

To,
M/s. Bombay Stock Exchange Limited
Corporate Services,
25th Floor, P.J.Towers,
Mumbai - 400 001.
India.

21st December, 2019

Security Code: 524654

Sir,

Sub: Outcome of Board Meeting held on 21st December, 2019 pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015:

In accordance with Regulation 30, read with Schedule III, Part A, Para B, Clause 2 & 5 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Annexure 1 of SEBI circular CIR/CFD/CMD/4/2015 dated September, 9 2015, we wish to inform you that the Board of Directors at their meeting held today i.e. 21.12.2019, have approved Company's proposal to acquire new business.

Natural capsules to acquire API business of Naari Pharma Private Limited

Natural capsules Limited(Natural Capsules) today announced that it has today entered into an arrangement to acquire API business of Naari Pharma Private Limited, an integrated Hormonal Generics & API manufacturer on a slump sale basis for a consideration of INR 245 mn. The acquisition includes the hormonal API manufacturing site located at Kashipur, Uttarakhand and associated business focused on Hormonal API segment. Naari is one of the few hormonal/steroid API manufacturers in India, serving both domestic & international markets. Naari is not a related party to any of the promoters.

Strategic Rationale for Diversification:

Foray into API & intermediate manufacturing business to diversify its current business solely focused on Empty Hard Gelatin Capsule manufacturing business. The acquisition provides a platform to enter into Hormonal API manufacturing business. Eventually, the company intends to also get into hormonal intermediate manufacturing, which require complex fermentation based manufacturing. The acquisition also provides an opportunity for Natural Capsules' to leverage its



existing relationships with buyers across globe to cross sell APIs. Company intends to fund the acquisition through a mix of internal accruals & debt funding.

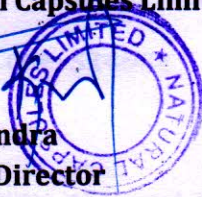
The Board meeting commenced at 5.00 PM & concluded at 6.45 PM.

Kindly take the same on your records.

Thank You,

For Natural Capsules Limited.


Sunil L. Mundra
Managing Director



In accordance with Regulation 3B read with Schedule III Part A Item 11 of the Companies Act, 2013 and the Listing Obligations & Disclosures Requirements Regulations, 2015 and Section 177(1)(b) of the Companies Act, 2013, the Board of Directors at their meeting held today on 21.12.2015, has approved the following proposal to acquire new business:

Natural capsules to acquire API business of M/s. Charming Private Limited

Natural capsules (M/s. Natural Capsules) today announced that it has today entered into an arrangement to acquire API business of M/s. Charming Private Limited, an integrated Chemicals & API Manufacturer on a share swap basis for a consideration of INR 2.5 Cr. The acquisition includes the hormonal API manufacturing site located at Kuchipudi, Andhra Pradesh and associated business focused on Hormonal API segment. M/s. Charming is one of the few hormonal active API manufacturers in India, serving both Research & Commercial markets. M/s. Charming is not a related party to any of the promoters.

Strategic Rationale for Diversification:

Entry into API & immediate manufacturing business is directly to current business which focuses on Fully Hard Gelatin Capsule manufacturing business. The acquisition provides a platform to enter into hormonal API manufacturing business. Essentially, the company intends to set up two hormonal active manufacturing sites. M/s. Charming's capsules formulation based manufacturing. The acquisition also provides an opportunity for Natural Capsules to expand its