

Date: 13.02.2023

To  
**Listing Compliance Department**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

**Subject: Press Release**

Dear Sir/ Madam,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of press release made to analysts and investors in connection with Un-Audited Standalone & Consolidated Financial Results for quarter ended 31<sup>st</sup> December, 2022.

Request you to please take note of the same.

**Thanking You**

**Yours Faithfully,**

**For Natural Capsules Limited**

SHILPA  
BURMAN

Digitally signed by  
SHILPA BURMAN  
Date: 2023.02.13  
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**Shilpa Burman**  
**Company Secretary & Compliance Officer**



## NATURAL CAPSULES LIMITED REPORTS Q3FY23 RESULTS

**Bangalore, February 13<sup>th</sup>, 2022:** Natural Capsules Limited, one of India's leading manufacturer of hard capsules shell has announced its financial results for the third quarter ended December 31<sup>st</sup>, 2022.

### FINANCIAL HIGHLIGHTS FOR QUARTER ENDED DECEMBER 31<sup>ST</sup>, 2022

REVENUES	<b>45.50 cr</b>	EBITDA	<b>9.43 cr</b>	EBITDA MARGINS	<b>20.73%</b>
⬇️ 0.98%	⬆️ 20.98%	⬇️ -2.08%	⬆️ 22.95%	⬇️ -64 BPS	⬆️ 34 BPS
PAT	<b>5.25 cr</b>	EPS	<b>₹5.68</b>	Key	
⬇️ -1.50%	⬆️ 28.05%	⬇️ -17.08%	⬇️ -2.91%	⬆️ Q-o-Q	⬆️ Y-o-Y

### COMMENTING ON THE PERFORMANCE, MR. SUNIL MUNDRA, EXECUTIVE DIRECTOR, SAID,

"I am pleased to provide you an update on the performance of the Company in the quarter gone by and the way forward.

In spite of a challenging operating environment, I am happy to report to you that we have been able to maintain our revenue and profitability during the quarter. Although there was a decrease in domestic market realizations, we have been able to compensate for it by achieving growth in export market volumes where demand remains robust.

During the quarter, our plant operated at a utilization rate of over 90%, and we anticipate that these high utilization rates will continue in light of the strong demand visibility in export markets. The dip in domestic demand was due to a buildup of excess inventory as a result of the COVID-19 pandemic and a drop in exports of finished formulations by domestic players to ROW countries due to their currency challenges. However, we have a robust order book position in the export market, which will enable us to navigate these challenging conditions in the domestic market.

We have further strengthened our position in the capsule market by adding three major clients during the quarter. Furthermore, the first HPMC line will commence production before the end of March, and the two remaining lines will be installed immediately thereafter, completing our planned capital expenditures in the capsule segment.

On the API front, 98% of the civil and structural work has been completed, and most of the equipment has arrived at the site. Installation work is underway, and we expect the kilo lab installation to be completed by the end of March, enabling us to commence small-volume batch production. Large batches are expected to undergo validation tests in April, with commercial production slated to begin by the end of May. With the majority of capital expenditures behind us, we will focus on ramping up production in the API plant to reach our target of 50% capacity utilization by the end of FY24."

### UPDATES ON CAPEX

	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
CAPSULES	• Added 1 line for gelatin capsules in Bengaluru plant	• Added 1 line for gelatin capsules added in June	• 1 line for gelatin capsules added in September		• 1 line for HPMC capsules to be added in Q4FY23	• 2 lines for HPMC capsules to be added in Q1FY24
API			• Expected installation of machines and equipment in the fermentation and synthesis blocks		• Completion of Kilo Lab installation and commencement of small volume batch production	• Validation batches for large volumes and commercial production

### ABOUT NATURAL CAPSULE 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.

### For further details please get in touch with

**Shilpa Burman**  
NATURAL CAPSULE LIMITED  
Email: company.sec@naturalcapsules.com

**Abhishek Mehra**  
TIL ADVISORS PRIVATE LIMITED  
Email: abhishek@theinvestmentlab.in

Certain statements in this document that are not historical facts are forward looking statements. Such forward looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward- looking statements. Natural Capsules Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.