

Date: 28.10.2022

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 & half year ended 30<sup>th</sup> September, 2022.

Request you to please take of note of the same.

**Thanking You**

**Yours Faithfully,**

**For Natural Capsules Limited**

SHILPA BURMAN  
Digitally signed by  
SHILPA BURMAN  
Date: 2022.10.28  
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**Shilpa Burman**  
**Company Secretary & Compliance Officer**



## NATURAL CAPSULES LIMITED REPORTS Q2FY23 RESULTS

**Bangalore, October 28<sup>th</sup>, 2022:** Natural Capsules Limited, one of India's leading manufacturer of hard capsules shell has announced its financial results for the second quarter ended September 30<sup>th</sup>, 2022.

### FINANCIAL HIGHLIGHTS FOR QUARTER ENDED SEPTEMBER 30<sup>th</sup>, 2022

REVENUES	<b>45.06 cr</b>	EBITDA	<b>9.63 cr</b>	EBITDA MARGINS	<b>21.37%</b>
⬆️ 1.97%	⬆️ 49.21%	⬆️ 5.48%	⬆️ 81.02%	⬆️ 71 BPS	⬆️ 375 BPS
PAT	<b>5.33 cr</b>	EPS	<b>6.85</b>	Key	
⬆️ 2.30%	⬆️ 104.21%	⬆️ 7.81%	⬆️ 63.88%	⬆️ Q-o-Q	⬆️ Y-o-Y

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

"I am pleased to provide you with an update on our performance during the previous quarter. We maintained our strong growth momentum and delivered robust financial results in an otherwise challenging operating environment. With the domestic pharmaceutical industry slowing, we saw a drop in demand for capsules, as well as slightly lower realisations compared to the previous quarter. We navigated through this challenge by higher emphasis on export markets this quarter, where demand and realisations remained strong. Raw material availability was also a challenge during the quarter due to interrupted imports from China, resulting in higher prices, but we handled the situation well and kept our margins intact. The raw material situation has begun to improve and is expected to improve further as the current quarter progresses.

An additional capsule line was commissioned in the first week of September 2022 and thus did not contribute to volumetric growth in the quarter. However, I am pleased to report that the new line has now been ramped up to optimum capacity. Due to some unexpected delays in the construction activity, the two HPMC lines that were expected to be operational in Q3FY23 will now be operational in Q4FY23. The overall demand visibility continues to remain strong and we remain confident that we will be able to ramp up the incremental capacities as they get added. The API capex remains on track, and we expect to complete machine installations by the end of Q3FY23. Positive interactions with potential customers and the frequency of new inquiries give us confidence that we will be able to meet our stated target of reaching ~50% capacity utilisation in the API plant by the end of FY24.

A stable demand environment and increasing operational capacity give us the confidence to further consolidate our position in the capsule industry and mark a strong entry into the fermentation API space."

### UPDATES ON CAPEX

	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23
CAPSULES	<ul style="list-style-type: none"> <li>Added 1 line for gelatin capsules in Bengaluru plant</li> </ul>	<ul style="list-style-type: none"> <li>Added 1 line for gelatin capsules in Bengaluru plant 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>3 line for HPMC capsules to be added in Q4FY23</li> </ul>
API			<ul style="list-style-type: none"> <li>Expected installation of machines and equipment in the fermentation and synthesis blocks</li> </ul>		<ul style="list-style-type: none"> <li>Plans to commence equipment validation batches and dry trial runs. Commercial production to begin from Q1FY24</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 wholly owned subsidiary company Natural Biogenex Private Limited.

### For further details please get in touch with

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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.