (₹ IN CRORES)	FY21	FY22	FY23	FY24	FY25
Total Equity (Networth)	62.10	82.98	148.25	228.80	257.16
Non-Current Liabilities	1.55	34.85	73.57	71.23	62.20
Current Liabilities	33.30	46.45	66.89	76.49	99.99
Total Equity and Liability	97.05	164.28	288.71	376.53	419.35
Non-Current Assets	47.35	88.70	187.25	252.76	289.76
Current Assets	49.69	75.58	101.45	123.77	129.59
Total Assets	97.04	164.28	288.71	376.53	419.35

# Cash Flow Statement Summary (Consolidated)

PARTICULARS (₹ IN CRORES)	FY21	FY22	FY23	FY24	FY25
<b>Cash Flow from Operating Activities</b>	<b>5.78</b>	<b>1.16</b>	<b>17.22</b>	<b>(8.35)</b>	<b>26.75</b>
Cash Flow from Investing Activities	(8.54)	(45.88)	(104.63)	(72.59)	(44.48)
Cash Flow from Financing Activities	2.52	46.02	87.49	81.72	16.17
Net increase/(decrease) in cash and cash equivalents	(0.24)	1.30	0.08	0.78	(1.57)
<b>Cash and cash equivalents at beginning of the year</b>	<b>0.33</b>	<b>0.10</b>	<b>1.40</b>	<b>1.48</b>	<b>2.25</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>0.10</b>	<b>1.40</b>	<b>1.48</b>	<b>2.25</b>	<b>0.69</b>

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# Investment Merits

# Growth Drivers



Capacity enhancement with **state-of-the-art machinery** in capsules division, enabling operational efficiencies and driving profitability



Being the **only backward integrated manufacturer of steroidal APIs in India**, the Company plans to gain significant market share domestically



**Exploring opportunities** to set up capsules manufacturing facilities in foreign/domestic markets to ensure quick supply to customers



The Company will benefit from strong industry tailwinds on the back of the China Plus One strategy. This will further be amplified by robust government incentives (PLI scheme)



Focusing efforts on regulated markets and marquee pharma clients for capsules business, to stabilise its topline and enhance its margins



Strong focus on R&D will lead to the development of new products and processes, It will also enable operational efficiencies by increasing the yields of existing products



Regulatory approvals for the upcoming API facility will enable long term customer association leading to improved margins



# Strategic Priorities

NCL is geared to bring about monumental changes in its approach towards its business. With the ongoing CAPEX, the Company is enabling itself to become the market leader in capsules business and positioning itself as a dominant player in the domestic steroidal API market.



## STRATEGIC PRIORITY

- Positioning the business to reduce margin volatility
- Continue to grow sales of Capsules in regulated markets and expand global presence
- Introduce new variants of capsule products
- Develop new value-added molecules in steroidal and hormonal range of APIs
- Investing in technology and manufacturing processes to attain manufacturing efficiencies and competitive advantage
- API facility approved by regulatory bodies



## ACTIONS TAKEN

- Collaborating with buyers who procure large quantities of capsules on a sustained basis
- Tying up with customers who sell finished formulations in regulated markets
- Sales and marketing team reaching out to new customers in new geographies
- Working on new varieties of capsules
- Strong focus on R&D will enable new products to be developed every 18 months
- Investing in R&D to further improve the output of capsule manufacturing machines
- Facility is being set up and quality management systems are being deployed to ensure compliance to the stringent requirements of the regulatory bodies





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# Thank You

## CONTACT US

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## FOR FURTHER INFORMATION, PLEASE CONTACT

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