

Ref: ICRA/Natural Capsules Limited/ 11092023/1

September 11, 2023

Mr. Sunil Mundhra

Managing Director
Natural Capsules Limited
Trident Towers, 4th floor,
No. 23, Jayanagar 2 Block,
Bangalore – 560011

Dear Sir,

Re: ICRA-assigns Credit Rating for Rs 62.80 crore (enhanced from Rs. 50.00 crore) bank facilities of Natural Capsules Limited (details as per Annexure)

This is with reference to the rating outstanding of [ICRA]BBB (Stable)/[ICRA]A3+ assigned to the Rs. 50.00 crore bank facilities of your company and last communicated vide our letter dated August 17, 2023. Please also refer to your Statement of Work dated August 22, 2023 seeking rating for an enhanced amount of Rs.12.80 crore. Please note that the Rating Committee of ICRA, after due consideration of the latest developments in your company, has assigned a long-term rating of [ICRA]BBB (pronounced ICRA Triple B) and short term rating of [ICRA] A3+ (pronounced ICRA A three plus) for an enhanced amount of Rs. 12.80 crore. The outlook on the long-term rating is Stable. For Rating definition, please refer to ICRA website at www.icra.in.

In any of your publicity material or other document wherever you are using the above ratings, it should be stated as **[ICRA]BBB (Stable)/[ICRA]A3**.

The aforesaid Ratings will be due for surveillance any time before September 07, 2024. However, ICRA reserves the right to review and/or, revise the above Ratings at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the Ratings. Therefore, request the lenders and investors to visit ICRA website at www.icra.in for latest Ratings of the Company.

The Ratings are specific to the terms and conditions of the Bank Facilities as indicated to us by you, and any change in the terms or size of the same would require a review of the Ratings by us. In case there is any change in the terms and conditions or the size of the rated Bank Facilities, the same must be brought to our notice before the Bank Facilities are used by you. In the event such changes occur after the Ratings

have been assigned by us and their use has been confirmed by you, the Ratings would be subject to our review, following which there could be a change in the Ratings previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the Bank Facilities from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

ICRA reserves the right to review and/or, revise the above Ratings at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the Ratings assigned. The Ratings assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated Bank Facilities availed/issued by your Company.

The Ratings assigned to the Bank Facilities of your Company shall require revalidation if there is any change in the size or structure of the rated Bank Facilities.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the Company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We look forward to your communication and assure you of our best services.

With kind regards,

Sabyasachi Majumdar
(Senior Vice President & Group Head – Corporate ratings)
sabyasachi@icraindia.com

Annexure
Instrument Details

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
	Term Loan		
State Bank of India	12.00	[ICRA]BBB (Stable)	September 08, 2023
HDFC Bank	18.00	[ICRA]BBB (Stable)	September 08, 2023
Total - i	30.00		
	Cash Credit		
State Bank of India	12.50	[ICRA]BBB (Stable)	September 08, 2023
HDFC Bank	15.00	[ICRA]BBB (Stable)	September 08, 2023
Total - ii	27.50		

Details of Bank Limits Rated by ICRA (Rated on Short-Term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
	Fund Based		
State Bank of India	2.50	[ICRA]A3+	September 08, 2023
Total - iii	2.50		
	Non-Fund Based		
State Bank of India	1.30	[ICRA]A3+	September 08, 2023
HDFC Bank	1.50	[ICRA]A3+	September 08, 2023
Total - iv	2.80		
Total Limits rated (i) + (ii) + (iii)+ (iv)	62.80		