

**Date: 09.02.2024**

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 Unaudited Standalone & Consolidated Financial Results for quarter ended 31<sup>st</sup> December,2023.

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: 2024.02.10  
08:58:00 +05'30'

**Shilpa Burman**  
**Company Secretary & Compliance Officer**



## NATURAL CAPSULES LIMITED REPORTS Q3FY24 RESULTS

**Bangalore, February 9<sup>th</sup>, 2024:** 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>, 2023.

### FINANCIAL HIGHLIGHTS FOR QUARTER ENDED DECEMBER 31<sup>ST</sup>, 2023

REVENUES	<b>39.98 cr</b>	EBITDA	<b>4.72 cr</b>	EBITDA MARGINS	<b>11.81%</b>
⬆️ 6.56%	⬇️ -12.13%	⬇️ -7.81%	⬇️ -51.14%	⬇️ -184 BPS	⬇️ -942 BPS
PAT	<b>1.21 cr</b>	EPS	<b>₹ 1.29</b>	Key	
⬇️ -22.44%	⬇️ -76.95%	⬇️ -22.75%	⬇️ -77.29%	⬆️ Q-o-Q	⬆️ Y-o-Y

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

*In Q3FY23 we faced a challenging operating environment that impacted our financial performance. Yet, amidst these challenges, we have witnessed some promising developments and maintained a steadfast focus on our strategic initiatives.*

*In our capsules segment, we continued to see an upward trend in realisations, with a modest increase of 1-2% during the quarter. This progress, however, was tempered by a softer exports market, which has been a significant factor impacting our overall performance. The subdued performance in exports can largely be attributed to persistent currency issues and, more recently, to heightened logistics challenges. Particularly, disruptions in the Red Sea led to increased freight costs and deferred shipments, further straining our export operations. On a positive note, raw material pricing remained stable throughout the quarter.*

*I am pleased to report significant progress on our HPMC lines. The integration has been completed, and dry runs have successfully concluded. We are poised to commence primary manufacturing within the current week, with commercial production anticipated to follow shortly. Our confidence in the design of the plant and machinery is solidified, and we plan to initiate the installation of the second and third HPMC line in due course of time.*

*Turning to our API segment, the status remains as it was in the last quarter. We are still in the process of obtaining the final clearances from the Pollution Control Board and the license from the Drug Department. Recent changes in the state Government have led to internal shifts in the committees, contributing to delays. However, a meeting scheduled for the coming week holds the promise of a favourable resolution.*

*Once we obtain the Consent for Operations, we will commence the manufacturing of select intermediates, scaling up to APIs production upon receiving the necessary licenses.*

*Domestically, the outlook for our capsules business remains robust, and we are optimistic about its continued growth. While challenges persist on the export front, the resolution of logistics issues marks a turning point and the outlook for the coming quarters is promising. The API sector has faced pricing pressures over the past 6 months, but industry representations to government authorities offer hope for protective measures to safeguard the domestic industry.*

*In conclusion, despite the headwinds faced in Q3, our outlook for the coming year is optimistic. The commissioning of the HPMC lines and API facility positions us well to return to our growth trajectory.*

*Thank you for your continued support and belief in Natural Capsules Limited. We look forward to sharing our progress and achievements with you in the quarters to come.*

### UPDATES ON CAPEX

	Q1FY23	Q2FY23	Q2FY24	Q4FY24	Q1FY25	Q2FY25
<b>CAPSULES</b>	<ul style="list-style-type: none"> <li>Added 1 line for gelatin capsules added in June</li> </ul>	<ul style="list-style-type: none"> <li>1 line for gelatin capsules added in September</li> </ul>	<ul style="list-style-type: none"> <li>Completed installation for 1<sup>st</sup> line of HPMC capsules</li> </ul>	<ul style="list-style-type: none"> <li>Commissioning of 1<sup>st</sup> HPMC line</li> </ul>	<ul style="list-style-type: none"> <li>1 lines for HPMC capsules to be added in Q4FY24</li> </ul>	<ul style="list-style-type: none"> <li>1 lines for HPMC capsules to be added in Q1FY25</li> </ul>
<b>API</b>			<ul style="list-style-type: none"> <li>Successful Inauguration of Kilo Lab</li> </ul>		<ul style="list-style-type: none"> <li>Start of Commercial production in small volume batches</li> </ul>	<ul style="list-style-type: none"> <li>Start of Commercial production in large volume batches</li> </ul>

### 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.