



**GOING FAR**  
TO COME CLOSER TO YOU



## GOING FAR TO COME CLOSER TO YOU

People are at the heart of Morepen Laboratories – they define our reason for being. Our mission to take wellness to the masses knows no pause, no shortcuts. We work harder, research deeper, anticipate your emerging needs and create world-class products that touch more lives with hope and healing. It's a simple mantra – we are going far to come closer to you.

Each day, we are finding new ways to connect with those who heal. Strengthening our relationship with doctors across the country, we are reaching deeper into India's medical landscape—bringing knowledge, solutions, and trusted formulations to their practice. Our presence is growing through more connection, more prescriptions, and more lives touched. It's a journey built on trust, science, and our unwavering belief that better health begins with better access.

Every move we make is a direct outreach to the prescriber and patient. And we are glad it's making a difference.

No matter how much it takes – We are going far to come closer to you.





"My dream for Morepen was never just about building a successful company — it was about building a meaningful one. One that grows and glows, not by cutting corners, but by standing tall on the values of integrity, hard work, and compassion.

The road may be long and often challenging, but the longer road is usually the right one. It tests our will, strengthens our purpose, and deepens our faith — in ourselves, in our people, and in the impact we can create.

Morepen's understanding of wellness has always come from listening closely to people's lives — their needs, their struggles, their hopes. I believe that as long as we continue to go beyond expectations and serve with sincerity, we will keep moving closer to the hearts of those we aim to heal.

May this journey ahead always be guided by light, and bring wellness and warmth to many more homes."

**Late Shri K.B. Suri**  
Founder, Morepen Group



## CORPORATE INFORMATION

**Chairman & Managing Director**  
Mr. Sushil Suri

**Whole-time Director**  
Mr. Sanjay Suri

**Independent Directors**  
Mr. Praveen Kumar Dutt  
Mr. Ranjit Khattar  
Mr. Sharad Jain  
Mrs. (Dr.) Savita

**Chief Financial Officer**  
Mr. Ajay Kumar Sharma

**Company Secretary**  
Mr. Vipul Kumar Srivastava

**Registered Office**  
Morepen Village, Nalagarh Road  
Near Baddi, Distt. Solan  
Himachal Pradesh - 173 205

**Bankers**  
Kotak Mahindra Bank Limited  
Qatar National Bank  
Shinhan Bank

**Statutory Auditors**  
M/s. S.P. Babuta & Associates  
Chartered Accountants

**Cost Auditors**  
M/s. Vijender Sharma & Co.  
Cost Accountants

**Secretarial Auditor**  
M/s. PD and Associates  
Company Secretaries

**Registrar & Share Transfer Agent**  
MAS Services Ltd.  
T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area  
Phase - II, New Delhi - 110 020

**Listed at**  
National Stock Exchange of India Ltd.  
BSE Limited

**Depositories**  
National Securities Depository Limited  
Central Depository Service (India) Ltd.

**Corporate Office**  
2<sup>nd</sup> Floor, Tower-C,  
DLF Cyber Park, Udyog Vihar,  
Sector-20, Gurugram, Haryana-122016

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## From the desk of Chairman

*Nothing matters more to a pharmaceutical company like Morepen than to see smiles replace suffering, relief alleviate pain, and healing conquer illness. The result of our increasing hard work goes much beyond the balance sheet and cash register – we measure achievement by the happiness we bring home. Rest assured me, Morepen is ready to travel any distance to be part of your everyday life.*

*Our zeal to do more, and do it better reflects in our performance. During the year 2024-25 your company achieved a growth of 7.37% in its total consolidated revenues while the consolidated profit rose by 14.44%.*

*This growth is primarily attributable to the strong double digit performance in both Medical Devices and consolidated Formulations and OTC businesses. Overall, the Medical Devices segment continues to demonstrate a strong and consistent growth trajectory, with a 5-year CAGR of 14.67 percent. This sustained performance reflects the company's strategic focus on product innovation, deeper market penetration, and leadership in the fast-evolving home diagnostics and personal wellness space.*

*The API business, which constituted the largest share of the company's total revenue at 54.08 percent, registered an overall revenue growth of 3.24 percent during the year. The export revenues grew by 11.05% which was largely attributed to strong contributions from the Europe and Asia-Pacific markets.*

*As we expand our capacities and multiply our activities, I assure you that we will always have our eyes on our core mission – to fortify the future with passion, action and innovation. I wish the dynamic workforce, our stakeholders and the people we serve another year of success and happiness. May we continue to walk the talk together.*

**-Sushil Suri**





The Journey of Growing Together



Late Shri K.B. Suri  
Founder, Morepen Group





# Global Generics

A Trusted Global Source for API needs



Sanjay Suri  
Whole-time Director

Morepen Laboratories Limited is a well-established player in Active Pharmaceutical Ingredients (API) markets. The company has been delivering high-quality products across diverse geographical regions, ensuring consistent global standards. With a strong emphasis on research and development (R&D), Morepen continues to invest in innovative product pipelines, reinforcing its long-term vision and future-readiness in a rapidly evolving pharmaceutical landscape.

API business being the largest business segment has been growing on consistent basis though at slower growth rate during the year. It has maintained its position being the only major contributor for export revenue. API Exports have improved over the last year on account of increase in exports to both regulated and non-regulated markets.

The company strengthened its leadership position in several key APIs with significantly increased market share in its export from India's shores. For Antihistamine category, in respect of exports out of India, company's market share for Loratadine increased from 65 percent to 81 percent, for Montelukast export, company's share increased from 43 percent to 60 percent, for Desloratadine export share increased from 18 percent to 30 percent and for Fexofenadine, company's market share in export from India increased from 8 percent to 25 percent. Under Cardiovascular segment, for Atorvastatin, company's market share in export out of India, increased from 16 percent to 19, whereas for Rosuvastatin, market share fell to 30 percent from 47 percent in the last year.

The improvements in export market share demonstrate growing global competitiveness. The increased market share in specific APIs reflects enhanced penetration in the antihistamine and cardiovascular therapeutic segments.

The newly developing molecules comprising of Sitagliptin (Anti-diabetic), Linagliptin (Anti-diabetic), Edoxaban (Anti-coagulant), and Empagliflozin (Anti-diabetic), and others, achieved a remarkable revenue growth of over 46 percent, further strengthening API revenue position.



The company has also developed / commercialized various new products such as Sitagliptin Hydrochloride (Anti-diabetic), Finerenone (Chronic Kidney disease), Cariprazine HCl (Atypical Anti-Psychotic), Resmetirom (for NASH), Bempedoic Acid (Anti-Hypercholesterolemic) & Rupatadine Fumarte (Anti-histaminic) during the year.

Morepen is looking forward to this year with a few potential drug candidates such as Cenobamate in Anti-convulsent, Tegoprazan in Anti-Ulcerative, Orforglipron calcium in Anti-obesity, Suzetrigine & Elinzanetant in CNS Category, Deucravacitinib in Anti-Psoriasis category, Aficamentan in Cardiovascular, Blarcamesine Hydrochloride in Anti-parkinsonian category.

The USDMFs were filed for Ticagrelor & Brexpiprazole. Two CEPs were filed for Rosuvastatin calcium Process 4 & Sitagliptin phosphate process 2. IDL China DMFs were filed for Vonoprazan & Linagliptin. The Dapagliflozin Propanediol DMFs were filed in Europe-Latvia, Lithuania, Estonia, Czech Republic, Slovak republic, Poland, Germany, Spain, France & Italy. The Dapagliflozin Amorphous DMFs were filed in Croatia, Slovenia, Sweden, Belgium, Bulgaria, Cyprus, Austria, Malta, Hungary, Romania, Luxemburg, Greece, Portugal, Denmark, Estonia.

The company is also looking to enter the anti-cancer segment by considering the development of various potential candidates comprising of key products like Ibrutinib, Enzalutamide, Abemaciclib, Cabozantinib-S-maleate, Cladribine & Olaparib.





In the area of technological advancement, 1 patent was granted and 9 new patents were filed by the company, details of which are given below:

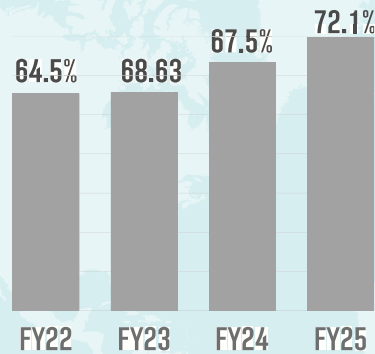
- ▶ Indian patent application entitled “novel processes for the purification of UDCA and its Various Intermediates” was granted by Indian Patent office as IN533045.
- ▶ Indian patent application titled “process for preparing defined particle size of Bempedoic Acid” was filed as IN202411031337.
- ▶ Indian patent application titled “process for the purification of Brexpiprazole Hydrochloride” was filed as IN202411041694.
- ▶ Indian patent application titled “process for the preparation of Resmetirom form I” was filed as IN202411046749.
- ▶ Indian patent application titled “improved process for the preparation of Saxagliptin intermediate” was filed as IN202411054582.
- ▶ Indian patent application titled “process for the purification of Finerenone” was filed as IN202411070541.
- ▶ Indian patent application titled “purification of optically active dibenzoyl tartaric acid salt of Finerenone” was filed as IN202411104045.
- ▶ PCT as well as Indian patent application titled “process for the preparation of and purification of Finerenone form I” was filed as IN202511002364.
- ▶ PCT as well as Indian patent application titled “purification of optically active dibenzoyl tartaric acid salt of Finerenone” was filed as IN202411081116.
- ▶ Indian patent application titled “improved cost-effective process for the preparation of Rosuvastatin Calcium” was filed as IN202511008238.



API Business

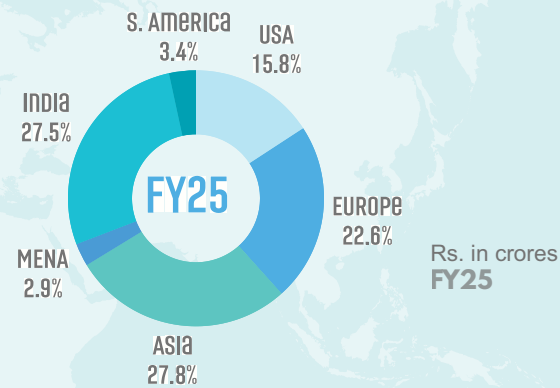
**INCREASING FOCUS ON EXPORT**

EXPORT SHARE (API)



**7.6%**  
INCREASE IN EXPORT  
CONTRIBUTION IN 3 YEARS

CONTINENT-WISE SHARE



**80**

EXPORTING TO OVER 80  
COUNTRIES

**500**

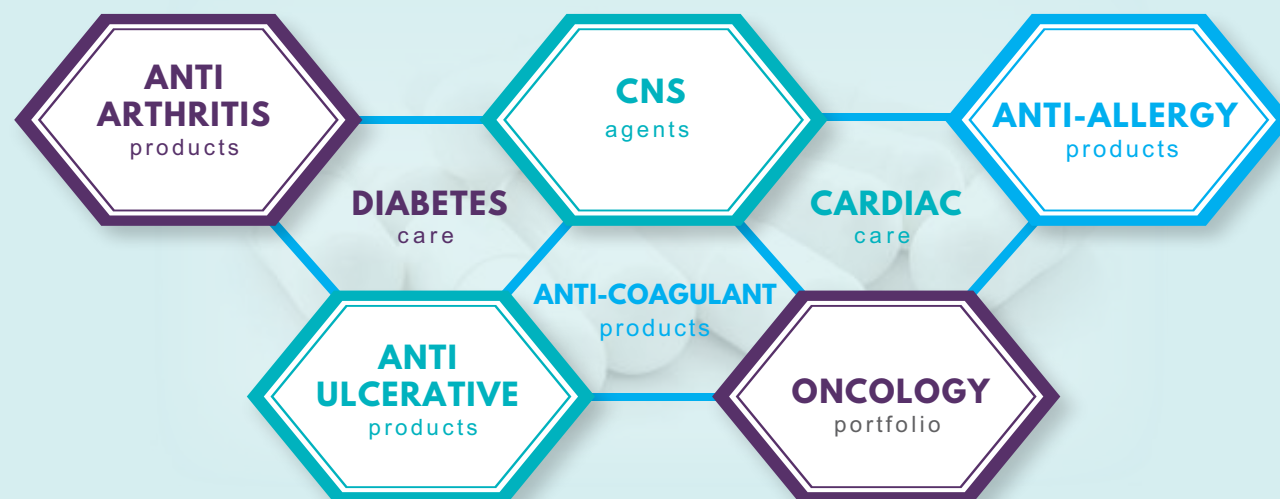
TOP NOTCH CUSTOMERS  
WORLDWIDE

**60%**

BUSINESS COMES FROM  
REPEAT CUSTOMERS

API Business

**SELECTIVE PORTFOLIO**



LIFESTYLE PRODUCTS FOR CHRONIC USE

API Business

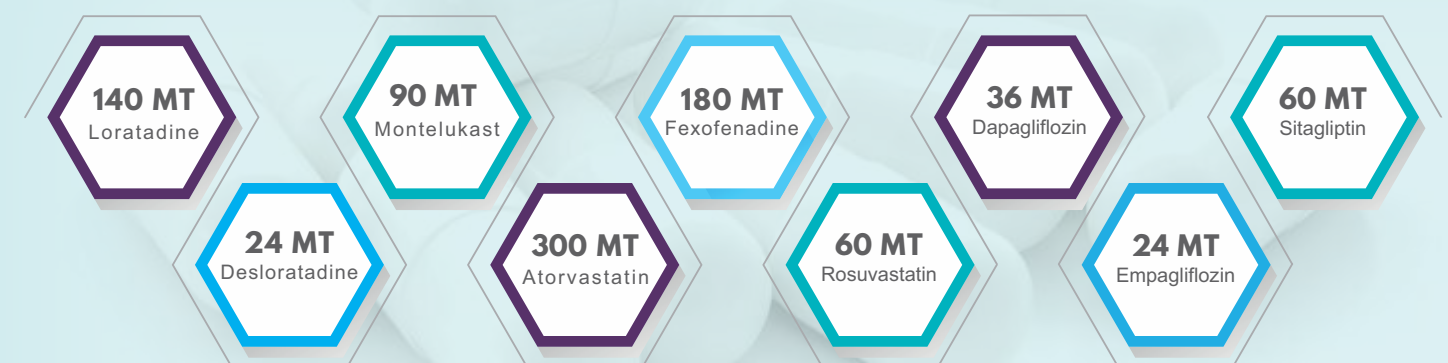
**SELECTIVE PORTFOLIO**

<b>LORATADINE</b> anti-allergy	<b>DESLOTRADINE</b> anti-allergy	<b>MONTELUKAST</b> anti-asthmatic	<b>ATORVASTATIN</b> cholesterol reducer
<b>FEXOFENADINE</b> anti-allergy	<b>ROSUVASTATIN</b> cholesterol reducer	<b>OLMESARTAN</b> anti-hypertensive	<b>VONOPRAZAN</b> anti-ulcerative
<b>SITAGLIPTIN</b> anti-diabetic	<b>SAXAGLIPTIN</b> anti-diabetic	<b>LINAGLIPTIN</b> anti-diabetic	<b>DAPAGLIFLOZIN</b> anti-diabetic
<b>EMPAGLIFLOZIN</b> anti-diabetic	<b>ERTUGLIFLOZIN</b> anti-diabetic	<b>VORTIOXETINE</b> anti-depressant	<b>APIXABAN</b> anti-coagulant
<b>EDOXYBAN</b> anti-coagulant	<b>RIVAROXABAN</b> anti-coagulant	<b>BREXPIRAZOLE</b> anti-depressant	<b>TICAGRELOT</b> anti-platelet
	<b>BEMPEDOIC ACID</b> anti-coagulant	<b>RESMETRIOM</b> gastroenterology	

Note: Products are not offered for sale in the territories where there is valid patent of the product

API Business

**MARKET LEADERSHIP**



WORLD'S LARGEST CAPACITIES



 UNITED STATES	 EUROPE	 Japan	 BRAZIL
 CHINA NMPA CHINA	 KOREA	 INDIA WHO GMP	 ISO 13485 (MED DEVICES)



**Kushal Suri**  
President-  
International  
Growth





# Global Generics REGULATORY STATUS

- 1997** Loratadine DMF
- 1998** USFDA Inspection Masulkhana Plant
- 2003** USFDA Inspection Masulkhana Plant
- 2007** USDMF Loratadine (HF/BF3 route)
- 2008** Pioglitazone registration in Iran
- 2009**
  - COS(EDQM) Loratadine (HF/BF3 route)
  - Atorvastatin DMF approved in Russia
  - Fexofenadine EDMF in Slovenia & Czech Republic
  - Montelukast Sodium (IDL) in China

- 2010**
  - Atorvastatin DMF approved in Korea
  - Rosuvastatin launched
- 2011**
  - Desloratadine USFDA regulatory inspection-facility approved.
  - Desloratadine USDMF approved.
  - Montelukast COS, Atorvastatin COS
- 2012**
  - Montelukast Registration in Russia
  - Loratadine registration in Iran
  - Montelukast DMF in Korea
  - Fexofenadine registration in Iran
  - Montelukast DMF in Ukraine approved.
- 2013**
  - Desloratadine approved in Russia
  - Atorvastatin approved in Taiwan
- 2014**
  - Loratadine DMF in Mexico (HF/BF3 route)
  - Desloratadine COS
  - Sitagliptin DMF in Iran approved.
- 2015**
  - Loratadine DMF in Japan approved.
  - Rosuvastatin DMF in Ukraine approved.
  - TGA-Australia inspections approved.
  - Montelukast CEP approved in Taiwan
  - USFDA regulatory inspections
  - Desloratadine approved in all European Countries
  - Fexofenadine approved in Taiwan
  - Desloratadine COS approved

- 2016** EUGMP CDSCO inspections in Masulkhana Plant
- 2017**
  - Fexofenadine COS (EDQM) approved.
  - Rosuvastatin TDMF in Taiwan approved.
  - Rosuvastatin COS (EDQM) approved.
- 2018**
  - USFDA Regulatory Inspections approval of Masulkhana & Baddi Plants
  - Commercial Shipments of Montelukast to US started
  - Rosuvastatin Amorphous COS approval
  - Loratadine registration (IDL) in China
  - Desloratadine approval (IDL) in China
  - Fexofenadine registration(IDL) in China
- 2019**
  - MFDS Inspections in Korea
  - Recognition of Morepen, Baddi R&D Centre by Government of India.
- 2020**
  - Sitagliptin CEP (EDQM) Approved
  - Dapagliflozin Registered in US
  - Empagliflozin Registered in China
  - Sitagliptin Registered in US
- 2021**
  - Arorvastatin Calcium Approved in Japan
  - Dapagliflozin Registered in China
  - Saxagliptin Registered in US
  - Apixaban Registered in US
  - Lorotadine Renewal from PMDA
  - Edoxaban Registered in US

- 2022**
  - Ertugliflozin L-pyroglyutamic Acid, Vonoprazan Fumarate registered in US.
  - Rosuvastatin Calcium (Route-III) registered for CEP.
  - ASMFs registered for Apixaban, Linagliptin, Saxagliptin & Anhydrous Sitagliptin Phosphate in various European countries.
  - Loratadine, Amorphous Dapagliflozin DMFs registered in Canada.
  - Loratadine registered with CADIFA (Brazil).
- 2023**
  - DMFs registered for Dapagliflozin, Sitagliptin Phosphate Monohydrate, Fexofenadine in South Korea.
  - Atorvastatin registered with CADIFA (Brazil).
  - ASMF registered for Linagliptin in 23 European countries.
  - DMF filed for Edoxaban Tosylate Monohydrate with Health Canada & 10 European Countries.
  - ASMF registered for Vortioxetine
- 2024**
  - Ticagrelor, Brexpiprazole registered in US.
  - Sitagliptin Phosphate & Rosuvastatin calcium registered for CEP.
  - Dapagliflozin (Amorphous, Propanediol, Propanediol Monohydrate) DMF were registered in across Europe, Africa, and Asia.
  - ASMF registered for Dapagliflozin, Apixaban, Empagliflozin, Rosuvastatin Calcium Crystalline, Edoxaban Tosylate & Linagliptin in different European Countries.
  - Launched Contract Development and Manufacturing Business
  - ANVISA (Brazil) GMP approval for Baddi Plant



*State-of-the-art Pharma Complex at Baddi*



# Finished Formulations



In the prescription segment, Morepen continues to strengthen its presence in the domestic market through our focused business verticals-Cardia and Medicus-which cater to a wide range of therapeutic areas, including cardiology, diabetology, paediatrics, gynecology, nutrition, antibiotics, vitamins and gastroenterology.

Among our key new product introductions are Kompact-DM, Biorhythm, Apixamore, Empamore, and Krileed, which have been well-received across targeted specialties. Furthermore, we have significantly expanded our gastroenterology portfolio with the launch of Acifix Raft and the Udofix range-strategic line extensions designed to capitalize on the rapidly growing ₹1,500 crore market in this segment. In line with our strategy to diversify into the general wellness category, we have introduced Lycomore Syrup, a scientifically formulated blend of essential vitamins and minerals.

We have executed a range of marketing campaigns aimed at enhancing brand visibility, engaging key opinion leaders, and increasing patient awareness. Notable initiatives include the "I Love Intebact" campaign, and "Bachpan Ki Yaadein", which focused on building emotional connections with doctors. The "Morepen Prescription League" campaign actively involved healthcare professionals, fostering stronger relationships and promoting brand advocacy.





To further support healthcare professionals and patients, we conducted multiple Continuous Medical Education (CME) sessions, round table meetings, and Diabetes Detection / HbA1c camps.

In our efforts to promote community health awareness, we organized FM activities on Menstrual Hygiene Day and produced awareness videos around key global health observances such as World Health Day, Menstrual Hygiene Day, Children's Day, Nutrition Day, Hypertension Day, World Heart Day, and International Yoga Day, amplifying these messages to a broader audience.

Our Good Gut Health Campaign received national recognition, by both the Asia Book of Records and the India Book of Records.

To further expand our geographical footprint in Metro, Tier 1, and Tier 2 cities, we have already onboarded 110 field force representatives. Additionally, we plan to recruit another 90 representatives, bringing the total to 400 field force personnel by the end of fiscal 2026. Furthermore, we aim to expand our field force to 1,200 by fiscal 2030.

In line with our expansion strategy, we are working to extend our reach to 60,000 doctors and 30,000 chemists. Expanding our presence in the South and West regions will allow us to achieve Pan-India coverage by the end of fiscal 2026.



Oral Finished Dosage Facility





# Home Diagnostics

## Point of care Devices Business

During the year, the company had significantly enhanced its manufacturing capabilities and operational integration. A key development was the initiation of in-house screen-printing operations, marking an important milestone in our ongoing backward integration strategy. This follows the successful implementation of injection moulding and Surface Mount Technology (SMT) in previous years. To further support growing demand and improve operational scalability, construction of a new manufacturing facility is underway. This facility will expand our capacities in injection moulding, orthopedic products, and warehousing.

Additionally, the Company proudly entered the orthopedic products segment, beginning production of innovative therapies for musculoskeletal health. This new venture opens up promising growth opportunities in a key therapeutic market.



**Anubhav Suri**  
Head - Medipath Division

In a further testament to our commitment to quality and innovation, we significantly expanded the scope of our ISO certification. It now includes the design, development, and manufacturing of Blood Grouping Reagents and Lateral Flow Test Kits for infectious diseases. This expansion enhances our position in the medical diagnostics space and paves the way for new growth avenues.

On the digital front, we launched the Dr. Morepen Sync App, a thoughtful initiative aimed at empowering individuals to take control of their health. With the tagline "Health in Your Hands," the app enables users to track important health metrics such as blood glucose, blood pressure, and weight, fostering healthier lifestyles for a brighter tomorrow.

In other notable product developments, we successfully reintroduced nebulizers to the market, and pregnancy testing kits saw a substantial increase in sales revenue.

The Company also expanded its global presence, entering new export markets in Thailand, Qatar, and Oman, further strengthening its footprint in international markets.





### Take control of your health and wellness with Dr. Morepen - Sync

Log and track your key health metrics like **blood glucose, blood pressure, weight** and much more, effortlessly.

 Download on Android  Download on IOS





# Dr. Morepen OTC Business 'Health in your Hands'



Varun Suri  
Managing Director  
Dr. Morepen Limited



The OTC business has significantly expanded its reach by launching several new CFA locations, which has contributed to a notable increase in focus and sales across a broader range of products. Distribution has also been extended to the Indian Army, with partnerships secured in the Eastern and Northern Command areas. Furthermore, the OTC division has strengthened its presence by collaborating with both national and regional retail chains, including prominent outlets like Apollo Pharmacy and Sevio Pharma.

During the year, Dr. Morepen introduced 'LightLife', a comprehensive, 360° weight management program tailored for modern lifestyles. 'LightLife' integrates the award-winning Slimbiome® from the UK and Intelicaps Probiotics from Belgium-two clinically proven ingredients globally recognized for their effectiveness in supporting weight management.

Revant Himatsingka, popularly known as FoodPharmer, is a renowned Indian health advocate dedicated to promoting clean eating and food label literacy. He has been an active supporter of Dr. Morepen's awareness campaigns, championing the cause of a healthier tomorrow.







## ONLINE RANGE







## DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting the 40<sup>th</sup> Annual Report on business, operations, and achievements of the company together with the audited financial statements for the financial year ended 31<sup>st</sup> March 2025.

### FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2024-25	2023-24	2024-25	2023-24
Sales	180373.48	168213.43	154694.35	152943.38
Other Operating Income	784.10	829.82	759.18	815.97
Other Income	1836.37	1397.08	1571.96	1256.57
Total Income	182993.95	170440.33	157025.49	155015.92
Operating Surplus	19243.40	17259.54	16913.06	17438.47
Finance cost	834.29	371.02	710.29	350.94
Cash Surplus	18409.12	16888.52	16202.77	17087.53
Non-Cash Items:				
Depreciation & Amortisation	2898.17	3346.95	2444.21	2189.98
Profit before Tax	15510.94	13541.57	13758.56	14897.55
Tax - Current Year	3236.69	3932.22	3128.33	3856.64
Tax - Earlier Years	-	(9.03)	-	(9.04)
Deferred Tax	472.71	(43.65)	472.71	43.65
Profit after Tax before non-controlling interest	11801.54	9662.03	10157.52	11093.60
Less: Non - controlling interest	(0.50)	46.04	-	-
Profit after Tax and non-controlling interest	11802.04	9615.99	10157.52	11093.60
Other Comprehensive Income (Net of Tax)	25.37	(184.18)	17.23	(202.59)
Total Comprehensive Income	11827.41	9431.81	10174.75	10891.01
EPS (Basic) & Diluted	2.20	1.88	1.90	2.17

Note : Figures in brackets represent negative numbers.

### REVIEW OF PERFORMANCE

During the current financial year, the company recorded a consolidated revenue growth of 7.37 percent, with total revenue reaching ₹182993.95 Lakhs compared to ₹170440.33 Lakhs in the previous year. This growth was primarily driven by strong double-digit performance in both the Medical Devices and consolidated Formulation & Over the Counter ('OTC') businesses.

The overall growth was tempered by the modest performance of the Active Pharmaceutical Ingredients ('API') segment, which recorded a growth of only 3.24 percent, compared to the robust 14.15 percent growth achieved in the previous financial year.

The company also achieved an 11.05 percent increase in export revenues, totalling ₹71027.89 Lakhs, up from ₹63959.19 Lakhs in the previous year. This growth was largely attributed to strong contributions from the Europe and Asia Pacific markets. The domestic business continued to perform steadily, reporting a 4.88 percent growth for the year.



API business recorded revenue growth of 3.24 percent whereas devices business grew up by 12.24 percent during the current year ending 31<sup>st</sup> March, 2025. The OTC business, operated under the subsidiary Dr. Morepen Limited, recorded an impressive 84.28 percent increase in



annual revenue. On the other hand, the formulation business witnessed a 17.38 percent decline in revenue, mainly due to a strategic shift of the generics business to Dr. Morepen Limited, aimed at capitalizing on better market dynamics. This realignment significantly contributed to the overall revenue growth of Dr. Morepen Limited.

With current year annual revenues of ₹49692.61 Lakhs, the Medical Devices business increased its contribution to the company's total revenue to 27.13 percent, up from 26.01 percent in the previous financial year. The consolidated share of the OTC & Formulation business, with revenues of ₹34388.35 Lakhs in the current year, rose to 18.79 percent, up from 17.90 percent in the previous financial year. API business, with annual revenues of ₹98919.10 Lakhs, saw its share decline to 54.08 percent, compared to 56.09 percent in the preceding year.

The API business, which constituted the largest share of the company's total revenue at 54.08 percent, registered an overall revenue growth of 3.24 percent during the year. While export revenues grew strongly by 10.35 percent, domestic revenues declined by 11.51 percent, offsetting part of the gains.

Revenue from key molecules such as Fexofenadine (antihistamine) and Montelukast (anti-asthmatic) declined by 31.45 percent and 12.31 percent, respectively. However, the segment's performance was supported by robust growth in other therapeutic areas. Notably, anti-coagulant drugs like Atorvastatin and Rosuvastatin recorded healthy revenue growth of 18.53 percent and 16.50 percent, respectively. Furthermore, group of newly developing molecules comprising of Sitagliptin (anti-diabetic), Linagliptin (anti-diabetic), Edoxaban (anti-coagulant), and Empagliflozin (anti-diabetic), achieved a remarkable revenue growth of

46.21 percent, further strengthening the segment's position. Additionally, Loratadine (anti-histamine) made a positive contribution, recording revenue growth of 8.88 percent, with total revenues reaching ₹23114.88 Lakhs for the year.

The Medical Devices business reported revenues of ₹49692.61 Lakhs for the current financial year, registering a solid year-on-year growth of 12.24 percent. This performance was driven by sustained momentum across its core product lines. The Blood Glucose Monitoring segment, the largest contributor within the portfolio, achieved revenues of ₹38680.73 Lakhs, reflecting a 13.05 percent annual growth and an impressive 5-year compound annual growth rate ('CAGR') of 21.00 percent for the period ending 31<sup>st</sup> March 2025. The Blood Pressure Monitors segment, the second-largest contributor, also posted robust results, with 14.27 percent growth during the year and a healthy 5-year CAGR of 9.56 percent.

Overall, the Medical Devices segment continues to demonstrate a strong and consistent growth trajectory, with a 5-year CAGR of 14.67 percent. This sustained performance reflects the company's strategic focus on product innovation, deeper market penetration, and leadership in the fast-evolving home diagnostics and personal wellness space.

The Formulation business, consisting of Formulations Manufacturing and Branded Prescription Drug Distribution business, reported revenues of ₹13868.86 Lakhs in the current financial year, registering a modest growth of 3.90 percent over the previous year's revenues of ₹13347.80 Lakhs. This growth was achieved despite a strategic structural change wherein the brand-sharing business was transferred to the subsidiary, Dr. Morepen Limited, to



streamline operations, sharpen business focus, and improve long-term agility.

A breakdown of the segmental performance for the formulation business reflects strong underlying momentum across key verticals i.e., Branded Prescription (Rx) business: ₹5167.84 Lakhs (previous year: ₹4376.86 Lakhs), Institutional Supplies: ₹4952.44 Lakhs (previous year: ₹4324.39 Lakhs) and Contract Manufacturing: ₹6414.63 Lakhs (previous year: ₹5743.80 Lakhs).

The OTC business, operated by the company's subsidiary Dr. Morepen Limited, recorded annual revenues of ₹17080.74 Lakhs in the current financial year, representing a robust growth of 81.21 percent over the previous year. This exceptional performance was driven by the introduction of new formulation lines, increased demand across the existing product portfolio, and price enhancements. The branded product portfolio-featuring flagship product namely Burnol (burn relief cream) and OTC range generated ₹5027.38 Lakhs in revenue, reflecting minor yearly growth of 1.01 percent. The brand-sharing business posted ₹11244.28 Lakhs in revenue, achieving a remarkable 191.33 percent growth, primarily driven by strategic shift of the generics business to Dr. Morepen Limited, new business development and price optimization initiatives.

An increase in revenues by 7.37 percent during the year under review, combined with effective cost control initiatives, enabled the company to deliver improved Earnings Before Interest, Depreciation, Amortisation, and Tax ('EBIDTA') margins, which rose to 10.52 percent, compared to 10.13 percent in the previous financial year. In absolute terms, EBIDTA increased to ₹19243.30 Lakhs, up from ₹17259.54 Lakhs in the preceding year.

All business segments contributed positively to the overall surplus, leading to a strengthened financial performance for the year. The company remains firmly focused on

enhancing operational efficiency across all business units and is actively pursuing measures to improve the profitability across all business segments, with the objective of ensuring broad-based surplus generation and continued financial progress in the periods ahead.

On a standalone basis, for the current year ended 31<sup>st</sup> March 2025, the company recorded annual sales revenues of ₹154694.35 Lakhs, registering a growth of 1.14 percent against previous year revenues of ₹152943.38 Lakhs.

**Financial Performance**

**Sales**

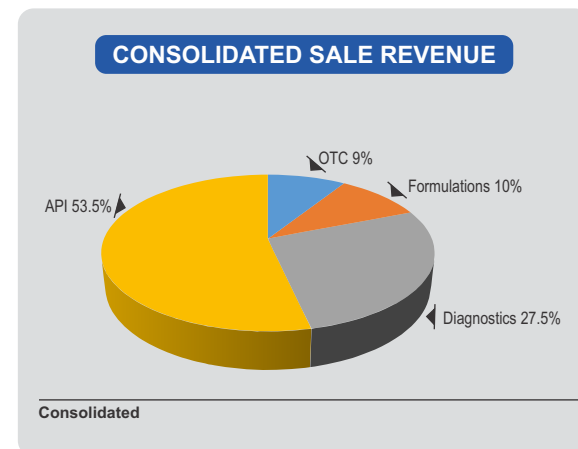
For the year under review, the consolidated sales revenues reached ₹180373.48 Lakhs. This represents a year-on-year growth of 7.23 percent compared to ₹168213.43 Lakhs reported in the previous year. The total Income rose to ₹182993.95 Lakhs, registering a growth of 7.37 percent compared to income of ₹170440.33 Lakhs recorded in the preceding year. Domestic sales contributed ₹109345.59 Lakhs, recording a moderate growth of 4.88 percent. Export sales reached ₹71027.89 Lakhs, reflecting a robust increase of 11.05 percent, reaffirming the company's growing traction in international markets.

**Material Cost**

The material cost, as a percentage of total income at 63.35 percent, against 62.33 percent in last year, has moved up 102 basis points during the year. The fall in Sales realisation particularly in API business, has led to increase in material cost percentage vis-a-vis sales price.

**Employee Cost**

The employee cost for the current financial year stood at ₹20891.39 Lakhs, reflecting a 15.13 percent increase over the previous year's figure of ₹18146.55 Lakhs. This rise was primarily driven by a 18.00 percent expansion in manpower strength, along with periodic wage revisions implemented during the year.



However, with total income growing at a comparatively modest rate of 7.37 percent, the employee cost as a percentage of total income rose to 11.42 percent, up from 10.65 percent in the preceding year. The company remains committed to investing in human capital by maintaining competitive compensation structures designed to attract, retain, and develop top-tier talent, in line with its long-term strategic vision and capability-building exercise.

**Other Expenses**

The consolidated expenditure on manufacturing, sales & marketing, and administrative activities is at 14.72 percent of total income for the year under review, representing a significant reduction from 16.89 percent in the previous financial year, an overall decline of 12.89 percent.

This improvement was primarily attributable to an 18.24 percent reduction in selling and distribution expenses, coupled with a 4.11 percent decline in administrative costs. While manufacturing and related expenses increased by 14.94 percent, through focused optimization of non-manufacturing functions, operational efficiency was improved leading to better profitability.

**Finance Cost & Depreciation**

Finance cost at ₹834.29 Lakhs, includes a sum of ₹94.71 Lakhs interest on fresh working capital facilities availed by the company and interest expense of ₹182.93 Lakhs on Fixed Deposit backed credit facilities availed during the year. Further a sum of ₹37.40 Lakhs was paid towards interest charges on unsecured loans of subsidiary, Dr. Morepen limited. The interest on car loans amounts to ₹48.94 Lakhs.

Apart from above, Finance cost also includes interest on lease liabilities of ₹239.51 Lakhs, loan processing fees for ₹55.75 Lakhs and provision of ₹175.05 Lakhs towards interest payable on delayed payment of Advance Tax for Assessment Year 2025-26.

Annual consolidated depreciation & amortisation charge of ₹2898.17 Lakhs, includes a sum of ₹1180.02 Lakhs, being charges on Right to Use of Assets i.e. Office Space, Warehouses, and Residential Accommodation leased by the company.

**Other Operating Income & Other Income**

The consolidated other operating income represents export incentives and others. The export incentives for the current year at ₹438.54 Lakhs are lower by 46.26 percent against last year of ₹815.97 Lakhs.

Consolidated other income comprising of currency fluctuations, interest income, notional interest on security deposits and others is up by 31.44 percent at ₹1836.37 Lakhs, against previous year of ₹1397.08 Lakhs.



**Profit after Tax**

The consolidated profit before interest, depreciation, and tax for the year is at ₹19243.40 Lakhs, reflecting a growth of 11.49 percent over ₹17259.54 Lakhs reported in the previous financial year. The net profit after tax, but before the share of profit attributable to non-controlling interest, rose by 22.14 percent to ₹11801.54 Lakhs, compared to ₹9662.03 Lakhs in the prior year.

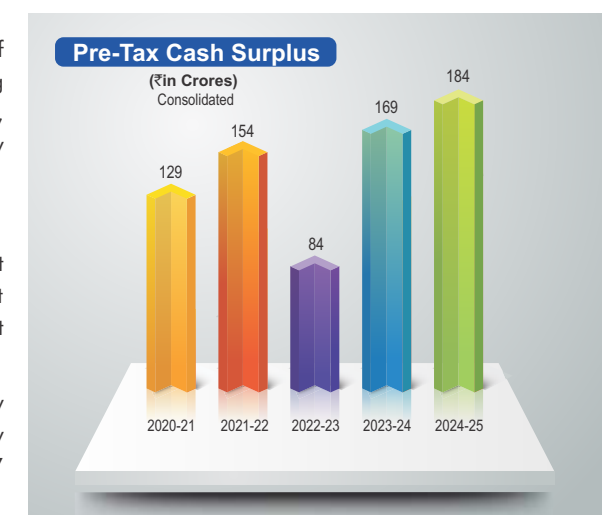
The consolidated Net Profit, net of non-controlling interest, amounted to ₹11802.04 Lakhs, registering a 22.73 percent increase over ₹9615.99 Lakhs recorded in the preceding year.

Total Comprehensive Income for the year reached ₹11827.41 Lakhs, marking a robust growth of 25.40 percent compared to ₹9431.81 Lakhs in the previous year.

**Business wise Performance:**

**Active Pharmaceutical Ingredients ('API')**

API business being largest business segment has been growing on consistent basis though at slower growth rate during the year. On account of strong performance by other business segments share of API business in overall revenue





of the company has come down to 54.08 percent from 56.09 percent in the last year. It has maintained its position being the only major contributor for export revenue. Export revenues have improved over the last year by exporting to both regulated and non-regulated markets.

Achieved a modest growth of 3.24 percent increase in overall revenue, reaching ₹98919.10 Lakhs. It was an export-driven growth primarily fuelled by a significant 10.35 percent rise in export revenues. On account of domestic price challenges and strategic considerations, there has been a revenue decline of 11.51 percent during the year. The company successfully added 112 new customers during the year, expanding the customer base.

The company strengthened its leadership position in several key APIs with significantly increased market share in its export from India's shores. Under Antihistamine category, for exports out of India, company's market share for Loratadine increased from 65 percent to 81 percent, for Montelukast share increased from 43 percent to 60 percent, for Desloratadine increased from 18 percent to 30 percent and for Fexofenadine, increased market share from 8 percent to 25 percent. Under Cardiovascular segment, for Atorvastatin, company's market share in export out of India, increased from 16 percent to 19, whereas for Rosuvastatin, market share fell to 30 percent from 47 percent in the last year.

The improvements in export market share demonstrate growing global competitiveness. The increased market share in specific APIs reflects enhanced penetration in the antihistamine and cardiovascular therapeutic segments.

Exports to Europe went up by 26.16 percent, followed by 8.94 percent increase in export to APAC regions. US revenue was marginally down by 1.30 percent followed by lower exports to MENA & other regions by 4.76 percent.

The share of Loratadine and Montelukast revenue, in total API revenues with a combined revenue of ₹45143.57 Lakhs is at 46.70 percent against 49.51 percent in the preceding financial year. The share of Fexofenadine in API total revenue, with sales revenue of ₹9023.81 Lakhs has moderated to 9.34 percent from high of 14.06 percent registered in last fiscal ending 31<sup>st</sup> March 2024.

The combined revenue share of Atorvastatin and Rosuvastatin at ₹30493.35 Lakhs moved to 31.55 percent against 27.67 percent in last financial year.

Further newly developing molecules comprising of Sitagliptin (anti-diabetic), Linagliptin (anti-diabetic), Edoxaban (anti-coagulant), and Empagliflozin (anti-diabetic), and others, with revenue contribution of ₹12000.38 Lakhs, achieved a remarkable revenue growth of 46.21 percent, further strengthening API revenue position.

**Home Diagnostics - Point of care Device Business**

The company has demonstrated strong revenue growth, with current year sale revenues reaching ₹49692.61 Lakhs, a 12.24 percent increase from the previous year's ₹44271.64 Lakhs. Over the past five years, sales revenues have shown considerable growth, evidenced by a Compound Annual Growth Rate (CAGR) of 14.67 percent.

**Blood Gluco Business**

The Blood Gluco business is a significant contributor to overall revenue, with current year sales of ₹38680.73 Lakhs. It registered a robust 13.05 percent growth this year. Its five-year CAGR stands out at an outstanding 21.00 percent, indicating sustained strong performance.

**BP Monitor Business**

The BP monitor business also showed good growth, reaching ₹9077.81 Lakhs, a 14.27 percent increase compared to the previous year's ₹7944.39 Lakhs. The five-year CAGR for this segment is a healthy 9.56 percent.

**Emerging and Other Products**

Nebulisers have been reintroduced during the year and adding to business's revenue stream, contributing ₹433.17 Lakhs in the current year, with meagre revenue registered in the previous year. Stethoscope revenues saw substantial growth, rising 43.04 percent to ₹387.72 Lakhs from ₹271.07 Lakhs last year. Pregnancy Test Kits experienced remarkable growth of 84.82 percent, with current year revenues of ₹116.80 Lakhs. Thermometers registered a de-growth of 10.22 percent, with annual revenue at ₹574.96 Lakhs.

The revenue contribution from other products (including Pulse Oximeter, Vaporizer, Digital Weighing Scale, & others) significantly decreased by 62.98 percent, from ₹1138.23 Lakhs to ₹421.42 Lakhs.

**Expansion of Manufacturing Capabilities & Infrastructure**

During the year, the Company made significant strides in enhancing its manufacturing capabilities and operational integration:

- **In-house Screen Printing:** In-house screen printing operations were initiated during the year. This marks another step forward in the Company's backward integration strategy, following the successful implementation of injection moulding and Surface Mount Technology (SMT) in earlier years.
- **Infrastructure Development:** Construction of a new manufacturing block is underway to expand capacities in injection moulding, ortho products, and warehousing, thereby supporting the growing demand across segments and improving operational scalability.





- **Ortho Products Manufacturing:** The Company commenced production of orthopaedic products, marking its entry into a new and promising therapeutic segment.
- **Expanded Quality Certification Scope:** The scope of the Company's ISO certification has been significantly expanded to now include the design, development, and manufacture of Blood Grouping Reagents and Lateral Flow Test Kits for infectious diseases. This reinforces the Company's commitment to high-quality diagnostic solutions and opens up new avenues for growth in the medical diagnostics segment.

These initiatives reflect the Company's long-term vision of building integrated, scalable, and high-quality manufacturing operations to meet evolving healthcare needs across geographies.

The company introduced the Dr. Morepen Sync App, a thoughtful gift to the nation that empowers individuals to take charge of their health. With its tagline "Health in Your Hands", this app is designed to help users easily monitor key health metrics like blood glucose, blood pressure, and weight, enabling healthier lifestyles for a brighter tomorrow.

**Strategic Initiatives**

The company continues to focus on expanding its marketing activities to enhance the visibility of its product range across all the geographies where it operates.

**Finished Formulations**

The finished dosages business comprising of Formulation manufacturing and Branded Generics with current year Net Revenue at ₹13868.86 Lakhs has registered a modest increase of 3.90 percent against previous year revenues of ₹13347.80 Lakhs.

**Institutional Supplies and Generics Business**

The institutional supplies business experienced significant revenue growth of 14.52 percent, with current year revenues standing at ₹4952.44 Lakhs. The generics business recorded a revenues of ₹12846.25 Lakhs (Previous year ₹8564.85 Lakhs), including ₹6657.56 Lakhs of revenues being reported in other subsidiary, Dr. Morepen Limited ('DML'), with Morepen Rx Limited recording revenue at ₹6188.69 Lakhs, on account of DML taking the lead in expansion of generics business, for a better business synergies.

**Branded Formulation Business**

The branded formulation business registered healthy growth of 18.07 percent, with current year revenues at ₹5167.84 Lakhs against ₹4376.86 Lakhs in the last year. Under the Branded Prescription (Rx) product category, the top three therapeutic areas namely Antibiotics,

Gastroenteritis, and Vitamins, collectively showed a marginal growth of 3.44 percent.

**Contract Manufacturing Business**

The contract manufacturing business is up by 11.68 percent, reaching ₹6414.63 Lakhs. This growth is attributed to improved productivity and increased sales orders from both domestic and export markets.

**DIVIDEND**

The Board of Directors are pleased to recommend ₹0.20/- per share as a final dividend for the financial year ended 31<sup>st</sup> March 2025. The dividend payout ratio is 9.07 percent for the year under review.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 ('Listing Regulations') is available on the company's website at <https://www.morepen.com/public/img/Dividend%20Distribution%20Policy.pdf>

**RESERVES**

Standalone net profit after tax of ₹10157.52 Lakhs has been carried forward to the 'Retained Earnings' during the year. No amount has been transferred to the general reserve during the current year.

**DEPOSITS**

The company has not accepted deposits from the public, during the year under review, within the meaning of Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014.

**FINANCES**

**Credit Facilities**

The company has secured total credit facilities of ₹9900.00 Lakhs from Kotak Mahindra Bank comprising of Working Capital Demand Loan ('WC DL'): ₹7900.00 Lakhs and Cash Credit ('CC') Limits: ₹2000.00 Lakhs. In addition, Shinhan Bank has provided an unsecured term loan facility of ₹2500.00 Lakhs, which is repayable over 36 months. The company also utilized car loan facilities during the year.

**Equity Fundraising**

The company successfully raised ₹20000.00 Lakhs through a Qualified Institutions Placement ('QIP'), following approval from its members.

**SHARE CAPITAL**

**Cancellation of Equity Shares**

The company is facing difficulties in cancelling 50,62,872 Equity Shares that were surrendered in compliance with an Hon'ble NCLT order dated 12<sup>th</sup> March, 2018, from its total listed capital. The stock exchanges have refused to process the cancellation' application, citing the company's pending



compliance with Hon'ble NCLT's order, in its entirety.

The company is currently exploring suitable options to represent its case to the Stock Exchanges and conclude the cancellation for these shares from its total listed shares.

**Qualified Institutions Placement ('QIP')**

On 5<sup>th</sup> August 2024, the company successfully completed a Qualified Institutions Placement ('QIP') issue, raised ₹20000.00 Lakhs. As a result of QIP issue, the company issued and allotted 3,67,84,991 Equity Shares of ₹2/- each at a price of ₹54.37/- per share to 14 allottees.

**Other Disclosures**

As of 31<sup>st</sup> March 2025, the company's Equity Shares were listed on the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). The annual listing fee for the financial year 2025-26 has been paid to both NSE and BSE, ensuring the continued listing of Equity Shares on both exchanges. Additionally, during the year under review:

- The company has not issued any equity shares with differential rights as to dividend, voting, or otherwise, in accordance with the provisions of Section 43 of the Act and the applicable Rules.
- The company has not undertaken any buy-back of its shares pursuant to Section 68 of the Act and the Rules made thereunder.
- No sweat equity shares have been issued to Directors or employees of the Company.

- The company has not failed to implement any corporate action during the year.
- The company has not made any provision of money or extended any loans to its employees for the purpose of purchasing its own shares, in compliance with Section 67 of the Act and the relevant Rules.

**SUBSIDIARIES / JOINT VENTURES / ASSOCIATES**

As on 31<sup>st</sup> March 2025, the company has seven (7) subsidiaries, namely:

1. Dr. Morepen Limited
2. Morepen Devices Limited
3. Morepen Rx Limited
4. Morepen Medipath Limited (formerly known as Morepen Medtech Limited)
5. Morepen Bio Inc., USA (formerly Morepen Inc.)
6. Total Care Limited (subsidiary of Dr. Morepen Limited)
7. Quick Med Private Limited (subsidiary of Dr. Morepen Limited)

**Key Developments in Subsidiaries**

1. Change in ownership status of Dr. Morepen Limited  
Dr. Morepen Limited is no longer as a wholly owned subsidiary of the company as on 31<sup>st</sup> March 2025, the shareholding in DML was reduced to 80 percent.  
Pursuant to the partial divestment of its stake in Dr. Morepen Limited to the related party entities of the



company and the issuance of fresh equity shares by Dr. Morepen Limited, to the shareholders of Groom Town Private Limited, in exchange for the acquisition of a 100 percent stake in Groom Town Private Limited, the company's holding in Dr. Morepen Limited is reduced to 19.94 percent.

2. Formation of new subsidiaries during the year under review

**Morepen Medipath Limited (formerly Morepen Medtech Limited)**

It was formed with the strategic intent to hive off the company's medical devices business into this new entity. The company, Morepen Laboratories Limited, was holding 80 percent Equity Capital of the company, the balance is held by promoter group of the company, Morepen Laboratories Limited. The company was incorporated in January 2025 and having a paid-up share capital of ₹110.00 Lakhs as of 31<sup>st</sup> March 2025.

On 30<sup>th</sup> June 2025, the shareholding of the parent company, Morepen Laboratories Limited, in its subsidiary Morepen Medipath Limited (formerly Morepen Medtech Limited) decreased to 60 percent. This change occurred because the parent company did not fully subscribe to the rights issue made by Morepen Medipath Limited on 9<sup>th</sup> June 2025. The remaining 40 percent of Morepen Medipath Limited's shares are now held by the promoter group of the company and their relatives.

**Quick Med Private Limited**

It was incorporated by Dr. Morepen Limited to enhance penetration into the retail pharmacy market with a paid-up capital of ₹1.00 Lakh in the month of March 2025. The 80 percent of Equity Capital is held by its parent company, Dr. Morepen Limited, therefore, being a step down subsidiary of the company. Out of balance 20 percent holding, 12 percent is held by an entity promoted by the relatives of the company's promoters' group and 4 percent each are held by other two individuals.

Following the partial divestment of equity stake in Dr. Morepen Limited by the company and equity-share swap involving the shareholders of Groom Town Private Limited and Dr. Morepen Limited in the month of July 2025. The company's holding in Quick Med Private Limited dropped from 64 percent to 15.95 percent, and Quick Med ceased to qualify as a step-down subsidiary of the company.

**Morepen Labs - FZCO**

The limited liability company incorporated in Dubai Silicon Oasis, was formed on 18<sup>th</sup> of June 2025, having registration No. 62333, in accordance with Dubai Law No. 16 of 2021 and Dubai Integrated Economic Zones Authority (DIEZA) implementing regulations 2023. It is a Wholly Owned Subsidiary of the company and incorporated to expand the reach in overseas markets primarily for API business, in Dubai, freezone.

**Morepen Medical Equipment Trading L.L.C**

It is a wholly owned subsidiary of Morepen Medipath Limited (subsidiary) incorporated on 22<sup>nd</sup> July 2025, in mainland of Dubai UAE. It is a step-down subsidiary of the company, Morepen Laboratories Limited.

3. Associates and Joint Ventures

During the year under review, there were no associates or joint venture companies as defined under Section 2(6) of the Act.

4. Reporting Compliance

A statement detailing the salient features of the company's subsidiaries in the prescribed format (Form AOC-1) is attached with the report as ANNEXURE 'A', in accordance with the provisions of the Act. Further, pursuant to Section 136 of the Act, the audited financial statements of the company and subsidiaries, are available of the company website at <https://www.morepen.com/invetors>

**Dr. Morepen Limited**

The company's over the counter ('OTC') business experienced a period of significant expansion in the current financial year, with total sales reaching ₹16271.67 lakhs. This represents a substantial 84.14 percent increase compared to the previous year's revenue of ₹8836.51 lakhs.

This robust growth was largely propelled by a 191 percent surge in the generics business, which climbed from ₹3859.63 Lakhs to ₹11244.27 Lakhs. It was made possible by transfer of brand-sharing generics business having revenue of ₹6657.56 Lakhs, to Dr. Morepen Limited (DML), on account of better business dynamics of carrying out the generics business under DML, balance ₹4586.71 Lakhs contributed by 'OTC' products currently run under DML.

A strategic decision to transfer the formulations generics business from the parent company, Morepen Laboratories Limited, to Dr. Morepen Limited (the company), designed to bolster brand identity and market penetration, contributed significantly to the company's current year impressive revenue figures.

**Performance of Key OTC Brands and Products**

**Flagship Brands (Burnol & Lemolate):** The combined revenue from the established OTC brands, Burnol (Burns Ointment) and Lemolate (Cold & Cough), was ₹1814.98 Lakhs. This figure is slightly lower than the previous year's ₹1,816.16 Lakhs.

**Other Major OTC Products:** A collection of other significant OTC products, including C Candy, Exygra, Pain-X, ORS, Active Smile, Muscle Food, Omega Fish Oil, Multi-Vitamins, Pre-Workout, and Turbo Whey, collectively generated

₹1672.90 Lakhs. This marks an approximate 45.14 percent increase from last year's revenue of ₹1152.49 Lakhs.

**Unified OTC Product Range:** The entire OTC product range, marketed as a cohesive basket, recorded a revenue of ₹2694.04 Lakhs during the year, showing a 26.54 percent growth over the previous year.

During the year, Dr. Morepen introduced 'LightLife', a 360° holistic weight management program designed for modern lifestyles. 'LightLife' combines award-winning Slimbiome® from the UK and Intelicaps Probiotics from Belgium-ingredients celebrated globally for their clinical efficacy in managing weight. The product recorded a sale of ₹47.28 Lakhs during the year.

On a standalone basis, for the current year ended 31<sup>st</sup> March 2025, the company recorded total revenues of ₹16532.82 Lakhs, registering a growth of 82.25 percent against previous year revenues of ₹9071.72 Lakhs. The net profit after tax, is at ₹993.17 Lakhs, compared to loss of ₹854.05 Lakhs registered in the previous year.

**Morepen Rx Limited**

The company is primarily involved in the sales and marketing of Branded Prescription ('Rx') Products and the distribution of generics formulations. The formulation distribution aspect was previously handled by its parent company, Morepen Laboratories Limited.

For the current year, the company reported a total revenue of ₹11279.15 Lakhs, marking a significant increase of 34.51 percent compared to the previous year's revenue of ₹8383.44 Lakhs.

The net profit after tax stood at ₹18.40 Lakhs, a turnaround from a loss of ₹572.96 Lakhs registered in the previous year.

**Revenue Contribution by Business Segment**

**Brand Sharing Generics Business**

This segment contributed ₹6108.51 Lakhs, accounting for 54.17 percent of the total revenue. The generics business grew by 6.61 percent during the year.

The generics business, during the year, was strategically taken up by Dr. Morepen Limited, another subsidiary of the parent company, Morepen Laboratories Limited, with the aim of achieving better reach and brand identification.

**Branded Prescription (Rx) Business**

This segment generated ₹5167.84 Lakhs, making up the remaining 42.83 percent of the total revenue. It has registered a growth of 94.72 percent from ₹2653.93 Lakhs in the previous year, as operations were started only part of the year, from August 2023 onwards.



The top three therapeutic areas within the Branded Prescription (Rx) product category are Antibiotics, Gastroenteritis, and Vitamins.

On consolidated basis, their combined annual revenues in the current year reached ₹4291.09 Lakhs, showing a marginal growth of 3.44 percent compared to ₹4148.34 Lakhs in the previous financial year.

**Morepen Bio Inc. (formerly Morepen Inc.)**

Morepen Bio Inc. has been the marketing and distribution interface of the company in USA primarily for its API business. However the company endeavours to use its presence in US markets for Bio similar and other pharmaceuticals activities as and when any opportunity arises. During the year, it has procured Bulk Drugs (i.e., API) from its parent and sold in US and neighbouring markets, either directly or through local trade channels. During the current year, the company has recorded revenue of ₹14564.07 Lakhs (\$17,049,950) as against ₹14601.40 Lakhs (\$17,513,975) of previous year. The company has recorded 136.68 percent growth in post-tax profit at ₹410.61 Lakhs during the year against profit of ₹173.49 Lakhs recorded in the last financial year ending 31<sup>st</sup> March 2024.

**Total Care Limited**

The company is dealing in OTC & Health Care products. The revenue during the year has been modest at ₹11.00 Lakhs.

Till 31<sup>st</sup> March 2025, Total Care Limited was a direct subsidiary of Dr. Morepen Limited and step down subsidiary of the company. In connection to reduction of holding of the company in Dr. Morepen Limited, the company's holding in Total Care dropped from 95 percent to 18.94 percent, and Total Care Limited ceased to qualify as a step-down subsidiary of the company.

**Morepen Devices Limited**

No operating activities have been carried out during the year.

**CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements for the year ended 31<sup>st</sup> March 2025 have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended together with the comparative period data as at and for the previous year ended 31<sup>st</sup> March 2024.

In accordance with the Companies Act, 2013 ("the Act") and Ind AS 110 on 'Consolidated Financial Statements' read with Ind AS 112 on 'Disclosure of interests in other entities', the Audited Consolidated Financial Statements is provided in the Annual Report.

In accordance with the provisions of Section 129(3) of the

Act, read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries is attached as ANNEXURE 'A' to this Report in the prescribed form, AOC-1.

**DIRECTORS & KEY MANAGERIAL PERSONNEL**

As on 31<sup>st</sup> March 2025, the company has six (6) directors with an optimum combination of Executive and Non-Executive Directors including one woman director. The Board comprises 4 Non-Executive Directors, all of them are Independent Directors.

Pursuant to provisions of Section 203 of the Act, Mr. Sushil Suri, Chairman & Managing Director, Mr. Sanjay Suri, Whole Time Director, Mr. Ajay Kumar Sharma, Chief Financial Officer and Mr. Vipul Kumar Srivastava, Company Secretary, are the Key Managerial Personnel of the company as on 31<sup>st</sup> March 2025.

**Changes in Directors & Key Managerial Personnel**

During the year under review, the Members approved the following appointment and re-appointment of Directors.

The members in their 39<sup>th</sup> Annual General Meeting ('AGM') held on 28<sup>th</sup> September 2024, *inter-alia*, approved the followings

1. appointment of Mr. Sanjay Suri (DIN: 00041590), who was retired by rotation at said annual general meeting and being eligible, offered himself for re-appointment.
2. re-appointment of Mr. Praveen Kumar Dutt (DIN: 06712574) as Non-Executive Independent Director for second term of 5 consecutive years, till 12<sup>th</sup> August 2029.
3. appointment of Mr. Ranjit Khattar (DIN: 00726997) as Non-Executive Independent Director for a term of 5 consecutive years, being the first term, till 11<sup>th</sup> August 2029.
4. appointment of Mr. Sharad Jain (DIN: 06423452) as Non-Executive Independent Director for a term of 5 consecutive years, being the first term, till 26<sup>th</sup> August 2029.
5. On account of completion of second term, the office of Mr. Manoj Joshi (DIN: 00036546), Mr. Sukhcharan Singh (DIN: 00041987) and Mr. Bhupender Raj Wadhwa (DIN: 00012096), Non-Executive Independent Directors of the company, were vacated on 18<sup>th</sup> September 2024.

Mr. Sanjay Suri (DIN: 00041590), liable to retire by rotation and being eligible, offered himself for reappointment, at ensuing AGM. The Board of Directors of the company, based on the recommendation of nomination and remuneration committee and subject to approval of members of the company at ensuing AGM, recommend re-appointment of Mr. Sanjay Suri at forthcoming AGM. The

consent of members is being sought for said re-appointment.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has re-appointed Mrs. (Dr.) Savita (DIN: 08764773) as a Non-Executive Independent Director for a second term, commencing from 22<sup>nd</sup> June 2025 and ending on 21<sup>st</sup> June 2030. This re-appointment is subject to the approval of the members at the forthcoming AGM. Her first term had concluded on 21<sup>st</sup> June 2025. The consent of members is being sought for said re-appointment.

Mr. Sanjay Suri (DIN: 00041590), has been re-appointed as Whole Time Director of the company for a period of 3 years by the Board of Directors on 6<sup>th</sup> August 2025, based on the recommendation of nomination and remuneration committee however subject to approval of members of the company at forthcoming AGM. The consent of members is being sought for said re-appointment.

**Declaration by Independent Director(s)**

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the company.

These declarations are submitted at the first Board meeting in which each Independent Director participates and subsequently at the first Board meeting of every financial year, or whenever there is any change in the circumstances that may affect their status as an Independent Director.

The Board has taken on record these declarations after undertaking due assessment of their veracity. The Board is satisfied with the integrity, expertise, and experience of all Independent Directors, including their proficiency as per Section 150(1) of the Act and applicable rules.

**Evaluation of Board, Committees and Directors**

Pursuant to the provisions of the Act and Regulation 17 of Listing Regulations, the Board has carried out its own performance evaluation, that of the Committees and the individual performance of its directors. The performance of non-independent directors, the Board as a whole and the Chairman of the company was evaluated, taking into account of views of executive directors and non-executive directors, in the separate meeting of the Independent Directors. The enclosed 'Corporate Governance Report' containing the other relevant details of evaluation of Board, Committee and Directors.

**Familiarization Programme for Independent Directors**

The details pertaining to Familiarization Programme for Independent Directors has been incorporated in 'Corporate Governance Report'.

**Meetings of Board of Directors**

The Board of Directors met six (6) times during the year under review, to transact the business of the company, the details of which are given in 'Corporate Governance Report'.

**Independent Directors Meeting**

During the year under review, a separate meeting of the Independent Directors of the company was held on 6<sup>th</sup> February 2025, without the presence of Non-Independent Directors and members of the Management





except Company Secretary. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, performance of chairperson of the company and assessed the quality, quantity, and timeliness of flow of information between the company management and the Board. All the Independent Directors of the company were present in the meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) read-with section 134(3)(c) of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

- a) in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures.
- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for prevention and detecting of fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**MANAGERIAL REMUNERAION AND OTHER DISCLOSURES**

Disclosure pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (a) Ratio of the remuneration of each Director to the median remuneration of the employee's (MRE) and other details pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed and forms part of this report as **ANNEXURE 'B'**.
- (b) The Statement containing the particulars of employees as required under section 197(12) of the Act read with Rule 5(2) and other applicable Rules (if any) of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure.

- (c) In terms of Section 136 of the Act the said annexure is open for inspection at the Registered and Corporate office of the company during the working hours. Any member interested in obtaining a copy of the same may write to the company and obtain the copy within statutory prescribed timeline.
- (d) No Director of the company, including its Managing Director or Whole-Time Director, is in receipt of any commission from the company or its subsidiary company.

**AUDIT COMMITTEE**

Your company has an Audit Committee in compliance of the provisions of Section 177 of the Act and Regulation 18 of Listing Regulations. The complete details with respect to Audit Committee is given in the 'Corporate Governance Report'.

**VIGIL MECHANISM**

The company has implemented a Whistle Blower Policy/ Vigil Mechanism enabled its Directors, Employees and Stakeholders to report their concerns regarding unethical behaviours, actual or suspected fraud or violation of the company's Code of Conduct or Policies. The said mechanism ensures adequate safeguard against victimization of individuals who utilise it and provides direct access to the Chairman of the Audit Committee in exceptional cases. The Audit Committee periodically review the effectiveness of this mechanism to ensure it proper functioning.

**RISK MANAGEMENT**

The company has in place a mechanism to inform the Board about the risk assessment and minimisation procedures and periodical review to ensure that management controls the risk through means of a properly defined framework. This framework ensures that management effectively controls risks through a well-defined system.

In line with regulatory requirements, the company has formulated and adopted a Risk Management Policy that outlines the processes for risk identification, assessment, management, reporting, and disclosure.

To oversee the implementation and effectiveness of this policy, the Board has constituted a Risk Management Committee. This committee is responsible for monitoring and reviewing the company's risk management strategies and ensuring that appropriate measures are in place to mitigate identified risks.





#### NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178 of Act and Regulation 18 of the Listing Regulations, the company has constituted a Nomination and Remuneration Committee. The complete details with respect to the salient features of Nomination and Remuneration Committee, is given in the 'Corporate Governance Report'.

The company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel ('KMP') and other employees of the company as formulated by Nomination and Remuneration Committee, pursuant to provisions of the Act and Para A of Part D of Schedule II of Listing Regulations, which acts as a guideline for determining, *inter-alia*, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors and appointment, removal and salary of Key Managerial Personnel and Senior Management Personnel.

The detailed policy formulated by Nomination and Remuneration Committee is available at <http://www.morepen.com/pdf/Nomination-and-Remuneration-Policy.pdf>.

#### STATUTORY AUDITORS

At 37<sup>th</sup> AGM held on 27<sup>th</sup> September 2022, M/s. S. P. Babuta & Associates, Chartered Accountants, (FRN: 007657N), were appointed by the members, as the Statutory Auditors

of the company, for a term of five (5) consecutive years i.e., to hold office from the conclusion of the 37<sup>th</sup> AGM till the conclusion of 42<sup>nd</sup> AGM of the company, to be held in the year 2027.

#### EXPLANATION TO AUDITORS REPORT

The Notes on financial statement referred to in the Statutory Auditors' Report, enclosed with the financial statements, are self-explanatory and do not call for any further comments. The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks, or disclaimers, which would be required to be dealt with in the Boards' Report.

#### SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Praveen Dua, Company Secretary, Proprietor of M/s. P D and Associates, Company Secretaries, was appointed by Board of Directors of the company as Secretarial Auditor of the company for the financial year 2024-25. The Secretarial Audit Report is annexed and forms part of this report as ANNEXURE 'C'.

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 effective from 13<sup>th</sup> December 2024, subject to approval of the members, the company needs to appoint Secretarial Auditors for not more than a term of five consecutive years in case of

individual Secretarial Auditor, for not more than two term of five consecutive years in case of Secretarial Audit firm subject to such terms and condition as explained in said amended Listing Regulations.

In connection with aforesaid amended Regulation 24A of the Listing Regulation read-with Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has at its meeting held on 6<sup>th</sup> August, 2025 approved the appointment of M/s. P D and Associates, Company Secretaries, a proprietorship firm reported by Mr. Praveen Dua, having COP Number 2139, as the Secretarial Auditor of the company for a term of five consecutive years, commencing from 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2030. The said appointment is subject to approval of the members at AGM.

#### EXPLANATION TO SECRETARIAL AUDIT REPORT

The notes referred to in the secretarial auditor's report of the company are self-explanatory and do not call for any further comments. The secretarial auditor's report does not contain any qualification, reservation, adverse remark or disclaimer.

The observations made in point no. (f) i.e., in compliance with order passed by Hon'ble NCLT, Chandigarh, the company had complied with the said order, whereas the exchanges has expressed their inability to proceed with the cancellation of shares from the total listed capital. The company will take the opportunity to re-present the matter with the Stock Exchanges for its expeditious resolution.

#### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Business Responsibility & Sustainability Report in compliance with Regulation 34(2)(f) of the Listing Regulations, enclosed as ANNEXURE 'D'.

#### SECRETARIAL STANDARDS

The company has established robust systems to ensure adherence to all applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and approved by the Central Government. These systems are designed to facilitate compliance with the provisions of the Act, specifically Section 118(10), which mandates the observance of Secretarial Standards concerning General and Board Meetings.

To maintain effective implementation, the company regularly reviews and updates its internal processes to align with the evolving standards and best practices. This proactive approach ensures that the systems remain adequate and operate effectively, thereby upholding the highest standards of corporate governance.

#### COST AUDIT

Pursuant to Section 148 of the Act, read with the Companies

(Cost Records and Audit) Rules, 2014, the Cost Accounting Records maintained by the company are required to be audited by the Cost Auditors. The Board of Directors of the company on the recommendation of the Audit Committee, has appointed M/s. Vijender Sharma & Co., Cost Accountants, as the Cost Auditor of the company for the financial year ended 31<sup>st</sup> March 2026, at a remuneration of ₹2.50 Lakhs, subject to the ratification of their remuneration by the members at the ensuing AGM.

#### INTERNAL FINANCIAL CONTROLS

The company has an Internal Control System, commensurate with the size, scale, and complexity of its operations. The internal financial controls are adequate and are operating effectively to ensure orderly and efficient conduct of business operations. The company's internal financial control procedures ensure that company's financial statements are reliable and prepared in accordance with the applicable laws.

Further, the Statutory Auditors, as per Section 143(3)(i) of the Act, have reported that the company has adequate internal financial controls in place and that such controls are operating effectively. The internal control measures ensure that the company's financial statements are reliable and prepared in accordance with applicable laws, thereby reinforcing the integrity of its financial reporting processes.

#### CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility ('CSR') Committee of the company was constituted by the Board to monitor implementation of CSR activities by the company in accordance with Section 135 read with Schedule VII of the Act read with (Corporate Social Responsibility Policy) Rules, 2014, as amended. Based on the recommendation of the CSR Committee, your Board has adopted a CSR Policy indicating the activities to be undertaken by the company as specified in Schedule VII.

The composition of CSR Committee, the CSR Policy, Annual Action Plan and CSR initiatives undertaken during the year is annexed and forms part of this report as ANNEXURE 'E'. The said information is also available on the company's website at <https://www.morepen.com>

#### HUMAN RESOURCES

A detailed review of Human Resources of the company is set out in the Management Discussion and Analysis Report.

#### DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has implemented a policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace pursuant to the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal



Complaints Committee ('ICC') has been set up to redress complaints received regarding sexual harassment.

The policy outlines a structured process for redressal and enquiry, to be followed by both complainants and the ICC when addressing incidents of sexual harassment. The policy is applicable to all women employees, including those who are permanent, temporary, contractual, or trainees.

During the year, the company did not receive any complaints of sexual harassment. However, within the group, one complaint was received and was resolved within the stipulated timeframe.

Pursuant to notification issued by the Ministry of Corporate Affairs dated 30<sup>th</sup> May 2025, amended the Companies (Accounts) Rules, 2014, vide the Companies (Accounts) Second Amendment Rules, 2025 effective from 14<sup>th</sup> July 2025, *inter-alia*, required the following disclosures:

- (a) Number of complaints of sexual harassment received in the year - Nil,
- (b) Number of complaints disposed off during the year - Not applicable; and
- (c) Number of cases pending for more than ninety days - Nil

#### COMPLIANCE RELATING TO THE MATERNITY BENEFIT ACT 1961

The company is committed to upholding provisions underlined under the Maternity Benefit Act, 1961, as amended, ensuring the health, safety, and dignity of its women employees. All women employees, whether full-time, contractual, or temporary are eligible for maternity benefits if they have worked for at least 80 days in the 12 months preceding their expected delivery. For the first two children, 26 weeks of paid maternity leave is provided, with up to 8 weeks available before childbirth; for the third child onward, the entitlement is 12 weeks. Women who adopt a child under three months or become mothers via surrogacy also receive 12 weeks of paid leave, and an additional 2 weeks is granted for tubectomy.

Full salary, including regular allowances, is paid during maternity leave, and maternity-related healthcare is covered under the company's Medclaim Policy. The company further supports working mothers with provisions such as two daily nursing breaks until the child is 15 months old and protection from hazardous work during pregnancy and lactation. Women cannot be compelled to work during rest hours, night shifts, or the six weeks immediately following delivery or miscarriage, unless they voluntarily choose to.

The company strictly prohibits any form of dismissal or negative changes in employment conditions during maternity leave. The concerned department of the company maintains thorough records of maternity leaves, and any

violations of these rights are treated with seriousness, potentially leading to disciplinary or legal action. The company have a comprehensive policy to fostering a safe, inclusive, and supportive workplace for all women.

#### LEGAL & CORPORATE MATTERS

- (i) With respect to the appointment of government directors on the board under section 408 of erstwhile Companies Act, 1956, the company's appeal, challenging Hon'ble National Company Law Tribunal ('NCLT') order dated 6<sup>th</sup> October 2021, confirming the appointment of two government nominee directors on the board of the company for a term of 3 years, was dismissed by the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 25<sup>th</sup> April 2023.

Subsequently, the company filed an appeal before Hon'ble Supreme Court of India, against the order passed by Hon'ble NCLAT. The Hon'ble Supreme Court through its order dated 29<sup>th</sup> May 2023, granted a stay on the contempt proceedings and also issued notice to the Central Government. The Central Government was filed a counter affidavit, and the matter is currently under adjudication.

- (ii) In relation to the prosecutions initiated by the Registrar of Companies/ Central Government against the company and its director's u/s 235 of the erstwhile Companies Act, 1956, the company is defending itself as well as its past and present directors in the proceedings pending before the Court. Out of the 27 matters 13 have been compounded, while 14 matters remains pending adjudication. In respect of pending matters, the company has filed an application seeking a consolidated trial under Section 220 read with Section 219 of the Criminal Procedure Code, as the cases arise from the same transaction.
- (iii) The Securities and Exchange Board of India ('SEBI') filed an application dated 20<sup>th</sup> July, 2021, before the Hon'ble Supreme Court of India, against order dated 15<sup>th</sup> April 2021 passed by Hon'ble Securities Appellate Tribunal ('SAT'), Mumbai. The SAT had set aside the order passed by the SEBI's Whole-Time Member on 24<sup>th</sup> September 2019, which was prohibited the company from accessing the securities market for one year. On 22<sup>nd</sup> April 2025, Hon'ble Supreme Court has admitted the appeal of SEBI. The matter is currently pending adjudication.

#### ANNUAL RETURN

The Annual Return is available at the website of the company at [www.morepen.com](http://www.morepen.com) and can be accessed by at <http://www.morepen.com/pdf/Annual-Return.pdf>.

#### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the company post-date of signing of Balance Sheet of the company to the date of this report.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS ANT OUTGO

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo, as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is annexed and forms part of this report as ANNEXURE 'F'.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

#### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, one transaction has fallen under the definition of related party transaction as per Section 188(1) of the Act. Accordingly, the disclosure of related party transaction under Section 134(3)(h) of the Act in Form AOC -2 is enclosed herewith as ANNEXURE 'G'.

Rest other related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of business. The requisite approvals of the Audit Committee are in place.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed review of the operations and performance of the company is set out in the Management Discussion and Analysis Report pursuant to Part B of Schedule V of Listing Regulations which forms part of the Annual Report for the year under review as ANNEXURE 'H'.

#### STATEMENT OF DEVIATION(S) AND VARIATION(S)

Pursuant to Regulation 32(4) of the Listing Regulations, there is no deviation or variation in the usages of QIP issue proceeds from the objects stated in the placement

document read-with explanatory statement to the notice of general meeting, during the year under review.

#### CORPORATE GOVERNANCE

A Report on Corporate Governance along with a certificate from the Practicing Company Secretary regarding compliance with conditions of Corporate Governance as stipulated in Part E of Schedule V of Listing Regulations forms part of this report and is annexed as ANNEXURE 'I'.

#### GENERAL DISCLOSURES

During the financial year under review:

- a) there were no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the company and its future operations.
- b) no application has been made under the Insolvency and Bankruptcy Code, hence, the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.
- c) the requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done, while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.
- d) there was no revision of financial statements and Board's Report of the company.

#### ACKNOWLEDGMENTS

The Directors extend their heartfelt gratitude to all stakeholders for their unwavering support, trust, and collaboration. We deeply appreciate the contributions to our shareholders, customers, online trade partners, dealers, suppliers, bankers, governments, and all other business associates. Your steadfast confidence and active engagement have been pivotal in driving our growth and success. We look forward to continuing this journey together, achieving new milestones and fostering enduring partnerships.

For and on behalf of Board of Directors

Sushil Suri  
(Chairman & Managing Director)

DIN: 00012028

Place: Gurugram, Haryana

Date: 6<sup>th</sup> August 2025



ANNEXURE 'A'

**FORM AOC - 1: STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATE COMPANIES/JOINT VENTURES**

(Pursuant to first proviso to Sub-Section (3) of Section 129 of the Act read with Rule 5 of Companies (Accounts) Rules, 2014)

**PART A: SUBSIDIARIES**

(₹ in Lakhs)

Name of the Subsidiary Company	Dr. Morepen Limited <sup>1</sup>	Total Care Limited <sup>2</sup>	Morepen Bio Inc. <sup>3</sup>	^ Morepen Devices Ltd.	Morepen Rx Ltd.	^ Morepen Medipath Ltd. <sup>4</sup>	^ Quick Med Private Ltd. <sup>5</sup>
The date since when subsidiary was acquired	11-07-2001	08-03-2003	30-09-2005	06-09-2021	17-03-2023	08-01-2025	20-03-2025
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	08-01-2025 to 31-03-2025	20-03-2025 to 31-03-2025
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	-	-	US\$/₹85.42 (As on 31.03.2025)	-	-	-	-
Share Capital	5084.94 (5,08,49,375 Equity Shares of ₹10/- each)	933.39 (9,33,390 Equity Shares of ₹100/- each)	22.23 (94,000 Fully paid shares of US\$ 0.001 each)	10.00 (1,00,000 Equity Shares of ₹10/- each)	708.24 (70,82,356 Equity Shares of ₹10/- each)	110.00 (11,00,000 Equity Shares of ₹10/- each)	1.00 (10,000 Equity Shares of ₹10/- each)
Reserves & Surplus	1547.91	(1,844.67)	1014.39	(4.42)	(546.25)	(3.63)	(0.51)
Total Assets	11010.20	3.70	2836.75	5.75	2757.42	107.01	1.51
Total Liabilities	4377.35	914.98	1800.13	0.17	2595.43	0.64	1.02
Investments	1171.80	-	-	-	-	-	-
Turnover	17080.75	11.01	14564.07	-	11279.16	-	-
Profit/(Loss) before taxation	1030.51	8.30	481.63	(0.60)	18.40	(3.63)	(0.51)
Provision for taxation	37.34	-	71.01	-	-	-	-
Profit after taxation	993.17	8.30	410.62	(0.60)	18.40	(3.63)	(0.51)
Proposed Dividend	-	-	-	-	-	-	-
Percentage of Shareholding	80%	76%	100%	100%	100%	80% <sup>6</sup>	64%

<sup>1</sup> On account of warrants being converted into 1,01,69,875 equity shares of ₹10 each (issued at a ₹20 premium), these shares were allotted to two related-party entities of the company. Pursuant to this conversion, the company's stake in Dr. Morepen Ltd. diluted from 100% to 80% and has since declined further to 19.94%.

<sup>2</sup> Direct subsidiary of Dr. Morepen Limited and a step down subsidiary of the company. At present, the holding of the company has reduced proportionately as per note 1, supra, and stands at 18.94%.

<sup>3</sup> Formerly Morepen Inc.

<sup>4</sup> Formerly Morepen Medtech Limited

<sup>5</sup> Direct subsidiary of Dr. Morepen Limited and a step down subsidiary of the company. At present, the holding of the company has reduced proportionately as per note 1, supra, and stands at 15.95%.

<sup>6</sup> Yet to commence operations.

<sup>7</sup> Effective 30<sup>th</sup> June 2025, the holding of the company has come down to 60%.

Note : On 18<sup>th</sup> June 2025, the company has incorporated a wholly owned subsidiary, namely, MOREPEN LABS-FZCO, Dubai, U.A.E.

Subsequently, on 22<sup>nd</sup> July 2025, the Morepen Medipath Limited, a subsidiary company, incorporated a wholly owned subsidiary, namely, Morepen Medical Equipment Trading L.L.C., Dubai. The said new entity is a step down subsidiary of the company through Morepen Medipath.

**PART B: ASSOCIATES & JOINT VENTURES - N.A.**

For and on behalf of Board of Directors

Place: Gurugram, Haryana  
Date: 6<sup>th</sup> August 2025

Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028

ANNEXURE 'B'

**DETAILS OF REMUNERATION PURSUANT TO SECTION 134(3)(q) AND SECTION 197(12) OF THE ACT READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

A. Ratio of the remuneration of each director to the median remuneration of the employees of the company;

Name of the Director	Designation	Ratio of remuneration to median remuneration of employees
Mr. Sushil Suri	Chairman & Managing Director	71.60
Mr. Sanjay Suri	Whole-Time Director	28.50

Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year;

Name of the Director/KMP	Designation	% increase/(decrease) of remuneration in Financial Year 2024-25
Mr. Sushil Suri	Chairman & Managing Director	(15.75)
Mr. Sanjay Suri	Whole-Time Director	(39.83)
Mr. Ajay Kumar Sharma	Chief Financial Officer	7.92
Mr. Vipul Kumar Srivastava	Company Secretary	41.19

B. The percentage increase in the median remuneration of employees in the financial year 2024-25 was 8.33%.

C. The number of permanent employees on the rolls of the company as on 31<sup>st</sup> March 2025, were 1814.

D. The average percentile increases in the salaries of the employees other than the managerial personnel in the financial year 2024-25 was 8.73% while the increase in managerial remuneration was (15.53%).

E. It is hereby affirmed that the remuneration is as per the Nomination and Remuneration Policy of the company.

For and on behalf of Board of Directors

Place: Gurugram, Haryana  
Date: 6<sup>th</sup> August 2025

Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028



ANNEXURE 'C'

(Form No. MR-3)  
**SECRETARIAL AUDIT REPORT**  
**(FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2025)**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Morepen Laboratories Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Morepen Laboratories Limited (hereinafter called the 'company'). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2025 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996, as amended, and the Regulations and Bye laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
  - d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.  
Provisions of which, were not applicable.
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021, as amended;  
Provisions of which, were not applicable.
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;  
Provisions of which, were not applicable, and
  - h) The Securities and Exchange Board of India

(Buyback of Securities) Regulations, 2018, as amended;

Provisions of which, were not applicable.

- (vi) Other laws applicable specifically to the company namely: -
  - i) Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules 1945;
  - j) Drugs (Price Control) Order, 2013;
  - k) Indian Boilers Act, 1923;

We have also examined compliance with the applicable clauses of the following:

- (i) The provisions envisaged in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- (ii) The Secretarial Standards issued by the Institute of the company Secretaries of India (ICSI).

**We further report that:**

- (a) The Board of Directors of the company is duly constituted with a proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except meeting called and held on shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
- c) All the resolutions have been passed unanimously and did not find any dissenting views in the minutes;

d) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

e) The company has entered into related party transactions for the sale and purchase of material/products and paying remuneration, inclusive of incentive, to related party personnel.

The company explain/claims that all transactions, including an increase in remuneration, are in the ordinary course of business and at arm's length;

f) Non-updation of Register of Members post cancellation of Equity Shares in Compliance with NCLT Order.

In connection with the Scheme of Arrangement and Compromise under Section 391 of the erstwhile Companies Act, 1956, (the Scheme) the Hon'ble National Company Law Tribunal ('NCLT'), Chandigarh, vide order dated 12<sup>th</sup> March 2018, set aside the Scheme in respect of fixed deposit ('FD') holders who continued to hold equity shares allotted under the Scheme. The said order was stayed by the Hon'ble National Company Law Appellate Tribunal (NCLAT) on 27<sup>th</sup> April 2018. Subsequently, on 23<sup>rd</sup> July 2019, the Hon'ble NCLAT upheld the NCLT's order, inter alia, directing the cancellation of equity shares held by such FD holders (except those who had traded or transferred the shares) and refund of FD dues as per the CLB Scheme dated 19<sup>th</sup> August 2003.

In compliance with the aforesaid direction, the Company initiated the process of share surrender by issuing individual notices to eligible FD holders and publishing public notices in Financial Express (English) and Jansatta (Hindi) on 15<sup>th</sup> August 2019.

As a result, the Company cancelled 50,62,872



equity shares that were surrendered by erstwhile FD holders to whom FD dues had been repaid. However, not all eligible shares under the Scheme were surrendered for cancellation. The Company received request of surrender of above cancelled share against the allotment of 9,24,90,413 equity shares pursuant to the Scheme approved by the Hon'ble High Court of Himachal Pradesh on 12<sup>th</sup> August 2009.

With no further surrender of shares received, the Company declared the aforesaid cancellation process complete and published a notice to that effect on 28<sup>th</sup> July 2021 for the information of all concerned stakeholders.

Subsequently, the Company applied to the Stock Exchanges for the removal of the cancelled shares from the total listed capital. However, the Stock Exchanges had not acted upon the request, citing non-complete compliance with the Hon'ble NCLT's order.

Although the Company has cancelled 50,62,872 shares surrendered by eligible FD holders, the Register of Members has not been updated to reflect the cancellation. These shares remain blocked (i.e., without any shareholder rights) pending resolution

of the matter with the Stock Exchanges, which remains ongoing.

- g) i) The company convened its 39<sup>th</sup> Annual General Meeting ('AGM') on 28<sup>th</sup> September 2024 through video conferencing and transacted special business items of a) Ratification of remuneration of M/s. Vijender Sharma & Co., Cost Accountants, as Cost Auditors of the Company, b) Re-appointment of Mr. Praveen Kumar Dutt (DIN: 06712574) as an Independent Director, c) Appointment of Mr. Ranjit Khattar (DIN: 00726997) as an Independent Director, d) Appointment of Mr. Sharad Jain (DIN: 06423452) as an Independent Director.
- ii) The company also convened an Extra Ordinary General Meeting ('EGM') on Monday, 10<sup>th</sup> February 2025 at 2.00 P.M. through Video Conferencing/ Other Audio-Visual Means ('VC'/ 'OAVM') and sought consent of members to Hive-off/ transfer of Medical Devices Business of the Company to Morepen Medtech Limited (currently Morepen Medipath Limited), subsidiary company as a going concern on slump sale basis.

For PD and Associates  
Company Secretaries

Praveen Dua  
Proprietor  
FCS: 3573; CP: 2139,  
UDIN: F003573G000925032  
PR UIN: 11994DE052200

Place: New Delhi  
Date: 6<sup>th</sup> August 2025

To,

The Members  
Morepen Laboratories Limited

Our report of even date is to be read along with this letter.

- 1) Maintenance of the secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

Place: New Delhi  
Date: 6<sup>th</sup> August 2025

- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For PD and Associates  
Company Secretaries

Praveen Dua  
Proprietor  
FCS: 3573; CP: 2139,  
UDIN: F003573G000925032  
PR UIN: 11994DE052200



ANNEXURE 'D'

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING**

**SECTION A: GENERAL DISCLOSURES**

**I. Details of the listed entity**

1	Corporate Identity Number (CIN) of the listed entity	-	L24231HP1984PLC006028
2	Name of the listed entity	-	Morepen Laboratories Limited
3	Year of incorporation	-	1984
4	Registered office address	-	Morepen Village, Nalagarh Road, Malkumajra, Baddi, Solan, Himachal Pradesh, 173205
5	Corporate address	-	2 <sup>nd</sup> Floor, Tower C, DLF Cyber Park, Udyog Vihar-III, Sector-20, Gurugram, Haryana-122016
6	E-mail	-	investors@morepen.com
7	Telephone	-	+91-124-4892000
8	Website	-	www.morepen.com
9	Financial year for which reporting is being done	-	01/04/2024 - 31/03/2025
10	Name of the Stock Exchange(s) where shares are listed	-	National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE")
11	Paid-up Capital	-	₹109,58,41,398
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	-	Mr. Sanjay Suri Whole-Time Director sanjay.suri@morepen.com +91-1795-266401-03
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	-	Standalone basis
14	Name of assurance provider / assessor	-	Not Applicable
15	Type of assurance / assessment obtained	-	Not Applicable

**II. Products/services**

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Pharmaceutical	Manufacturing, marketing and sale of pharmaceutical products and medical devices	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of pharmaceuticals, medicinal and chemical product (Active Pharmaceutical Ingredients)	21009	60.48 %
2.	Manufacture of other medical and dental instruments n.e.c. (Medical Devices)	32509	32.12 %
3.	Manufacture of pharmaceuticals, medicinal and chemical products (Formulations)	21009	7.40 %

**III. Operations**

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	4	2 <sup>#</sup>	6
International	0	1 <sup>*</sup>	1

<sup>#</sup>Corporate office at Gurugram and registered office at Baddi, Himachal Pradesh.  
<sup>\*</sup>through its wholly owned subsidiary

19. Markets served by the entity:

**a. Number of locations**

Locations	Number
National (No. of States)	28 states and 8 union territories
International (No. of Countries)	80

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

43.91%

**c. A brief on types of customers**

The company serves a diverse customer base, including business to business (B2B) buyers, distributors, institutional buyers, health care professionals, retailers and individual consumers, each with distinct needs and expectations. This diversity drives the company's product innovation, distribution strategies, and customer engagement initiatives. The company serves its customers in both B2B and B2C categories. The following table summarises the types of customers for the company and their key needs.

Customer Type	Description	Key Needs
Retail Customers	Individual end-users buying OTC and wellness products	Quality, affordability, ease of use, accessibility
Pharmacies & Retailers	Physical stores selling the company's products to consumers	Reliable supply, competitive pricing, variety
Hospitals & Clinics	Healthcare institutions and professionals	Quality, regulatory compliance, technical support
Distributors & Wholesalers	Bulk buyers supplying to retailers and institutions	Consistent supply, favourable margins, logistics
E-commerce Customers	Online buyers via the company's site or e-commerce platforms	Convenience, quick delivery, authenticity
Corporate & Institutional	Organizations buying for employees or bulk needs	Custom solutions, bulk pricing, after-sales
B2B buyers (for API)	Supply of API to formulation manufactures and traders	Quality, Regulatory and supply assurance

**IV. Employees**

20. Details as at the end of Financial Year:

**a. Employees and workers (including differently abled) :**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No.(C)	%(C/A)
<b>EMPLOYEES</b>						
1.	Permanent(D)	1,248	1,120	89.74 %	128	10.26 %
2.	Other than Permanent(E)	96	90	93.75 %	6	6.25 %
3.	<b>Total employees (D+E)</b>	1,344	1,210	90.03 %	134	9.97 %
<b>WORKERS</b>						
4.	Permanent(F)	566	527	93.11 %	39	6.89 %
5.	Other than Permanent(G)	1215	1013	83.37 %	202	16.63 %
6.	<b>Total workers (F+G)</b>	1781	1540	86.47 %	241	13.53 %



b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent(D)	0	0	0%	0	0%
2.	Other than Permanent(E)	0	0	0%	0	0%
3.	<b>Total Differently abled employees (D+E)</b>	0	0	0%	0	0%
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent(F)	0	0	0%	0	0%
5.	Other than Permanent(G)	1	1	100%	0	0%
6.	<b>Total Differently abled workers (F+G)</b>	1	1	100%	0	0%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No(B)	%(B/A)
Board of Directors	6	1	16.67%
Key Management Personnel	4*	0	0%

\*Two of the KMPs are part of the BODs

22. Turnover rate for permanent employees and workers

	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.8%	13.28%	12.85%	12.84%	11.41%	12.71%	32.5%	23.5%	31.67%
Permanent Workers	0.98%	0%	0.91%	1.35%	0%	1.22%	3.1%	0%	2.84%

Note: During FY 2023-24, 242 employees were transferred from the company to its wholly owned subsidiary, Morepen Rx Limited, because of the company separating (hiving off) its formulation business into the subsidiary. This internal transfer of employees between the parent company and its subsidiary was not included when calculating the employee turnover rate. In other words, these employee movements were considered an internal restructuring rather than actual exits from the organization and therefore did not impact the reported turnover statistics.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity?
1.	Dr. Morepen Limited	Subsidiary	80%	All Policies / practices to the extent relevant are also applicable in conformity with the applicable laws
2.	Morepen Devices Limited	Subsidiary	100%	No
3.	Morepen Rx Limited	Subsidiary	100%	No
4.	Morepen Bio Inc.	Subsidiary	100%	No
5.	Total Care Limited	Subsidiary	76%	No
6.	Morepen Medipath Limited*	Subsidiary	80%	No
7.	Quick Med Private Limited	Subsidiary	64%	No

\* Previously known as Morepen Medtech Limited.

VI. CSR Details

24. (I) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover (in ₹)

INR 15,46,94,35,000

(Note: This is the turnover from operations)

(iii) Net worth (in ₹)

INR 1168,75,89,000

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	(If yes then provide web-link for grievance redress policy)	2024-25			2023-24		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	The company have a unified Grievance Redressal Policy which can be accessed using the following web-link: <a href="https://www.morepen.com/public/img/pdf/Greivance%20Redressal%20Policy%20-%20Morepen.pdf">https://www.morepen.com/public/img/pdf/Greivance%20Redressal%20Policy%20-%20Morepen.pdf</a>	0	0	-	0	0	-
Investors (other than shareholders)	Yes		0	0	-	0	0	-
Shareholders	Yes		0	0	-	0	0	-
Employees and workers	Yes		13	0	Explained in Principle 3 and 5	0	0	-
Customers	Yes		16	0	Explained in Principle 9	13	0	Explained in Principle 9
Value Chain partners	Yes		0	0	-	0	0	-

26. Overview of the entity's material responsible business conduct issues, please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.



S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
<b>Environment</b>					
E1	Climate Change (GHG Emissions)	Risk	<ul style="list-style-type: none"> <li>Stricter environmental regulations (India, EU, US) could result in fines, operational shutdowns, and restricted exports.</li> <li>Extreme weather (floods, heatwaves) can disrupt supply chains, damage infrastructure, and affect workforce availability.</li> <li>Variability in temperature/ humidity threatens storage and transport of sensitive products, increasing spoilage and logistics costs.</li> <li>Water scarcity, especially in Indian manufacturing hubs, risks production halts and higher costs for alternative sourcing.</li> <li>Energy supply instability can halt operations and raise costs. Investors and customers increasingly expect climate action and transparency.</li> <li>Insurance and financing costs may rise for high-risk operations.</li> </ul>	<p><b>Adaptation:</b></p> <ul style="list-style-type: none"> <li>Invest in climate-resilient infrastructure (floodproofing, temperature controls)</li> <li>Continuous effort to diversify and localise the supplier base.</li> <li>Adopt water-efficient and renewable energy technologies.</li> <li>Implement advanced monitoring for supply chain and logistics.</li> </ul> <p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>Strengthen compliance and reporting for environmental regulations.</li> <li>Invest in cleaner technologies, biofuels, and energy-efficient equipment.</li> <li>Engage in industry collaborations for advocacy and best practices.</li> <li>Regular scenario planning and stress testing.</li> <li>Update and acquire acceptable certifications and third-party audits.</li> <li>Improving accounting on Scope-1,2 and 3 GHG emissions.</li> </ul>	<p><b>Negative</b></p> <p>Compliance, adaptation, and technology investments increase short-term costs. Disruptions can reduce output and revenue. However, proactive action can protect long-term profitability, market access, and reduce insurance and financing costs.</p>
E2	Waste Management & Sustainable Packaging	Opportunity	<ul style="list-style-type: none"> <li>Reduces pollution and environmental footprint, aligning with Indian and global regulations.</li> <li>Enhances brand reputation with coconscious consumers and B2B buyers.</li> <li>Longterm cost savings from reduced material use and waste disposal.</li> </ul>	Not applicable	<p><b>Positive</b></p> <p>Initial investments offset by lower material and disposal costs, improved brand value, and access to new markets or incentives. Enhanced stakeholder trust and regulatory</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			<ul style="list-style-type: none"> <li>Supports circular economy: recycled content, efficient recyclability.</li> <li>Prepares for stricter plastic and hazardous waste laws.</li> <li>Opens access to green procurement and sustainability linked finance.</li> <li>Reduces risk of supply chain and reputational disruptions.</li> </ul>		preparedness support long-term growth.
E3	Energy Management	Opportunity	<ul style="list-style-type: none"> <li>Significant cost savings from reduced energy use and process optimization.</li> <li>Demonstrates environmental leadership, attracting investors and customers.</li> <li>Reduces exposure to volatile energy prices and supply disruptions, common in Indian industrial zones.</li> <li>Adoption of renewables helps meet regulatory and corporate targets.</li> <li>May qualify for government incentives, carbon credits, or green financing.</li> <li>Supports export ambitions through compliance with global buyer standards.</li> </ul>	Not applicable	<p><b>Positive</b></p> <p>Lower energy costs, improved operational resilience, and potential financial incentives boost profitability. Strong ESG profile attracts investment and reduces cost of capital.</p>
E4	Water management	Opportunity	<ul style="list-style-type: none"> <li>Optimizes water use, reducing waste and conserving a critical resource.</li> <li>Essential in water stressed Indian regions for uninterrupted operations.</li> <li>Enhances reputation and compliance with CSR and environmental regulations.</li> </ul>	Not applicable	<p><b>Positive</b></p> <p>Cost savings from efficient water use, reduced risk of production halts, improved reputation, and potential for government incentives. Longterm resilience supports business continuity.</p>



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			<ul style="list-style-type: none"> <li>Supports climate resilience (rainwater harvesting, pond rejuvenation).</li> <li>Reduces risk of regulatory fines and production disruptions.</li> <li>Aligns with stakeholder and community expectations for responsible water use.</li> </ul>		
E5	Sustainable Supply Chain	Opportunity	<ul style="list-style-type: none"> <li>Reduces costs through efficiency, waste reduction, and resource optimization.</li> <li>Enhances resilience to disruptions (resource scarcity, disasters, regulatory changes).</li> <li>Diversifies suppliers, reducing dependency on single regions.</li> <li>Improves brand reputation and customer loyalty.</li> <li>Anticipates global buyer requirements for sustainable sourcing.</li> <li>Mitigates ESG risks from upstream suppliers.</li> </ul>	Not applicable	<p><b>Positive</b></p> <p>Cost reductions, operational resilience, and enhanced reputation can drive sales, support market expansion, and attract sustainability linked financing.</p>
<b>Social</b>					
S1	Health, safety and wellbeing of employees	Opportunity	<ul style="list-style-type: none"> <li>Reduces absenteeism, turnover, and insurance costs.</li> <li>Improves productivity and operational performance.</li> <li>Enhances employer brand, attracting and retaining talent.</li> <li>Reduces healthcare costs via wellness programs.</li> <li>Boosts employee engagement and morale.</li> <li>Ensures compliance with Indian and global labour laws.</li> </ul>	Not applicable	<p><b>Positive</b></p> <p>Lower costs, higher productivity, and improved talent retention enhance profitability. Strong safety record reduces legal risks and insurance premiums.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			<ul style="list-style-type: none"> <li>Minimizes legal and reputational risks from workplace incidents.</li> </ul>		
S2	Community Engagement	Opportunity	<ul style="list-style-type: none"> <li>Builds trust and social license to operate in local communities.</li> <li>Facilitates access to local talent and partnerships.</li> <li>Mitigates regulatory, reputational, and operational risks.</li> <li>Supports long-term business sustainability.</li> <li>Enhances impact of CSR projects, improving brand value.</li> <li>May ease permitting and expansion in new geographies.</li> </ul>	Not applicable	<p><b>Positive</b></p> <p>Strong community relations reduce risk of project delays, regulatory hurdles, and reputational crises. Supports long-term market presence and stakeholder goodwill.</p>
S3	Product Quality and Safety	Risk	<ul style="list-style-type: none"> <li>Failure can cause reputational damage, loss of consumer trust, and market share.</li> <li>Legal action, fines, and regulatory investigations can arise from noncompliance.</li> <li>Risks to consumer health can lead to lawsuits and recalls.</li> <li>Increasing regulatory scrutiny in India and export markets.</li> <li>Negative incidents can impact investor confidence and global partnerships.</li> <li>Social media can amplify product issues quickly.</li> </ul>	<p><b>Adaptation:</b></p> <ul style="list-style-type: none"> <li>Invest in advanced quality control, real-time monitoring, and robust feedback mechanisms.</li> <li>Regular employee training and supplier audits.</li> <li>Collaborate with regulators for compliance.</li> </ul> <p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>Strengthen product design and manufacturing standards.</li> <li>Diversify suppliers to reduce risk of single point failure.</li> <li>Rapid response protocols for recalls and communication.</li> <li>Continuous innovation and stakeholder engagement.</li> </ul>	<p><b>Negative</b></p> <p>Recalls, litigation, and lost sales can significantly impact revenue and profitability. Proactive quality management can limit losses, protect reputation, and maintain market access.</p>



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
S4	Social Regulatory Compliances	Risk	<ul style="list-style-type: none"> <li>Noncompliance can lead to legal action, fines, and settlements.</li> <li>Violations damage brand reputation and erode stakeholder trust.</li> <li>Can result in loss of market access, bans, or exclusion from government contracts.</li> <li>Social media and activist scrutiny can amplify issues.</li> <li>Increasing regulatory expectations in India and export markets.</li> <li>Poor compliance can impact investor's confidence.</li> </ul>	<p><b>Adaptation:</b></p> <ul style="list-style-type: none"> <li>Implement robust compliance programs and regular audits (internal and third-party led).</li> <li>Conduct risk assessments and employee training.</li> <li>Transparent stakeholder engagement.</li> </ul> <p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>Proactive risk identification and resolution.</li> <li>Invest in social responsibility initiatives.</li> <li>Seek legal counsel for complex issues.</li> <li>Open communication to rebuild trust if issues arise.</li> </ul>	<p><b>Negative</b></p> <p>Fines, legal costs, and loss of business can reduce profits. Strong compliance protects revenue streams, market access, and reputation.</p>
<b>Governance</b>					
G1	Corporate Governance and Business Ethics	Risk	<ul style="list-style-type: none"> <li>Weak governance or unethical behaviour can lead to fraud, corruption, and financial mismanagement.</li> <li>Conflicts of interest may hinder transparency and fair decision-making.</li> <li>Can result in regulatory sanctions, loss of investor's confidence, and share price decline.</li> <li>Erodes trust with stakeholders, partners, and customers.</li> <li>Increasing regulatory and investor scrutiny of governance practices.</li> <li>Poor governance can limit access to capital and partnerships.</li> </ul>	<p><b>Adaptation:</b></p> <ul style="list-style-type: none"> <li>Establish clear governance frameworks, roles, and oversight.</li> <li>Conduct regular ethics training.</li> <li>Implement stringent financial controls and conflict of interest policies.</li> </ul> <p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>Strong policies which can be accessed on the company website. These policies are regularly reviewed by our third-party experts and consultants.</li> <li>Independent board oversight.</li> </ul>	<p><b>Negative</b></p> <p>Fraud, penalties, and loss of investor trust can cause financial and reputational harm. Strong governance attracts investment, reduces risk, and supports sustainable growth.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<ul style="list-style-type: none"> <li>Whistleblower protection mechanisms.</li> <li>Transparent reporting and stakeholder engagement.</li> <li>Regular governance reviews and updates.</li> <li>Training on Business Ethics and Human Rights.</li> <li>Safeguarding individuals who file any grievances.</li> </ul>	
G2	Regulatory Compliances	Opportunity	<ul style="list-style-type: none"> <li>Enables access to new markets and global expansion.</li> <li>Mitigates legal, financial, and operational risks.</li> <li>Avoids penalties, lawsuits, and reputational damage.</li> <li>Attracts investors and lenders who prioritize compliance.</li> <li>Supports stable operations and business continuity.</li> <li>Prepares for evolving Indian and global regulations.</li> </ul>	Not applicable	<p><b>Positive</b></p> <p>Compliance avoids costly penalties and disruptions, supports revenue growth, and attracts capital. Strong compliance can be a competitive differentiator in regulated markets.</p>
G3	Cyber-security/ Data Privacy & Security	Risk	<ul style="list-style-type: none"> <li>Cyberattacks and data breaches can compromise sensitive data, leading to financial loss, regulatory penalties, and reputational damage.</li> <li>Noncompliance with data protection laws (GDPR, Indian DPDP Act) can result in heavy fines.</li> <li>Business disruption from ransomware or denial-of-service attacks.</li> <li>Increasing digitalization in pharma heightens exposure.</li> </ul>	<p><b>Adaptation:</b></p> <ul style="list-style-type: none"> <li>Implement firewalls, encryption, and intrusion detection.</li> <li>Regular security assessments and employee training.</li> <li>Develop incident response and disaster recovery plans.</li> </ul> <p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>Collaborate with cybersecurity experts and law enforcement.</li> <li>Continuous monitoring and threat intelligence sharing.</li> </ul>	<p><b>Negative</b></p> <p>Data breaches and business disruptions can result in direct financial loss, legal costs, and loss of business. Proactive investment reduces risk, protects revenue, and maintains stakeholder trust.</p>



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			<ul style="list-style-type: none"> <li>Loss of customer trust can impact long-term revenue.</li> <li>Regulatory scrutiny and mandatory reporting are rising globally.</li> </ul>	<ul style="list-style-type: none"> <li>Regularly update and patch systems.</li> </ul>	
G4	Intellectual Property and Innovation	Opportunity	<ul style="list-style-type: none"> <li>Protects unique products and processes, creating barriers to entry.</li> <li>Enables revenue generation through licensing and partnerships.</li> <li>Supports market expansion and brand differentiation.</li> <li>Attracts investment and enhances shareholder value.</li> <li>Essential for competitiveness in pharma R&amp;D.</li> <li>Helps secure global market approvals and exclusivity.</li> <li>Anticipates rising IP enforcement in India and abroad.</li> </ul>	Not applicable	<p><b>Positive</b></p> <p>Monetization of IP, increased sales, and market exclusivity drive revenue growth. Strong IP portfolio attracts partners, investors, and supports premium pricing.</p>
G5	Anti-Bribery and Corruption	Risk	<ul style="list-style-type: none"> <li>Legal consequences (fines, prosecution) from violations of antibribery laws (FCPA, Indian PCA).</li> <li>Severe reputational damage from scandals.</li> <li>Financial losses from inflated contracts, kickbacks, and fraud.</li> <li>Loss of business opportunities (bans, loss of licenses, lost partnerships).</li> <li>Increased regulatory scrutiny and compliance costs.</li> <li>Can impact access to global markets and government contracts.</li> <li>Deters investors and partners concerned about ethical risks.</li> </ul>	<p><b>Adaptation:</b></p> <ul style="list-style-type: none"> <li>Develop and enforce companywide antibribery and anticorruption (ABAC) policy.</li> <li>Regular employee and third-party training.</li> <li>Rigorous due diligence for partners and vendors.</li> </ul> <p><b>Mitigation:</b></p> <ul style="list-style-type: none"> <li>Whistleblower protection and reporting mechanisms.</li> <li>Stringent controls and regular audits.</li> <li>Foster a culture of ethics and transparency.</li> <li>Engage stakeholders and communicate zero tolerance stance.</li> </ul>	<p><b>Negative</b></p> <p>Fines, lost contracts, and reputational damage can severely impact financial performance. Strong controls and culture reduce risk, protect revenue, and support sustainable business growth.</p>

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	<a href="https://www.morepen.com/public/img/pdf/BRSR-Policy.pdf">https://www.morepen.com/public/img/pdf/BRSR-Policy.pdf</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	No	Yes	No	Yes	Yes	No	No	No
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusts) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	No								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The company is undertaking initiatives to obtain Integrated Management System (IMS) certifications, specifically ISO 14001 (Environmental Management), ISO 45001 (Occupational Health and Safety Management), ISO 50001 (Energy Management system) and ISO 37301 (Compliance Management System) in alignment with national and international standards. The company is actively aligning its operational practices, reporting mechanisms, assurance processes, and third-party validations to meet these and other industry benchmarks. Furthermore, the company is in the process of participating in the EcoVadis sustainability assessment to enhance its ESG performance, which is a key requirement for the customers and export markets. This initiative will also facilitate the company's participation in globally recognized third-party ESG frameworks and certifications such as the Science Based Targets initiative (SBTi), Carbon Disclosure Project (CDP), SA 8000, and the United Nations Global Compact (UNGC), among others, thereby reinforcing the company's commitment to responsible business practices and continuous improvement. The company will start reporting on its performances after aligning and getting the targets and commitments third-party verified.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									



**Governance, leadership and oversight**

**7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.**

The company is deeply committed to integrating Environmental, Social, and Governance (ESG) principles into every aspect of its business as the company work towards making quality healthcare accessible globally. Over the past year, the company has advanced the sustainability agenda by investing in energy-efficient technologies, strengthening its waste management systems, and initiating measures to reduce overall carbon footprint. The company has also enhanced its governance frameworks to promote transparency, inclusivity, and ethical conduct throughout the organization.

The company recognize that the landscape of ESG presents ongoing challenges, including climate change, responsible resource management, and rising stakeholder expectations. To address these, the company has set ambitious targets for the coming years, such as achieving Integrated Management System certifications 14001, 45001, ISO 50001 and ISO 37301 improving its EcoVadis ESG rating, and increasing the participation in global sustainability initiatives like the Science Based Targets initiative (SBTi), Carbon Disclosure Project (CDP), and the United Nations Global Compact (UNGC). In addition, the company is committed to promoting a circular economy by enhancing resource efficiency, expanding the use of renewable energy, and increasing recycling and reuse across the operations.

The company's core values-integrity, excellence, participative decision-making, societal and environmental concern, fairness, and transparency-continue to guide its ESG journey. The company remains focused on continuous improvement and stakeholder engagement, ensuring that its growth delivers a lasting positive impact for society and the environment.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**

Mr. Sanjay Suri  
Whole Time Director  
DIN: 00041590

**9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.**

Yes, the company has designated Mr. Sanjay Suri, Whole-Time Director, as the Board member responsible for overseeing all aspects of BRSR. Mr. Suri is entrusted with the formulation, implementation, and continuous improvement of policies aligned with NGRBC principles. His responsibilities include setting and monitoring sustainability targets, reviewing performance, ensuring compliance with relevant ESG standards, and driving initiatives for resource efficiency and stakeholder engagement. He provides strategic direction to ensure that the company's operations reflect the industry's best practices, regulatory requirements, and its commitment to responsible and sustainable growth across its value chain.

**10. Details of Review of NGRBCs by the company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Continuous								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Yes, the company has proactively undertaken an independent assessment of the working of its policies in the financial year 2024-25. The company initiated a comprehensive validation of its policies and Standard Operating Procedures (SOPs) relevant to the NGRBC across the value chain and stakeholder groups. This evaluation was conducted by third-party ESG experts with sectoral experience, whom the company engaged to strengthen the systems through audits and training at both the manufacturing facilities and head office.								
	The assessment was not part of a formal third-party assurance process, but rather an independent review commissioned by the company's top management. The objective was to identify gaps and opportunities for improvement, ensuring that the ESG performance and processes remain aligned with both national and global best practices. The company has incorporated recommendations from this review and will continue to enhance its ESG performance to meet the evolving expectations of its internal and external stakeholders and to stay ahead of emerging ESG issues								
Tirkha Consultants and Advisors LLP (Registered Office - 483, Shanti Nagar, Near Durgapura Railway Station, Jaipur - 302018)									

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	All the NGRBC Principles (P1 to P9) are covered by one or more Policies, which are available on the company website.								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1 : Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	The session comprehensively covered the BRSR framework, addressing all nine principles (P1 to P9). The training aimed to enhance the Board's understanding of regulatory expectations, industry best practices, and the company's commitments under the NGRBC, thereby strengthening oversight of ESG performance and compliance.	100%



Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Managerial Personnel	7	<p>During FY 2024-25, KMPs participated in a series of strategically focused training and awareness programmes aligned with BRSR requirements (P1 to P9).</p> <p>These sessions covered integrity and ethical leadership, advanced environmental management, prevention of sexual harassment (POSH), business strategy, and human rights. Additionally, the training was expanded to include topics such as risk management, digital transformation, stakeholder engagement, supply chain sustainability, climate resilience, and data privacy. The objective was to strengthen the KMPs' managerial capacity to drive ESG integration, ensure robust governance, and align business operations with evolving regulatory and stakeholder expectations, thereby reinforcing the company's long-term sustainability and responsible growth agenda.</p>	100%
Employees other than BoD and KMPs	158	<p>Employee training programmes at the company during FY 2024-25 covered a wide range of topics including GMP, on-the-job skills, POSH awareness, business human rights, safety, waste management, time management, technical processes, health and wellness, and emergency response, among others. From a BRSR perspective, these trainings were crucial as they directly support responsible business conduct, ensure regulatory compliance, and promote a culture of safety, ethics, and continuous improvement across the organization.</p> <p>By equipping employees with knowledge on environmental management, human rights, and operational excellence, the company strengthens its alignment with the nine BRSR principles, enhances employee well-being, and drives sustainable value creation for all stakeholders.</p>	65.68%
Workers	135	<p>Workers at the company received targeted training in FY 2024-25 on topics such as Good Manufacturing Practices (GMP), safe handling of raw and packing materials, electrical and fire safety, good engineering practices, safety work permits, emergency response, and the use of fire extinguishers. Additional sessions addressed productivity improvement, prevention of child, forced, and bonded labour, awareness of statutory benefits (PF, ESI, gratuity, bonus), standard operating procedures (SOPs), personal hygiene, housekeeping, health and safety, POSH, and teamwork.</p> <p>These trainings were vital from a BRSR perspective as they foster a safe, ethical, and inclusive workplace, ensure compliance with legal and regulatory requirements, and empower workers with knowledge about their rights and responsibilities. By focusing on both operational excellence and social safeguards, the company strengthens its commitment to responsible business conduct and sustainable growth across its workforce.</p>	86.47%

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NA	NIL	–	No
Settlement	NIL	NA	NIL	–	No
Compounding fee	NIL	NA	NIL	–	No

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NA	–	No
Punishment	NIL	NA	–	No

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the company's Anti-Corruption and Anti-Bribery Policy establishes a zero-tolerance stance towards any form of corruption or bribery, applying to all employees, officers, directors, contractors, consultants, and any individuals or entities acting on behalf of the company.

The policy strictly prohibits offering, giving, receiving, or soliciting any bribe-whether cash or other inducements-to or from any person or company, public or private, for the purpose of gaining a commercial, contractual, regulatory, or personal advantage. It mandates compliance with all applicable anti-corruption and anti-bribery laws, including FERA, Anti Money Laundering, Foreign Corrupt Practices Act (FCPA), and the UK Bribery Act.

The policy also requires employees to report any concerns or suspicions regarding potential violations without fear of retaliation. Violations may result in severe disciplinary action, up to and including termination, and potential legal consequences. The policy is designed to foster a transparent, fair, and ethical business environment and provides guidance on recognizing and dealing with bribery and corruption issues.

In summary, the policy covers:

- Prohibition of all forms of bribery and corruption
- Applicability to all company associates and third parties
- Compliance with relevant laws and regulations
- Protection and support for whistleblowers
- Clear consequences for violations

The policy is available to all employees and can be viewed at <https://www.morepen.com/public/img/pdf/Anti%20Corruption%20and%20Anti%20Bribery%20Policy%20-%20Morepen.pdf>



5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	0	Not applicable	0	Not applicable
Number of complaints received in relation to issues of conflict of interest of the KMPs	0	Not applicable	0	Not applicable

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	127	103

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameters	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases (INR Lakhs)	24.16% (24,898.57)	17.13% (16,497.31)
	b. Number of trading houses where purchases are made from	80	94
	c. Purchases from top 10 trading houses as % of total purchases from trading houses (INR Lakhs)	71.12% (17,707.7)	59.24% (9,772.65)
Concentration of Sales	a. Sales to dealers / distributors as % of total sales (INR Lakhs)	56.01% (86,642.3)	57.46% (87,871.43)
	b. Number of dealers / distributors to whom sales are made	1575	1612
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors (INR Lakhs)	55.15% (47,779.95)	57.59% (50,600.99)
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases) (INR Lakhs)	NIL	0.11% (99.69)
	b. Sales (Sales to related parties / Total Sales) (INR Lakhs)	10.63% (16,432.96)	10.76% (16,455.62)
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0% (0)	0% (0)
	d. Investments (Investments in related parties / Total Investments made) (INR Lakhs)	0.44% (88.92)	5.58% (703.24)

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
6	<ol style="list-style-type: none"> <li>1. Child and Forced Labour</li> <li>2. Wages</li> <li>3. Non-discrimination</li> <li>4. Health and Safety</li> <li>5. Legal Compliances</li> <li>6. Environment</li> <li>7. Overtime</li> <li>8. Bonded Labour</li> <li>9. Whistleblower</li> <li>10. Grievance Mechanism</li> <li>11. POSH Act</li> <li>12. Due Diligence and Reporting</li> </ol>	1.79 %

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the company has processes in place to avoid and manage conflicts of interest involving members of the Board. The following are the details:

- **Prevention from Conflict of Interest:** Board members are required to avoid situations where their personal interests conflict with those of the company. If a conflict arises or is likely to arise, they must disclose all material facts in writing to the Board.
- **Disclosure and Recusal:** Board members and senior management must not participate in discussions or decisions where a conflict of interest exists. They are required to disclose relevant transactions and recuse themselves from related meetings.
- **Ongoing Monitoring:** The Board regularly reviews related party transactions and conflicts of interest, as outlined in the Policy on Dealings with Related Party Transactions, ensuring compliance with SEBI regulations and the Companies Act.
- **Reporting and Compliance:** The Code of Conduct mandates that all Board members and senior management act with integrity, avoid conflicts, and report any potential conflicts promptly.

These processes are integral to the company's governance framework and ensure transparency and accountability at the highest levels of management.

The Code of Conduct can be accessed at: <https://www.morepen.com/public/img/Code-of-Conduct-for-Board-Members-and-Senior-Management-Personnel.pdf>

The Policy on Dealing with Related Party Transactions: <https://www.morepen.com/public/img/pdf/Policy-on-Dealings-with-Related-Party-Transactions.pdf>



**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**



**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Category	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	0%	0%	-
CAPEX	0%	0%	-

Note: R&D activities during this period have been focused on core business objectives, product innovation, and operational efficiencies that might indirectly linked to environmental or social impact enhancement, which is not quantifiable. Similarly, the company's capital expenditures have been directed towards essential infrastructure upgrades and routine maintenance, rather than the adoption of new sustainability-focused technologies.

The company acknowledges the evolving importance of environmental and social responsibility and is committed to reviewing our investment strategies to include more sustainable technologies as the business needs and regulatory requirements evolve.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No

Note: The company prefers to source raw materials from responsible suppliers and is in the process to formalize Suppliers Code of Conduct to translate its sustainability objectives to its value-chain partners. Furthermore, this statement has been re-checked and reported for previous year(s) as well.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

As a pharmaceutical company, it does not manufacture consumer products that are typically reclaimed for reuse or recycling by end-users at the end of their life, such as packaging for retail consumers or electronic devices. This is due to contamination issues and the nature of products.

However, the company is fully committed to responsible waste management at the manufacturing facilities and head office, and has established systems to ensure the safe handling, treatment, and disposal of various waste streams generated during operations.

Although the company does not reclaim products for reuse or recycling at the end of their life in the traditional sense, the company remains committed to adopting best practices in waste management and exploring opportunities for further reducing, reusing, and recycling waste generated within its operations.

Plastics	While the company uses plastics in packaging and other operational activities, the company's primary focus is on minimizing plastic waste generation at source. All plastic waste generated at the facilities is segregated and managed by applicable regulations. The company engages authorized recyclers for the disposal of non-hazardous plastic waste wherever feasible. For hazardous plastic waste, the company ensures proper treatment and disposal through approved hazardous waste management agencies.
E-Waste	The company's operations generate limited quantities of electronic waste, primarily from office and laboratory equipment. The company follows a strict protocol for the collection, segregation, and disposal of e-waste, engaging only authorized e-waste recyclers who comply with regulatory requirements.
Hazardous waste	The pharmaceutical manufacturing process generates certain hazardous waste streams, including chemical residues, laboratory waste, and expired or rejected products. The company has dedicated hazardous waste management systems in place, including secure storage, transportation, and disposal through authorized and licensed agencies.

Others	Non-hazardous waste such as general office waste, paper, and other recyclable materials is segregated at source and sent to authorized recyclers or municipal waste management systems. The company continuously monitors the waste generation and works towards reducing its environmental footprint through waste minimization initiatives and employee awareness programs.
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4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/ No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable to certain aspects of the company's activities, particularly in relation to plastic waste management as stipulated by the Central Pollution Control Board (CPCB). The waste collection and management plans are aligned with the guidelines set by the CPCB. The company has established formal processes to ensure the segregation, collection, and responsible disposal of plastic waste generated through the operations. All relevant waste had handed over to authorized recyclers or processors in accordance with regulatory requirements.

**Leadership Indicators**

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

The company recognizes that LCA is a critical tool for understanding and managing the environmental impacts of products throughout their entire life cycle. At present, the company has not conducted formal LCA studies for any of its products. However, the company remains committed to advancing its sustainability strategy and is planning to initiate comprehensive LCA studies in subsequent years. The company is committed to maintaining transparency regarding current status and future plans for LCA and will continue to update the stakeholders as the company progresses toward this important sustainability goal.

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
No					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

While the company has not yet conducted LCA for its products, the company is aware of significant social and environmental concerns associated with the production and disposal processes through other assessment methods. To address these concerns, the company has implemented measures such as reducing waste, enhancing recycling efforts, and minimizing emissions. The company is committed to further identifying and mitigating these risks through LCA initiatives in the coming years to ensure a more scientific and comprehensive approach.

Name of Product/Service	Description of the risk/concern	Action Taken
Not applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	2024-25	2023-24
Solvents	65.98%	70.11%



4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed:

	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	0	0	0*	0*
E-waste	0	0	0	0	0	0*
Hazardous waste	0	0	0	0	0*	0*
Other waste	0	0	0	0	0	0

\* These values have been re-evaluated and reported for the previous FY

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable, since the company is engaged in pharmaceutical sector, it does not reclaim products for reusing. The company disposes waste generated for recycling through authorized recyclers of CPCB/ SPCBs.	

**PRINCIPLE 3** Businesses should respect and promote the well-being of all employees, including those in their value chains



**Essential Indicators**

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	1120	395	35.27%	1066	95.18%	0	0%	26	2.32%	0	0%
Female	128	64	50%	123	96.09%	11	8.59%	0	0%	0	0%
<b>Total</b>	<b>1248</b>	<b>459</b>	<b>36.78%</b>	<b>1189</b>	<b>95.27%</b>	<b>11</b>	<b>0.88%</b>	<b>26</b>	<b>2.08%</b>	<b>0</b>	<b>0%</b>
<b>Other than permanent employees</b>											
Male	90	90	100%	90	100%	0	0%	0	0%	0	0%
Female	6	6	100%	6	100%	0	0%	0	0%	0	0%
<b>Total</b>	<b>96</b>	<b>96</b>	<b>100%</b>	<b>96</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

b. Details of measures for the well-being of workers.

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	527	159	30.17%	527	100%	0	0%	10	1.90%	0	0%
Female	39	5	12.82%	39	100%	0	0%	0	0%	0	0%

Total	566	164	28.98%	566	100%	0	0%	10	1.77 %	0	0%
<b>Other than permanent workers</b>											
Male	1013	1013	100%	1013	100%	0	0%	0	0%	0	0%
Female	202	202	100%	202	100%	0	0%	0	0%	0	0%
<b>Total</b>	<b>1215</b>	<b>1215</b>	<b>100%</b>	<b>1215</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

C. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent in the following format:

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the company	0.39%	0.34%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-25			FY 2023-24*		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	91.67%	100%	Y	98.57%	100%	Y
Gratuity	92.86%	100%	Y	99.73%	100%	Y
ESI	14.81%	77.82%	Y	16.93%	67.69%	Y
Leave Encashment	67.86%	100%	N	53.89%	82.80%	Y

\*These values have been re-evaluated and reported for the previous FY

3. Accessibility of workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the company is driven by "Equal Opportunity Policy" and all the offices of the company are equipped with measures to facilitate easy movement for all. The corporate offices feature elevators and infrastructure designed to accommodate differently abled individuals. Additionally, wheelchair-accessible washroom are available at the corporate office.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the company maintains an equal opportunity policy in line with the Rights of Persons with Disabilities Act, 2016. The policy guarantees non-discrimination based on gender, race, religion, caste, ethnicity, nationality, age, disability, marital status, or any other characteristic, and ensures equal opportunities for all employees, especially those with disabilities, at every stage of employment including recruitment, training, working conditions, remuneration, transfers, benefits, and career advancement.

The company provides barrier-free access, reasonable accommodations, and necessary support for differently abled employees. It also designates a liaison officer (Head, HR) to oversee compliance and address grievances, maintains records of support and accommodations, and ensures employees who acquire disabilities during service are assisted in returning to suitable roles (vertical and horizontal movement in the company).

The policy is accessible at: <https://www.morepen.com/public/img/pdf/Equal%20Opportunity%20Policy%20-%20Morepen.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	81.82%	100%	0%	0%
<b>Total</b>	<b>94.59%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Yes, the company has a well-established and transparent grievance redressal mechanism in place for all employees, including contract and casual workers, as well as for external stakeholders such as customers, suppliers, vendors, and local communities. The mechanism, supported by Grievance Redressal Policy, is designed to ensure that any concerns or grievances can be raised confidentially and without fear of retaliation, fostering a safe and supportive work environment. The process begins with reporting the issue to the immediate supervisor, who is expected to address it within three days. If the matter remains unresolved, it can be escalated to the HR department, which has a five-day timeframe for resolution. Further escalation can be made to the Plant Head, who is required to respond within ten days, and ultimately to the Director as the final authority if necessary.

The grievance process is supported by a Social Performance Team (SPT), which includes representatives from HR, administration, technical staff, and workers themselves, ensuring impartiality and transparency throughout. This team oversees the handling of complaints, conducts root-cause analysis, and documents corrective actions to prevent recurrence. All grievances are systematically recorded, tracked, and reviewed during management meetings, with outcomes reported to the Board to ensure ongoing oversight and continuous improvement.

	Grievance mechanism available?	If yes, provide details
Permanent Workers	Yes	Refer to Grievance Redressal Policy available at: <a href="https://www.morepen.com/public/img/pdf/Greivance%20Redressal%20Policy%20-%20Morepen.pdf">https://www.morepen.com/public/img/pdf/Greivance%20Redressal%20Policy%20-%20Morepen.pdf</a>
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	1248	0	0%	1087	0	0%
Male	1120	0	0%	974	0	0%
Female	128	0	0%	113	0	0%
<b>Total Permanent Workers</b>	566	0	0%	536	0	0%
Male	527	0	0%	499	0	0%
Female	39	0	0%	37	0	0%

**8. Details of training given to employees and workers:**

Category	FY 2024-25					FY 2023-24*				
	Total (A)	On Health and safety measure		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	1,210	779	64.38%	901	74.46%	999	493	49.35%	739	73.98%
Female	134	61	45.52%	83	61.94%	122	37	30.33%	78	63.94%
<b>Total</b>	<b>1,344</b>	<b>840</b>	<b>62.50%</b>	<b>984</b>	<b>73.21%</b>	<b>1,121</b>	<b>530</b>	<b>47.28%</b>	<b>817</b>	<b>72.89%</b>
<b>Workers</b>										
Male	1540	1,351	87.73%	1,449	94.09%	1346	730	54.23%	882	65.52%
Female	241	199	82.57%	200	82.99%	132	36	27.27%	124	93.93%
<b>Total</b>	<b>1781</b>	<b>1,550</b>	<b>87.03%</b>	<b>1,649</b>	<b>92.59%</b>	<b>1478</b>	<b>766</b>	<b>51.82%</b>	<b>1006</b>	<b>68.06%</b>

\*Values have been re-checked and reported for the previous FY

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2024-25			FY 2023-24*		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	1,210	1,207	99.75%	999	908	90.90%
Female	134	131	97.76%	122	105	86.07%
<b>Total</b>	<b>1,344</b>	<b>1,338</b>	<b>99.55%</b>	<b>1,121</b>	<b>1,013</b>	<b>90.37%</b>
<b>Workers</b>						
Male	1,540	1,521	98.77%	1,346	1346	100%
Female	241	241	100%	132	132	100%
<b>Total</b>	<b>1,781</b>	<b>1,762</b>	<b>98.93%</b>	<b>1,478</b>	<b>1478</b>	<b>100%</b>

\*Values have been re-checked and reported for the previous FY

**10. Health & Safety Management System**

**a. Whether an occupational health and safety management system has been implemented by the entity?**

Yes, company's Health & Safety Management System incorporates workplace safety by identifying and mitigating risks, complying with legal requirements, and providing training and resources. The system is anchored by an Environment, Health and Safety (EHS) manual, which operationalizes the company's EHS Policy. This framework ensures compliance with regulatory standards and promotes a "Zero Harm" culture, targeting zero incidents, injuries, and environmental damage. The EHS management system integrates risk assessments, training programs, and continuous monitoring to safeguard employees, contractors, visitors, and neighboring communities. The company is also planning to implement ISO 45001 in all its manufacturing facility in the subsequent years to further enhance Health & Safety Management System.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Yes, to identify work-related hazards and assess risks, company has processes such as Job Safety Analysis (JSA), regular safety audits, Hazard Identification and Risk Assessment (HIRA), and employee safety training. Additionally, conducting routine inspections and the company's in-house hazard reporting system helps in identifying and mitigating risks for both routine and non-routine tasks.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks?**

Yes, the company has established clear and accessible processes across all facilities to ensure that every worker can report work-related hazards and, if necessary, remove themselves from situations posing immediate risk. The formal hazard reporting channels include dedicated safety suggestion boxes and direct communication with



supervisors or safety officers. All employees and contract workers receive regular training to recognize potential hazards and are encouraged to report any unsafe conditions or acts without fear of retaliation.

Workers can report hazards (e.g., near misses, unsafe conditions) through confidential channels without fear of retaliation. The Grievance Redressal Policy provides a four-tier escalation path, starting with supervisors and culminating at the Director level if unresolved. Employees are empowered to remove themselves from high-risk situations, supported by emergency procedure training and the Social Performance Team's oversight. This aligns with the company's commitment to a non-retaliatory, transparent workplace.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**

Yes, employees and workers typically have access to non-occupational medical and healthcare services through employee benefits programs, which include health insurance, wellness programs, and access to general medical care in OHC. These services help address general health needs and provide support for overall well-being outside of work-related issues.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	1.19	1.40
Total recordable work-related injuries	Employees	1	0
	Workers	7	8
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The company is dedicated to fostering a safe, healthy, and supportive workplace for all employees, contractors, visitors, and neighboring communities. The company's commitment is reflected in its EHS policy that prioritizes the well-being of every individual and upholds strict compliance with regulatory standards and industry best practices.

The EHS framework is reinforced by regular management review meetings to monitor performance and drive continuous improvement. The company conducts periodic internal audits and site inspections to assess and enhance safety practices, promptly addressing any areas requiring corrective action. Safety incidents and hazards are thoroughly analyzed to determine root causes, and targeted action plans are implemented to prevent recurrence.

**13. Number of complaints on the following made by employees and workers;**

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	11	0	All complaints related to working conditions filed during the year were promptly acknowledged and resolved within defined timelines, demonstrating the company's commitment to maintaining a supportive and responsive work environment. Each complaint was carefully reviewed, with immediate corrective actions taken to address concerns. No complaints remained pending at the end of the year, reflecting the effectiveness of the company's grievance redressal mechanisms and dedication to continuous improvement in workplace conditions.	0	0	No Remarks
Health & Safety	2	0	All health and safety complaints received during the year were promptly acknowledged and resolved within defined timelines, demonstrating the company's commitment to a safe workplace and effective grievance redressal. Each issue was thoroughly investigated, with corrective actions implemented to address root causes and prevent recurrence. The timely closure of all complaints reflects strong employee awareness, transparent reporting channels, and a proactive approach to maintaining high health and safety standards across all facilities.	0	0	No Remarks

**Note:** The company enhanced the reporting and resolution mechanism to encourage the employees and workers (permanent and otherwise) to come forward and report on such matters concerning working conditions, and health and safety. This initiative by the HR and other supporting departments brought matters into light which were resolved in a qualitative and timely manner in the current FY, compared to the previous year.

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**Note:** Internal structured assessments undertaken by the various departments, spearheaded by the human rights department. Furthermore, the company hired third-party consultants to audit the company's operations to understand gaps and key improvement areas.

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

During the year, the assessments did not identify any significant or severe risks to health, safety, or working conditions, reflecting the effectiveness of the company's preventive measures and continuous monitoring systems. For all complaints received whether related to working conditions or health and safety, the company demonstrated a strong commitment to swift and effective resolution. Based on the internal records, the average resolution time for such complaints was 17 days (for the 13 complaints received), underscoring responsiveness and dedication to maintaining a safe and supportive workplace.

Corrective actions are promptly implemented whenever any issue is identified, with root cause analyses conducted to prevent recurrence. The EHS team ensures that all employees and workers receive comprehensive training and regular refreshers, empowering them to recognize, report, and mitigate potential hazards. Management reviews and periodic audits further reinforce the commitment to continuous improvement and the highest standards of occupational health and safety.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, the company extends comprehensive life insurance coverage and compensatory packages to both employees and workers in the event of death. This initiative is designed to provide essential financial support and security to the families of the deceased, helping to safeguard their well-being during difficult times.

For employees, the company offers a structured life insurance policy as part of the employee benefits program. In addition, a compensatory package is provided in accordance with applicable laws and company policy. Similarly, workers, including contract and temporary staff, are also covered under this scheme, ensuring equitable access to life insurance and compensation benefits. These measures reflect the company's commitment to the welfare and protection of all individuals associated with its operations, both on and off the job.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The company has established robust internal controls and monitoring mechanisms to ensure that all statutory dues are correctly deducted and timely deposited by value chain partners. The company requires value-chain partners to submit periodic compliance reports, which are reviewed by dedicated compliance team to verify adherence to statutory obligations such as provident fund, employee state insurance, and other applicable labor laws.

In addition to regular reporting, the company conducts periodic audits and compliance reviews of the value-chain partners to assess their adherence to statutory requirements. These audits are complemented by contractual clauses that explicitly mandate compliance with all relevant labour and statutory regulations. Any identified non-compliance is promptly addressed through corrective actions and, where necessary, escalation to ensure full remediation.



3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the company offers transition assistance programs designed to support the continued employability of its workforce and effectively manage career endings resulting from retirement or termination. These initiatives include career counseling, job placement services, opportunities for senior personnel to serve as consultants' post-retirement, and comprehensive retirement planning, ensuring a positive and supportive transition for all employees.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	1.79%
Working conditions	1.79%

This year the company has assessed key suppliers on health and safety, working conditions and human rights aspect as an initiative to extend company's ESG policies and mission to stakeholders beyond the company's administrative boundary. Kindly note that in these calculations the company has only considered vendors/contractors partners that the company does regular business with. The company has not considered those vendors in whom the company have made one-time investment (or spent any Capex).

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The company did not encounter any significant concerns arising from assessments of health and safety practices and working conditions of value chain partners.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**



**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

The company systematically applies stakeholder mapping to categorize and prioritize groups by their level of impact, interest, and influence on the company. This process is informed by regular engagement activities-including surveys and feedbacks that capture stakeholder perspectives and expectations. The stakeholder list is reviewed and updated periodically to ensure it remains relevant and aligned with evolving business priorities, and sustainability objectives, in line with industry standards.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Users and Consumers, i.e., B2C & B2B	No	<ul style="list-style-type: none"> <li>Email</li> <li>Website</li> <li>E-commerce Platforms</li> </ul>	On-going	The company seeks feedback on products and services, addresses customer concerns, and shares updates on new developments. Discussions focus on product satisfaction, safety, and competitiveness in the market.
2	Shareholders/ Investors	No	<ul style="list-style-type: none"> <li>Email</li> <li>Website</li> <li>Investor presentations</li> <li>Annual/ Quarterly Reports,</li> <li>Earning calls</li> </ul>	Quarterly/ Event based	Engagements are held to provide updates on financial performance, discuss strategic direction, and respond to shareholder questions. Topics include company financial results, business strategy, corporate governance, and regulatory matters.
3	Local Community	Yes	<ul style="list-style-type: none"> <li>Community meetings</li> <li>Website</li> <li>Directly or indirectly (through NGOs), etc.</li> </ul>	On-going	The company addresses community concerns, shares information about environmental impact, and supports local health and development initiatives through CSR projects. Key topics include community development, support for vulnerable groups, and communication about company activities that may affect the local area.
4	Employees and workers	No	<ul style="list-style-type: none"> <li>Email</li> <li>Newsletters</li> <li>Notice boards</li> <li>Websites</li> <li>Appraisal cycles</li> <li>Training programmes (on-site and in-house),</li> <li>Meetings, discussions, etc</li> </ul>	On-going	Engagement focuses on sharing company updates, discussing workplace conditions, collecting employee feedback, and supporting career development. The company also addresses employee concerns and communicates policies and benefits.
5	Supplier/ Vendor	No	<ul style="list-style-type: none"> <li>Email</li> <li>In-person meetings</li> <li>Virtual meetings</li> </ul>	On-going	The company works with suppliers and vendors to clarify business requirements, communicate quality standards, and address any issues related to product or service delivery. Feedback is used to improve collaboration and ensure compliance with company expectations.



**Leadership Indicators**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The company maintains transparent and ongoing communication with stakeholders regarding economic, environmental, and social topics through established engagement mechanisms such as dialogue sessions, surveys, and feedback channels led by senior management. Stakeholders receive timely access to relevant information while safeguarding confidentiality as appropriate. Currently, while direct Board-level consultations are being formalized, feedback gathered from stakeholder engagements is summarized and reported to the Board to inform decision-making. In cases where consultations are delegated, structured processes ensure that comprehensive summaries of stakeholder input are provided to the Board for review and consideration, supporting informed governance and accountability.

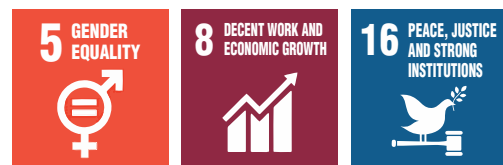
**2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, stakeholder consultation is actively used by the company to support the identification and management of environmental and social topics. For instance, customers highlighted the importance of robust ESG performance and suggested that the company undergo third-party evaluations such as through EcoVadis. In response to this input, the company strengthened its internal policies, SOPs, and assessment frameworks related to sustainability and corporate responsibility. Furthermore, this led to the company undertaking assessments of its value-chain partners on critical issues such as human rights, health, and safety. Selected value-chain partners also received targeted training, reinforcing the company's commitment to responsible business practices. These actions demonstrate how the company integrates stakeholder feedback into its policies and activities, ensuring continuous improvement in its environmental and social performance.

**3. Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable/marginalized stakeholder groups.**

The company proactively identifies and engages with vulnerable and marginalized stakeholders, particularly through structured community outreach as part of the CSR initiatives. The company conduct regular needs assessments to ensure the initiatives directly address the most pressing local concerns. The company's actions have included (over the years) targeted healthcare camps, rural development projects, women's empowerment programs, environmental conservation, sanitation improvements, and drinking water initiatives. These efforts are designed in close consultation with community representatives to maximize relevance and impact, while also supporting broader goals of inclusive development and social equity. This approach ensures the CSR interventions are responsive, measurable, and aligned with the vulnerable communities' priorities.

**PRINCIPLE 5: Businesses should respect and promote human rights**



**Essential Indicators**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	1,248	784	62.82%	1,087	0	0%
Other than permanent	96	83	86.46%	34	0	0%
<b>Total Employees</b>	<b>1,344</b>	<b>867</b>	<b>64.51%</b>	<b>1,121</b>	<b>0</b>	<b>0%</b>

Workers						
Permanent	566	317	56.01%	536	0	0%
Other than permanent	1215	1,075	88.48%	942	0	0%
<b>Total Employees</b>	<b>1781</b>	<b>1,392</b>	<b>78.16%</b>	<b>1478</b>	<b>0</b>	<b>0%</b>

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2024-25						FY 2023-24			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>1,248</b>	<b>37</b>	<b>2.96%</b>	<b>1,211</b>	<b>97.04%</b>	<b>1,087</b>	<b>303</b>	<b>27.87%</b>	<b>784</b>	<b>72.13%</b>
Male	1,120	28	2.50%	1,092	97.5%	974	260	26.69%	714	73.31%
Female	128	9	7.03%	119	92.97%	113	43	38.05%	70	61.95%
<b>Other than Permanent</b>	<b>96</b>	<b>0</b>	<b>0%</b>	<b>96</b>	<b>100%</b>	<b>34</b>	<b>9</b>	<b>26.47%</b>	<b>25</b>	<b>73.53%</b>
Male	90	0	0%	90	100%	25	7	28.00%	18	72.00%
Female	6	0	0%	6	100%	9	2	22.22%	7	77.78%
<b>Workers</b>										
<b>Permanent</b>	<b>566</b>	<b>1</b>	<b>0.18%</b>	<b>565</b>	<b>99.82%</b>	<b>536</b>	<b>0</b>	<b>0%</b>	<b>536</b>	<b>100%</b>
Male	527	1	0.19%	526	99.81%	499	0	0%	499	100%
Female	39	0	0%	39	100%	37	0	0%	37	100%
<b>Other than Permanent</b>	<b>1215</b>	<b>339</b>	<b>27.90%</b>	<b>856</b>	<b>70.45%</b>	<b>942</b>	<b>301</b>	<b>31.95%</b>	<b>641</b>	<b>68.05%</b>
Male	1013	334	32.98%	658	64.96%	847	300	35.42%	547	64.58%
Female	202	5	2.46%	198	98.02%	95	1	1.05%	94	98.95%

**3. Details of remuneration/salary/wages:**

a. Median remuneration/ wages:

	Male		Female	
	Number*	Median remuneration/salary/wages of respective category (Amount in ₹)	Number	Median remuneration/salary/wages of respective category (Amount in ₹)
Board of Directors (BoD) <sup>1</sup>	2	230,33,772	0	Not applicable
Key Managerial Personnel <sup>2</sup>	2	98,87,439	0	Not applicable
Employees other than Board of Directors and KMP	1206	4,08,113	134	4,33,237
Workers	1540	2,98,565	241	1,18,647

<sup>1</sup>Remuneration is not applicable to the independent directors

<sup>2</sup>Mr. Sushil Suri, Chairman and Managing Director, and Mr. Sanjay Suri, Whole-time Director, are both KMPs. Their remuneration has been included in the BODs.

\*The total number of BoDs (both full-time and independent) is provided in the 'General Disclosures' Section.

b. Gross wages paid to females as % of total wages paid by the entity

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	11.14%	10.96%

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the Human Resources Department (HRD) is responsible for addressing human rights impacts and issues caused or contributed to by the business. HRD ensures that human rights concerns are systematically identified, evaluated and managed. It oversees the implementation of relevant policies and ensures that human rights issues are addressed transparently and effectively.



**5. Describe the internal mechanisms in place to redress grievances related to human rights issues**

The company has established an internal grievance mechanism (available on the company website) for addressing human rights concerns, accessible to all employees and external stakeholders. The HRD oversees a clear, transparent process for reporting, investigating, and resolving grievances, with outcomes communicated to complainants in a timely manner. To ensure accessibility and protect vulnerable groups, the mechanism is designed with anonymity safeguards, anti-retaliation policies, and culturally sensitive procedures. Regular training and awareness initiatives are communicated to employees and stakeholders about human rights and how to use the grievance system. The effectiveness of these processes is continuously monitored and improved through systematic evaluation.

**6. Number of Complaints on the following made by employees and workers:**

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	N.A.	1	0	N.A.
Discrimination at workplace	0	0	N.A.	0	0	N.A.
Child Labour	0	0	N.A.	0	0	N.A.
Forced Labour/Involuntary Labour	0	0	N.A.	0	0	N.A.
Wages	0	0	N.A.	0	0	N.A.
Other human rights related issues	0	0	N.A.	0	0	N.A.

Note: Values are reported on the stand-alone basis

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0*
Complaints on POSH as a % of female employees/ workers	0%	0%
Complaints on POSH upheld	0	0

\*Value is reported on the stand-alone basis.

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The company's Grievance Redressal Mechanism prevents adverse consequences to complainants in discrimination and harassment cases. The aforementioned mechanism includes confidential reporting channels, thorough and impartial investigations, and immediate corrective actions to address aforementioned issues. Regular training is provided to employees and workers to foster a respectful workplace culture and reinforce these protections.

**9. Do human rights requirements form part of your business agreements and contracts?**

Yes, some of the company's agreements are integrated with human rights requirements, which includes compliance of labour laws including prohibition to employee child labour and prevention from sexual harassment and any kind of discrimination. The company will ensure to capture aforesaid requirement as a forming part of all business agreements and contracts in due course of time. Additionally, the company's human rights policy also mandated protection of human rights by its contractors and suppliers.

**10. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

Not applicable

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Since no grievances/complaints were received during the year under review, there was no need to modify or introduce any business process.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

The company has undertaken internal due diligence, in accordance with the "Standard Operating Procedure for Conducting Internal Audits for Human Rights Violations" during the reporting period. The scope of internal human rights due diligence covered the following topic: Child Labour, Forced Labour, Wages, Sexual Harassment, Bonded Labour; and was conducted at the manufacturing facilities and the corporate office.

The company remains committed to upholding human rights across all its operations. Company's ongoing efforts include internal assessments and stakeholder consultations to identify and address potential human rights concerns. Plans are underway to implement a comprehensive third-party led due-diligence process in the subsequent FYs.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	1.79%
Discrimination at workplace	1.79%
Child Labour	1.79%
Forced Labour/Involuntary Labour	1.79%
Wages	1.79%

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

In response to the assessments conducted, the company has highlighted and communicated targeted corrective actions to address identified risks and concerns to the respective value-chain partners. Furthermore, value-chain partners were provided training and guidance to ensure statutory requirements and company's human rights policy.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**




**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024-25 (GJ)	FY 2023-24 (GJ)
<b>From renewable sources</b>		
Total electricity consumption (A)	0.00 GJ	0.00 GJ
Total fuel consumption (B)	2,61,073.79 GJ	0.00 GJ
Energy consumption through other sources ( C )	0.00 GJ	0.00 GJ
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>2,61,073.79 GJ</b>	<b>0.00 GJ</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	95,770.57 GJ	83,218.06 GJ
Total fuel consumption (E)	77,173.59 GJ	2,81,306.19 GJ
Energy consumption through other sources (F)	0.00 GJ	
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>1,72,944.16 GJ</b>	<b>3,64,524.25 GJ</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>4,34,017.95 GJ</b>	<b>3,64,524.25 GJ</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations) GJ / L INR	<b>2.80 GJ/L INR</b>	<b>2.38 GJ/L INR</b>
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP) GJ / L INR	<b>57.32 GJ/L INR</b>	<b>54.53 GJ/L INR</b>
<b>Energy intensity in terms of physical output*</b>	<b>0.00</b>	<b>0.00</b>
Energy intensity (optional) – the relevant metric may be selected by the entity	0.00	0.00

\*Due to the complexity of the company's products, the company is not disclosing the intensity as per production volume as a single unit for this financial year. The company has initiated processes to capture this information and will disclose it in FY 2025-26. Additionally, please note that wood fuel consumption has been included under the category of total fuel consumption under renewable energy sources.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the company does not have any sites or facilities identified as Designated Consumers (DCs) under the Government of India's Performance, Achieve and Trade (PAT) Scheme.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2024-25	FY 2023-24
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0.00	0.00
(ii) Groundwater	96,154.22	94,209.00
(iii) Third party water	37,885.84	12,729.50
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	46.00	0.00
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>1,34,086.07</b>	<b>1,06,938.50</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>93,987.87</b>	<b>61,139.05</b>
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) KL / L INR	0.607 KL / L INR	0.399 KL / L INR
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) KL / (PPP Adjusted) /L INR	12.412 KL / (PPP Adjusted) /L INR	9.146 KL / (PPP Adjusted) /L INR
Water intensity in terms of physical output*	–	–

\*Due to the complexity of the company's products, the company is not disclosing the intensity as per production volume as a single unit for this financial year. The company has initiated processes to capture this information and will disclose it in subsequent years.

**4. Provide the following details related to water discharged:**

Parameter	FY 2024-25	FY 2023-24
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
- No treatment	0.00	0.00
With treatment - please specify level of treatment	0.00	0.00
<b>(ii) To Groundwater</b>		
- No treatment	0.00	0.00
- With treatment - please specify level of treatment	0.00	0.00
<b>(iii) To Seawater</b>		
- No treatment	0.00	0.00
- With treatment - please specify level of treatment	0.00	0.00
<b>(iv) Sent to third-parties</b>		
- No treatment	39,940.00	45,656.00
- With treatment - please specify level of treatment	39,940.00 <sup>1</sup>	45,656.00 <sup>1</sup>
<b>(v) Others</b>		
- No treatment	158.20	143.45
- With treatment - please specify level of treatment	158.20 <sup>2</sup>	143.45 <sup>2</sup>
<b>Total water discharged (in kilolitres)</b>	<b>40,098.20</b>	<b>45,799.45</b>

<sup>1</sup> Primary treatment; <sup>2</sup>After primary treatment, waste water has been sent to Municipal Corporation for final treatment.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, the company has implemented a Zero Liquid Discharge (ZLD) system at its Masulkhana facility, ensuring that all industrial wastewater is treated, recycled, and reused within the plant, with no liquid effluent discharged into the environment. The process involves collecting and treating all waste water streams including high and low COD as well as high TDS through a series of steps such as equalization, primary settling, evaporation, biological treatment, and advanced purification via reverse osmosis.

The treated water from the ZLD system is reused in the facility's cooling tower, while any remaining solids are safely disposed of at a designated waste management site. This closed-loop approach maximizes water recovery, minimizes environmental impact, and fully supports the company's commitment to sustainable operations.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2024-25	FY 2023-24*
NOx	MT	45.33	48.72
SOx	MT	21.84	10.23
Particulate matter (PM)	MT	43.84	88.77
Persistent organic pollutants (POP)	MT	0.00	0.00
Volatile organic compounds (VOC)	MT	0.00	0.00
Hazardous air pollutants (HAP)	MT	0.00	0.00

Note: The value reported for FY 2024-25 may show variance when compared to FY 2023-24 due to enhancements in data collection practices and greater alignment with internal reporting protocols. These gaps have been addressed through improved data collection and verification mechanisms, leading to improved accuracy and reliability in the current reporting cycle.

\*Values re-checked and reported for the previous FY.



**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	2024-25	2023-24
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	7,128.947	31,403.01
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	18,888.099	16,412.46
Biogenic emissions	tCO <sub>2</sub> e	29,295.013	0.00
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)</b>	Metric tonnes of CO <sub>2</sub> equivalent/ L INR	0.17	0.32
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)</b>	Metric tonnes of CO <sub>2</sub> equivalent/ L INR	3.44	7.16
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output*</b>		-	-

\*Due to the complexity of the company's products, the company is not disclosing the intensity as per production volume as a single unit for this financial year. The company has initiated processes to capture this information and will disclose it in subsequent years. This year, the company has included emission under biogenic emissions instead of Scope 1 GHG emissions.

**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Yes, the company has implemented several projects to reduce greenhouse gas emissions.

At the Baddi API facility, energy-saving initiatives include installing variable frequency drive (VFD)-controlled brine screw chillers and water chillers to lower energy use, replacing older cooling tower fans with more efficient models, and installing condensate recovery pumps to improve steam system efficiency. Steam traps were upgraded to maximize condensate recovery, and steam pipelines were modified to better match plant requirements, which helps cut energy waste. The company also plans to conduct an energy audit of air handling units to identify further opportunities for energy savings. At the Masulkhana site, three reciprocating chillers using R-22 refrigerant have been replaced with new screw chillers that use R-404A, a refrigerant that does not contribute to ozone depletion. This change supports both energy efficiency and environmental protection.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2024-25	FY 2023-24
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	0.00	1.14
E-waste(B)	0.00	0.05
Bio-medical waste ( C )	0.09	0.04
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	0.00	0.00
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	4,193.97	3,506.46
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	200.01	0.00
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>4,394.07</b>	<b>3,507.69</b>
<b>Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations) kg / L INR</b>	<b>28.40 kg / L INR</b>	<b>22.93 kg / L INR</b>
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)</b>	<b>580.31 kg (PPP Adjusted) / L INR</b>	<b>524.74 kg / L INR</b>

Waste intensity in terms of physical output	0 kg /	0 kg/
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	0.00	0.00
(ii) Re-used	0.00	0.00
(iii) Other recovery operations	2,580.48	0.00
<b>Total</b>	<b>2,580.48</b>	<b>0.00</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0.09	0.00
(ii) Landfilling	1,197.99	231.54
(iii) Other disposal operations	578.93	583.94
<b>Total</b>	<b>1,777.01</b>	<b>815.48</b>

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

At Baddi, the company has established clear procedures for managing waste throughout its activities. Waste is separated into hazardous and non-hazardous categories, with each type stored in specific, secure areas. Staff members responsible for waste handling receive regular training and follow defined standard operating procedures. The company works with government-approved agencies to ensure that all waste is disposed of or processed safely and legally, including co-processing where appropriate. Material Safety Data Sheets are kept for all chemicals, and all waste storage areas are secured.

At Masulkhana, the company continues to reduce the amount of waste produced and sends it to authorized Treatment, Storage, and Disposal Facilities. Spent solvents are either recovered and reused on-site or sent to registered recyclers. Process improvements are encouraged to increase product yield and minimize waste. All waste is clearly labeled, securely stored, and disposed of according to regulations.

At Parwanoo, the company has also worked to lower waste generation and directs waste to authorized facilities. Dedicated storage areas are maintained for different waste types, and process improvements are supported to further reduce waste. All waste is handled in line with regulatory requirements.

At the Head Office, waste management is overseen by the BMS team. The company uses an authorized vendor, Green Motive Facilities, for waste collection. Separate bins are provided for dry and wet waste. Housekeeping staff collect, segregate, and dispose of waste daily, ensuring proper separation and responsible disposal.

To reduce the use of hazardous and toxic chemicals, the company reviews its processes regularly to find opportunities for improvement. Training is provided to employees involved in handling these materials, and efforts are made to recycle waste and reduce the amount spent on landfills.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					



**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

The company is compliant with all applicable environmental laws, regulations, and guidelines in India, including the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, the Environment (Protection) Act, 1886, and the rules framed thereunder.

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

**Leadership Indicators**

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25	FY 2023-24		
<b>Water withdrawal by source (in kilolitres)</b>				
(i) Surface water	Not applicable as none of the sites are in water stress areas.			
(ii) Groundwater				
(iii) Third party water				
(iv) Seawater / desalinated water				
(v) Others				
<b>Total volume of water withdrawal (in kilolitres)</b>				
<b>Total volume of water consumption (in kilolitres)</b>				
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>				
<b>Water discharge by destination and level of treatment (in kilolitres)</b>				
(i) Into Surface water				
- No treatment				
- With treatment – please specify level of treatment				
(ii) Into Groundwater				
- No treatment				
- With treatment – please specify level of treatment				
(iii) Into Seawater				
- No treatment				
- With treatment – please specify level of treatment				
(iv) Sent to third-parties				
- No treatment				
- With treatment – please specify level of treatment				
(v) Others				
- No treatment				
- With treatment – please specify level of treatment				
<b>Total water discharged (in kilolitres)</b>				

Note: Indicate if any independent assessment /evaluation /assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency - No

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2024-25	FY 2023-24
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of Co2 equivalent	At present not been accounted.	
<b>Total Scope 3 emissions per rupee of turnover</b>	-		
<b>Total Scope 3 emissions intensity</b> (Optional)-the relevant metric may be selected by the entity	-		

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

At the Baddi plant, the company has taken specific steps to address potential impacts on biodiversity in ecologically sensitive areas. These include adopting established pollution control technologies and practices to limit emissions to air, water, and soil, and maintaining spill prevention and response procedures. The company also follows sustainable resource management, which involves sourcing raw materials responsibly and working to minimize waste generation. To support biodiversity, habitat enhancement activities have been carried out, and the company has participated in species recovery efforts, including captive breeding, reintroduction, and threat mitigation for certain species. Where impacts cannot be avoided, measures such as reducing the infrastructure footprint, using less intrusive technologies, applying operational controls to reduce noise and dust, and scheduling activities to avoid sensitive wildlife periods have been implemented.

At the Masulkhana and Parwanoo plants, the facilities are not located in ecologically sensitive areas, so direct or indirect impacts on biodiversity are not applicable.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Energy efficient CT Fans	Installation of Aero Vertex energy efficient cooling tower fans completed. Aluminium blade fans were replaced with Aero Vertex models. Four fans have been installed, reducing power consumption.	Achieved approximately 27% energy savings compared to standard aluminium fans. Power consumption reduced from 22 kW to 15.9 kW.
2	PPP Pumps	Installation of three condensate recovery pumps (PPP Pumps) completed to enhance steam system efficiency.	Improved condensate recovery, contributing to better energy utilization in the steam system.
3	pH Sensor cum Controller	Installed pH Sensor cum Controller with control valve to automate HCl addition in reactors and maintain pH levels. Installation of three additional pH sensors is in progress.	Reduced need for manual intervention and enabled online data monitoring for better pH control in the system.
4	Flow meter to control Calcium Acetate addition	Installed flow transmitter with control valve and PLC system to automate and regulate calcium acetate addition in reactors.	Reduced manual intervention and achieved more accurate and consistent control of calcium acetate dosing.
5	Flow meter to control DI Water	Installed flow transmitter with ON/OFF valve and PLC system to automate deionized water addition in all reactors.	Reduced manual input and ensured precise control over the quantity of deionized water supplied to systems.
6	Steam control valve in DST of SRP	Installed eight temperature controller loops with steam control valves in DST columns of SRP to regulate steam supply.	Achieved better temperature control in the system, resulting in reduced steam wastage.



**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ weblink.**

Yes, the company has established a business continuity and disaster management plan to help maintain operations and protect stakeholders in the event of disruptions. The plan involves identifying potential risks such as natural disasters, pandemics, and supply chain issues, and outlines specific steps to address these challenges. Procedures are in place for timely communication during emergencies, and contingency arrangements have been developed for key areas including production, distribution, and information technology. A dedicated team is responsible for managing crisis situations. Employees receive regular training and participate in simulation exercises.

The company maintains strategic reserves of essential materials and ensures that facilities have backup power and safety systems. The plan is reviewed and updated as needed to remain relevant to changing circumstances and regulatory standards.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

The company has not identified any significant adverse environmental impacts directly arising from its value chain in the reporting year. While value chain partners have not yet been formally assessed for environmental impact, the company is aware of the importance of responsible sourcing and is preparing to initiate these evaluations in the near future. In the meantime, internal measures such as waste reduction, increased recycling, and efforts to minimize emissions have been implemented to address potential risks in production and disposal processes. The company is also committed to further strengthening its approach by introducing life cycle assessments and additional partner engagement as part of its ongoing sustainability efforts.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

The company is actively working toward developing a structured framework to evaluate environmental performance and impacts across the value chain.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**



**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.  
Two
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S.No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	PHD Chamber of Commerce and Industry	National
2	Confederation of Indian Industry	National

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

The company has not received any adverse orders from regulatory authorities on any issues related to anti- competitive conduct.

Name of authority	Brief of the case	Corrective action taken
NIL		

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information is available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
NIL					

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**



**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

The company had started construction and expansion activities in Baddi (Himachal Pradesh) during 2024–25, focusing on increasing manufacturing capacity, advancing backward integration, and strengthening its presence in both domestic and international markets. SIA was not applicable to this project as the construction happened on the land, which was acquired before 2014, which falls out of the purview for SIA in accordance with the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLARR) Act, 2013.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable as per the RFCTLARR Act (2013)					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable as per the RFCTLARR Act (2013)						

**3. Describe the mechanisms to receive and redress grievances of the community.**

The company has established Grievance Redressal Mechanism, which also applies to the local communities and panchayats, as outlined in our Grievance Redressal Policy (available at: <https://www.morepen.com/public/img/pdf/Greivance%20Redressal%20Policy%20-%20Morepen.pdf> ). Complaints are addressed through prompt, impartial investigations and timely, effective resolutions. The HRD is the point of contact to receive all grievances, *inter alia*, with respect to the company's operations. All grievances are systematically documented, tracked, and analyzed to identify trends, drive continuous improvement, and uphold accountability.



**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	0.77%	1.83%
Directly from within India	36.92%	39.79%

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2024-25	FY 2023-24
Rural	21.85 %	25.72%
Semi-Urban	48.68 %	40.89%
Urban	8.08 %	7.48%
Metropolitan	21.41 %	25.91%

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Nil	-

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S.No.	State	Aspirational District	Amount spent (in INR)
-	-	-	-

Note: The company undertakes CSR activities in other districts of Himachal Pradesh and Jammu and Kashmir, which are not classified as Aspirational Districts.

**3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) –**

No

Note: The company has developed a Sustainable Procurement Policy in the reporting period. This policy aims to diversify company's supplier base to also include marginalized and vulnerable groups. We will report on such procurements in the subsequent years.

(b) From which marginalized /vulnerable groups do you procure? – Not Applicable

(c) What percentage of total procurement (by value) does it constitute? – Not Applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

**6. Details of beneficiaries of CSR Projects**

S. No.	CSR Project(s)	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
<b>A Promoting healthcare including preventive healthcare</b>			
1	Charitable dispensary – consultancy and free of cost medical aids.	2000	Vulnerable- 25% Marginalized- 12%
2	Healthcare facility to community, preventive health check-up camps, financial support to underprivileged for medical aid and drainage system	450	Vulnerable- 30% Marginalized- 40%
3	Financial Aid to "Society for Rehabilitation of Mentally Challenged (SOREM)"	150	Vulnerable- 15% Marginalized- 25%
4	Financial Aid to Society "SEWA BHARTI"	175	Vulnerable- 15% Marginalized- 25%
<b>B Promoting Education</b>			
1	Skill development / apprenticeship training, infrastructure to schools, financial assistance towards children's education and financial support to engage teaching staff.	1500 through school infrastructure+8 students +2 Teachers+650 apprentices	Vulnerable- 25% Marginalized- 35%
<b>C Rural Development Projects</b>			
1	Rural Transformation – Installation of streetlights, construction of retaining wall, pathway and development of community hall	850	Vulnerable- 35% Marginalized- 20%
<b>D Conservation of natural resources maintaining quality of soil, air and water</b>			
1	Solid waste management & plantation	450	Vulnerable- 42% Marginalized- 36%
<b>E Women empowerment</b>			
1	Financial assistant to underprivileged - Widow pension, financial support and help to the poor.	14	Vulnerable- 50% Marginalized- 50%
<b>F Promoting Sports</b>			
1	Sports - Infrastructure, equipment, and training for promoting sports.	300	Vulnerable- 12% Marginalized- 5%

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**



**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Yes, the company maintains mechanisms for receiving and responding to consumer complaints and feedback. The company ensures that product information complies with regulatory requirements and provide accessible customer feedback channels, including digital platforms and satisfaction surveys. All feedback is systematically documented and analyzed as part of our Post Market Surveillance (PMS) processes, which also integrate insights from e-commerce



platforms, for the medical devices' products, a comprehensive view of product performance and customer experience. The vigilance and PMS procedures include prompt investigation of complaints, implementation of corrective and preventive actions (CAPA) where necessary, and ongoing trend analysis to drive continuous improvement and ensure regulatory compliance.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage of total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	100% of the formulation products and medical devices carry information on safe and responsible usage.
Recycling and/or safe disposal	0%

Note: As a pharmaceutical and API manufacturer, the company strictly adheres to national and global labelling mandates, including the Drugs and Cosmetics Act, 1940, Drugs and Cosmetics Rules, 1945, and WHO GMP guidelines, ensuring all product information is accurate and compliant.

**3. Number of consumer complaints in respect of the following:**

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL		NIL	NIL	
Advertising	NIL	NIL		NIL	NIL	
Cyber-security	NIL	NIL		NIL	NIL	
Delivery of essential services	NIL	NIL		NIL	NIL	
Restrictive Trade Practices	NIL	NIL		NIL	NIL	
Unfair Trade Practices	NIL	NIL		NIL	NIL	
Other	16**	0	All complaints received pertain exclusively to product quality, labelling, or packaging. Each complaint is thoroughly investigated, and some were found invalid upon review.	13**	0	All complaints received pertain exclusively to product quality, labelling, or packaging. Each complaint is thoroughly investigated, and some had found invalid upon review.

\*\*Note: To enhance the clarity and relevance of reporting, the company has established and defined criticality levels of consumer complaints- minor, major and critical. This ensures a more accurate reflection of significant issues. From this reporting cycle, the company is reporting only major and critical complaints. In the current financial year, the company received 28765 (including 16 major and critical complaints) as compared to 37771 complaints (including 13 major and critical complaints) in the previous financial year.

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	NIL	Not applicable
Forced recalls	NIL	Not applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the policy can be accessed at: <https://www.morepen.com/public/img/pdf/INFORMATION%20SECURITY%20POLICY.doc.pdf>

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services**

Not such incident

**7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches - NIL
- b. Percentage of data breaches involving personally identifiable information of customers - 0%
- c. Impact, if any, of the data breaches – Not Applicable

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The products and services can be accessed at the website of the company through different web links as under:

- API products : <https://www.morepen.com/api>
- Medical Device : <https://www.morepen.com/homehealth>
- Finished formulations : <https://www.morepen.com/formulations>

In addition to the above, medical device products are also available at various e-commerce platforms. The company has launched two major digital initiatives to support customer health and wellness: the “Dr. Morepen – Sync App” and “LightLife by Dr. Morepen”. The Sync App seamlessly connects users with the company's diagnostic devices, such as glucometers and blood pressure monitors, enabling them to log, track, and visualize health metrics, receive personalized insights, and share reports with healthcare providers.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The company is committed to ensuring the safe and responsible use of its products by providing a detailed Instruction for Use (IFU) with every item. The IFU clearly outlines the product name, ingredients, usage instructions, recommended dosage, storage, and safety guidelines, as well as relevant warnings or disclaimers. To further support the consumers, each product's packaging features a toll-free number for direct access to the technical support team, which is available via phone, online, and in-person to address any concerns promptly. These measures empower consumers with the knowledge and resources needed to use company's products effectively and safely, in accordance with regulatory requirements.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The company maintains procedures to ensure timely and transparent communication with consumers regarding any risk of disruption or discontinuation of essential services. The company strictly adheres to all applicable laws and regulations and has established clear protocols for issuing advisory notices and managing product recalls. These mechanisms are designed to proactively inform and protect consumers, supporting both regulatory compliance and responsible business conduct.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No).**

No, the company ensures that all product information complies strictly with the requirements mandated by local laws and relevant global standards.

Yes, the company conducts customer satisfaction surveys. Customer feedback formats are in place, and Post Market Surveillance (PMS) reports are regularly compiled. These reports include feedback from e-commerce platforms as well, ensuring comprehensive insights into customer satisfaction and product performance.



**ANNEXURE 'E'**

**ANNUAL REPORT ON CSR ACTIVITIES**

**1. Brief outline on CSR Policy of the Company.**

The company's Corporate Social Responsibility (CSR) policy is strategically crafted to foster sustainable socio-economic development within the communities where it operates. This commitment is anchored in ethical business practices and a long-term vision for positive societal impact.

**Key Focus Areas**

**• Healthcare Initiatives**

The company prioritizes preventive healthcare through the organization of medical camps and health awareness programs. These initiatives aim to enhance community health and well-being.

**• Education and Skill Development**

Efforts are directed towards providing scholarships, improving school infrastructure, and offering adult education and vocational training programs. These initiatives seek to empower individuals and promote lifelong learning.

**• Environmental Sustainability**

The company is dedicated to conserving natural resources, managing waste effectively, and reducing carbon footprints. These actions contribute to the protection of biodiversity and the conservation of water and soil.

**• Rural Development**

Support is extended to rural communities through agricultural programs, infrastructure development, and livelihood enhancement initiatives. These efforts aim to uplift rural populations and promote sustainable development.

**2. Composition of CSR Committee.**

Sl. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sushil Suri	Executive Director (Chairman)	4	4
2	Mr. Praveen Kumar Dutt	Independent Director (Member)	4	4
3	Mrs. (Dr.) Savita	Independent Director (Member)	4	2*

\*Appointed as a member of CSR committee on 27<sup>th</sup> August 2024.

**3. Weblink where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.**

Composition of CSR committee: <https://www.morepen.com/aboutus>  
 CSR Policy: <https://www.morepen.com/public/img/pdf/Corporate-Social-Responsibility-Policy.pdf>  
 CSR projects: <https://www.morepen.com/public/img/pdf/Annual%20Action%20Plan%2024-25.pdf>

**4. The details executive summary along-with web-link of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.**

Not applicable

- 5. (a) Average net profit of the company as per section 135(5) : ₹11,255.99 Lakh
- (b) Two percent of average net profit of the Company as per section 135(5): ₹225.11 Lakh
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set off\* for the financial year, if any: ₹17.23 Lakh

[\*Pursuant to Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, excess amount of CSR spent may set off against the requirement to spend under section 135(5) in current year, up-to immediate succeeding three financial years, therefore, aforesaid amount of preceding three financial years, in aggregate, was available for set off in the financial year 2024-25]

- (e) Total CSR obligation for the financial year [(5(b) + 5(c) - 5(d))]: ₹207.88 Lakh
- 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹225.50 Lakh
- (b) Amount spent in Administrative Overheads : Nil
- (c) Amount spent on Impact Assessment, if applicable : Not applicable
- (d) Total amount spent for the Financial Year [(a) + (b) + (c)] : ₹225.50 Lakh
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Lakh)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
225.50	NIL	-	-	Nil	-

**(f) Excess amount for set off, if any:**

Sl. No.	Particular	Amount (₹ in lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	225.11
(ii)	Total amount spent for the Financial Year	225.50
(iii)	Excess amount spent for the Financial Year[(ii)-(i)]	0.39
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial year [(iii) - (iv)]	0.39

**7. Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
-	-	Nil	-	-	-	-	-	-

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

If yes, enter the number of Capital assets created/ acquired: Not applicable.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. : Not applicable.**

For Morepen Laboratories Limited

Sushil Suri  
(Chairman & Managing Director)  
(Chairman - CSR Committee)  
DIN: 00012028

Place: Gurugram, Haryana

Date : 6<sup>th</sup> August 2025



## ANNEXURE 'F'

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Information under Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the year ended 31<sup>st</sup> March 2025]

#### A. CONSERVATION OF ENERGY

##### 1) Energy Conservation measures taken:

- **Replacement of Cooling Tower Fans:**

The Company successfully replaced 4 aluminium blade cooling tower (CT) fans with energy-efficient Aero Vertex fans, resulting in estimated annual savings of ₹3.00 Lakhs. Further, the company plans to replace an additional 10 CT fans in the coming year, which is projected to yield further annual savings of approximately ₹7.37 Lakhs.

- **Installation of 83 TR VFD-Controlled Brine Chiller:**

Replaced one 30 TR reciprocating-type chiller with a more efficient 83 TR Variable Frequency Drive (VFD)-controlled brine chiller, resulting in estimated annual savings of ₹10 Lakhs.

- **Commissioning of 300 TR VFD-Controlled Water Chiller:**

Installed a 300 TR VFD-controlled water chiller to reduce the load on brine chillers. Plans are in place to utilize this system in Air Handling Units (AHUs) to eliminate the use of DX (Direct Expansion) units.

- **Upgradation of Cooling Tower Fans:**

Fitted all four cooling tower fans with high-efficiency, non-clogging fins based on German design, offering a lifespan of 15 years with reduced deterioration and lower maintenance costs.

- **Power Factor Optimization:**

Maintained a power factor of 0.998 consistently throughout the year, indicating efficient utilization of the electrical infrastructure.

- **Upcoming Installation – 90 TR VFD-Controlled Screw-Type Brine Chiller**

Planned replacement of three 30 TR reciprocating chillers with a single 90 TR VFD screw-type chiller, with projected savings of ₹58.78 Lakhs annually.

- **Condensate Recovery Enhancement:**

Installed three PPP condensate recovery pumps across various plant locations, redirecting steam condensate back to boilers (instead of the ETP). Additionally, 30 steam traps were installed to minimize steam fluctuations. These measures have led to a 5% increase in condensate recovery compared to the previous year average.

- **Automation & Process Control :**

Implemented PLC-based automation for pH control and calcium acetate dosing in reactors. Also added real-time temperature monitoring in reactors and dedicated process Equipments.

- **Steam Efficiency at SRP:**

Installed steam control valves with controllers in seven DST columns, enabling precise regulation and reduced steam consumption.

- **Proposed Transition to Chilled Water Coil AHUs:**

A proposal is underway to replace all DX units in plant AHUs with chilled water coils, with an expected annual saving of ₹57.00 Lakhs.

##### 2) Impact of measures taken:

A significant reduction in per-unit energy consumption i.e., decreased by 3.16 percent per kilogram of production compared to the previous financial year ending 31<sup>st</sup> March 2024.

##### 3) Steps taken for utilizing alternate source of energy:

The Company continues to prioritize clean energy adoption, fuel optimization, and environmentally responsible practices across its manufacturing units. Several key initiatives have been undertaken or planned to enhance cost efficiency and reduce the environmental footprint:

- **Commissioning of LPG-Fired Boiler :**

Replacement of the existing LSHS-fuelled boiler with an LPG-fired boiler is scheduled to be completed in the financial year 2025-26, aligning with the Company's commitment to cleaner fuel alternatives.

- **Order Placement for 16 TPH Biomass Boiler :**

A new 16 TPH boiler using Parali-based (agricultural residue) fuel is being procured to replace wood fuel, with an estimated annual cost saving of ₹288.86 Lakhs.

- **Zero Liquid Discharge (ZLD) System–MEE Plant:**

The Company has placed an order for a Multiple Effect Evaporator (MEE) Plant, supporting its Zero Liquid Discharge compliance at the Baddi facility. The initiative is expected to deliver savings of ₹574.00 Lakhs per annum while enhancing environmental sustainability.

- **-60°C Chiller Installation to Replace LN<sub>2</sub>:**

To reduce dependency on liquid nitrogen (LN<sub>2</sub>) for plant operations, the Company has ordered a -60°C chiller system, projected to lower production costs by approximately ₹142.00 Lakhs annually.

- **Solar Energy Initiative :**

Preliminary work for a 1,100 KW solar power plant at the Baddi facility has been completed. Order placement is scheduled in the next financial year, supporting the Company's broader renewable energy goals.

##### 4) Reduction in Green House Gases emission:

As part of its commitment to environmental

sustainability and carbon footprint reduction, the Company has initiated key projects that are expected to significantly lower GHG emissions:

- **Solar Energy Conservation Projects:**

Upon completion of the planned solar installations, the Company is projected to reduce Greenhouse Gas (GHG) emissions by approximately 1,065 tonnes of CO<sub>2</sub> annually.

- **LPG Boiler Conversion at API Manufacturing Facility :**

The transition from LSHS to LPG fuel for boiler operations is estimated to result in a CO<sub>2</sub> emission reduction of approximately 3,090 tonnes per year, based on FY 2024-25 steam generation data.

##### 5) Capital investment on energy conservation equipment:

The Capital investment in energy conservation equipment made during the year is at ₹1094.00 Lakhs.

#### B. TECHNOLOGY ABSORPTION

##### 1) Efforts made towards technology absorption:

The modernization and upgradation of machinery and processes is a continuous journey for any progressive industry. Your Company remains committed to driving improvements across all its business segments, making the most of available resources. A key pillar of this transformation is the strengthening of in-house Research and Development (R&D) capabilities, aimed at accelerating the Company's growth trajectory and delivering world-class products.

In line with this vision, the company has significantly upgraded its R&D Centre located at the Masulkhana Site, transforming it into a state-of-the-art facility equipped with advanced technologies and instrumentation-including Water-UPLC and Buchi Rotavapor systems. These enhancements are aligned with the Company's strategy of fostering innovation and continuous improvement.



The sustained R&D efforts have enabled the Company to, Expand its Formulations portfolio and strengthen its market presence, Capture new products and geographies in the API segment and Deliver high-quality Medical Devices at affordable prices.

The following are the key areas of focus and technological developments undertaken for improvement in various APIs:

- Development of Sitagliptin Hydrochloride in Anti-Diabetic category were completed specifically for European Market.
- Development of Technology for Finerenone in Congestive Heart Failure (Heart Failure) / chronic kidney disease category was completed.
- Development of Technology for Cariprazine Hydrochloride in atypical antipsychotic category was completed.
- Development & scaleup of technology for Resmetirom New polymorph in Nonalcoholic Steatohepatitis (NASH) category was completed.
- Development & scaleup of technology for Resmetirom form I in Non-alcoholic Steatohepatitis (NASH) category was completed. Morepen has also filed for its approval its dosage form in India by top regulatory authority CDSCO.
- Development & scale up of technology for Bempedoic acid in anti-hypercholesterolemic category was completed.
- Development of technology for Rupatadine Fumarate in anti-histaminic category was completed.
- Development of technology for cost-effective route for USP/EP grade Rosuvastatin calcium in anti- hypercholesterolemic category was completed.
- Development of technology for synthesis

DMDO-Cl, one of the key intermediate of Olmesartan was completed.

- Development of alternative route of synthesis for anti-diabetic drug Empagliflozin was completed.
- The USDMF was filed for Ticagrelor in Anti-coagulant category.
- The USDMF was filed for Brexpiprazole in Atypical antipsychotic category.
- CEPs were filed for Rosuvastatin calcium process 4, Sitagliptin phosphate process 2.
- IDL China DMFs were filed for Vonoprazan & Linagliptin.
- The Dapagliflozin Propanediol DMFs were filed in Europe-Latvia, Lithuania, Estonia, Czech Republic, Slovak republic, Poland, Germany, Spain, France & Italy.
- The Dapagliflozin Amorphous DMFs were filed in Croatia, Slovenia, Bulgaria, Sweden, Belgium, Bulgaria, Cyprus, Austria, Malta, Hungary, Romania, Luxemburg, Greece, Portugal, Denmark, Estonia.
- The Empagliflozin DMFs were filed in Portugal, Germany, Latvia, Estonia, Czech republic, Italy, France, Poland, Spain, Lithuania, Slovak republic.
- Cost-effective enzymatic processes using green chemistry is being pursued for Sitagliptin and Montelukast in collaboration with an outside lab.

**2) New Formulations Developed and commercialized in different therapeutic categories**

- Commercialized anticoagulant, Ticagrelor 60 mg film coated tablet.
- Commercialized anticonvulsants, Oxcarbazepine Tablets IP 300 mg and 450 mg.
- Commercialized antidiabetic, Empagliflozin Tablets 10 mg and 25 mg.

- Commercialized antidiabetics, Empagliflozin & Metformin Tablets (12.5mg + 500mg and 12.5mg + 1000mg).
- Commercialized anticonvulsant, Gabapentin 100 mg & Nortriptyline 10 mg Tablets.
- Commercialized anticonvulsant and antidepressant, Pregabalin 75 mg & Nortriptyline 10 mg Tablets.
- Commercialized antacids, Acifix Raft suspension (Sodium alginate, Sodium bicarbonate, Calcium carbonate 250mg +133.5mg+80mg).

**3) New Formulations Developed in different therapeutic categories**

- Laxatives: Sennosides Tablets 8.6mg, Docusate sodium and Sennosides Tablets (50mg + 8.6mg) & Sodium picosulfate Syrup BP 5mg/5ml
- Anticonvulsant: Oxcarbazepine Tablets IP 300mg
- Proton pump Inhibitor: Rabeprazole GR Tablets IP 20mg and Pantoprazole Gastro-resistant Tablets IP 40mg
- Antidiabetics: Empagliflozin Tablets 10mg and 25mg
- Antihistaminics: Promethazine Syrup IP 5mg/5ml
- Anticoagulant: Apixaban Tablets 2.5mg/5mg
- Antacid: Acifix Raft suspension (Sodium alginate, Sodium bicarbonate, Calcium carbonate-250mg+133.5mg+80mg)
- Neuropathic pain and neuralgia medicine: Gabapentin & Nortriptyline Tablets (100mg +10mg) and Pregabalin & Nortriptyline Tablets (10mg+75mg)
- Vitamin: Folic acid tablets IP 5mg
- Alpha blocker: Silodosin capsules 4mg and 8mg

- Three small scale process validation batches of Resmetirom tablets 60mg, 80mg and 100mg completed successfully.
- Three process validation batches of Sennosides tablets under US OTC laxative category completed successfully.

**4) Product under stability**

- Rosuvastatin tablets USP 5mg, 10mg, 20mg & 40mg
- Aspirin Delayed release tablets USP 81mg
- Aspirin Delayed release tablets USP 325mg
- Diphenhydramine Tablets 25mg & 50mg
- Diphenhydramine Capsule 25mg & 50mg
- Oxcarbazepine Tablets IP 450mg
- Vortioxetine Tablets 5mg, 10mg & 20mg
- Resmetirom Tablets 60mg, 80mg & 100mg
- Levosalbutamol sulphate, Ambroxol Hydrochloride & Guaiphenesin Drops
- Montelukast & Levocetirizine Tablets 10mg & 5mg
- Aluminium hydroxide, Magnesium hydroxide & Oxetacaine suspension
- Bilastine & Montelukast Tablets 20mg & 10mg
- Telmisartan Sodium Tablets 20mg, 40mg & 100mg
- Esomeprazole Gastro-resistant Tablets IP 20mg & 40mg
- Cinnarizine Tablets IP 25mg & 75mg
- Dapagliflozin, Linagliptin and Metformin HCl ER tablets (5mg+5mg+500mg, 5mg+500mg +1000mg, 10mg+ 5mg+ 500mg and 10mg+ 5mg + 1000mg)
- Desloratadine Tablets 5mg
- Edoxaban Tablets 15mg, 30mg & 60mg



- Empagliflozin & Metformin Tablets (12.5mg + 500mg and 12.5mg + 1000mg)

**5) Benefits derived as a result of Research and Development (R&D) activities:**

The Company continues to register growth across all business segments by delivering world-class products at competitive prices. Its Active Pharmaceutical Ingredients (API) have established a strong presence in global markets, while Medical Devices, Formulations, and OTC businesses continue to expand their footprint in the domestic market.

By leveraging state-of-the-art machinery, advanced processes, and strengthened Research & Development (R&D) capabilities, the Company has significantly enhanced operational efficiencies. These efforts have made its operations more cost-effective and scalable, thereby reinforcing its position as a reliable provider of high-quality, affordable healthcare solutions.

The Company's consistent emphasis on innovation, process optimization, and product quality has not only fortified its competitive advantage but also elevated its standing as a trusted and innovative supplier in the pharmaceutical industry.

Aligned with its core philosophy of sustained investment in R&D across APIs, finished dosages, and OTC segments, the Company remains committed to delivering differentiated products with tangible value for stakeholders.

The following benefits have emerged from the Company's focused efforts in R&D, technology upgrades, and process improvements:

- Indian patent application entitled "Novel Processes For The Purification Of UDCA And Its Various Intermediates" was granted by Indian Patent office as IN533045.
- Indian Patent application titled "Process for

Preparing Defined Particle Size of Bempedoic Acid" was filed as IN202411031337.

- Indian Patent application titled "Process for The Purification of Brexpiprazole Hydrochloride" was filed as IN202411041694.
- Indian Patent application titled "Process for The Preparation of Resmetirom Form I" was filed as IN202411046749.
- Indian Patent application titled "Improved Process for the preparation of Saxagliptin Intermediate" was filed as IN202411054582.
- Indian Patent application titled "Process for the purification of Finerenone" was filed as IN202411070541.
- Indian Patent application titled "Purification of optically active dibenzoyl tartaric acid salt of Finerenone" was filed as IN202411104045.
- PCT as well as Indian Patent application titled "Process for the preparation of and Purification of Finerenone Form I" was filed as IN202511002364.
- PCT as well as Indian Patent application titled "Purification of optically active dibenzoyl tartaric acid salt of Finerenone" was filed as IN20241108116.
- Indian Patent application titled "Improved Cost-effective process for the preparation of Rosuvastatin Calcium" was filed as IN202511008238.

The state-of-the-art formulation development infrastructure and facilities in the company along with a rich talent pool of staff in formulation development is helping the company to establish its hold in the formulation sector.

The following benefits are derived from growth in the formulation sector:

- Regulatory filing of Resmetirom tablets 60mg, 80mg and 100mg with CDSCO for the treatment of NASH completed.

- Indian Patent application titled "Solid oral composition of telmisartan sodium and preparation thereof" was filed.
- PCT and Indian Patent application titled "Pharmaceutical composition of Resmetirom and process thereof" was filed.

**6) Future plan of action:**

The company continues to carry on various R&D initiatives and regularly upgrades its capabilities to offer best quality products across various geographies. Currently the R&D work is focused on:

- New drugs like Orforglipron calcium in Anti-obesity, Suzetrigine & Elinzanetant in CNS Category, Deucravacitinib in Anti-Psoriasis category, Aficamentan in Cardiovascular, Blarcamesine Hydrochloride in Anti-parkinsonian category are considered for development.
- New drugs like Mavacamten for abnormally thick heart muscles, Vibegron for treatment of overactive bladder, Lisdexamfetamine Dimesylate for treatment of ADHD are in advanced stages of development for current year.
- New drugs like Fezolinetant to treat menopausal symptoms are also to be taken up for development in the current year.

Formulation development initiatives are being undertaken by the company to develop products catering to different therapeutic categories. The formulation R&D team is focussed on developing finished products for different markets as given below:

- Aspirin Delayed release tablets USP 81mg and 325mg under Non-steroidal anti-inflammatory drug (NSAID) category,
- Diphenhydramine Tablets and Capsules 25mg & 50mg, Diphenhydramine Taste masked granules, Levodropropizine and Chlorpheniramine Maleate syrup under antihistaminic category.

- Linagliptin & Metformin Tablets (2.5mg+500mg) and Empagliflozin & Linagliptin Tablets- (10mg+5mg & 25mg+5mg) under antidiabetic category.
- Potassium chloride ER capsules 8mEq & 10 mEq and Potassium chloride ER Tablets 10 mEq, 15 mEq & 20 mEq under Electrolyte replenisher.
- Divalproex Sodium ER tablet USP 500 mg & 250mg under Anti-epileptic category.
- Oseltamivir Phosphate Capsules 75mg and Acyclovir Tablets IP 400mg in Antiviral category.
- Ursodeoxycholic acid Tablets IP 300mg and Ursodeoxycholic acid suspension BP 125 mg/5ml in Hepatoprotective category.
- Rifaximin tablet 400mg under antibiotics category for travellers diarrhea.
- Doxofylline Tablet IP 400mg as a bronchodilator.
- Vonoprazan tablets 10mg and 20mg under antacid category for erosive esophagitis and heartburn.
- Leflunomide Tablets IP 10mg and 20mg under antirheumatic category.
- Dapoxetine Hydrochloride Tablets IP 30 mg and 60 mg under antidepressant category.
- Further, three process validation batches of Docusate sodium and Sennosides tablets for US OTC under laxative category are being taken up in this year.
- Process validation batches of Aspirin delayed release tablets 81 mg and Diphenhydramine capsules 25mg and 50mg are planned for the current year.
- Additionally, three exhibit batches of Sitagliptin tablets for global market (US and Europe) are also planned and the clinical batch of



ANNEXURE 'G'

FORM AOC - 2

Resmetirom tablets shall also be completed in the current year.

**7) Imported Technology (imported during last 3 years reckoned from beginning of the financial year)**

The company is consistently focused on upgrading its machinery and process technologies, a journey that includes exploring and integrating global advancements. While the company regularly assesses cutting-edge technologies from other countries to enhance its capabilities, no spending has been made on the import of technology in the current year.

**8) Expenditure incurred on Research and Development (R&D)**

The Company has incurred a total expenditure of ₹2045.86 Lakhs, in comparison to expenditure of ₹1438.83 Lakhs in the previous year (including capital and revenue expenses), towards Research and Development.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on earnings and outgo of foreign exchange is given in notes to Standalone Financial Statements under note no. 32.

For and on behalf of Board of Directors

Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028

Place: Gurugram, Haryana  
Date: 6<sup>th</sup> August 2025

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Particulars of contracts/arrangements entered into by Morepen Laboratories Limited ('the company') with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis**

Name(s) of the related party and nature of relationship	Name of related party: Ms. Aanandi Suri; Relationship: Daughter of Mr. Sanjay Suri Whole Time Director (KMP).	Name of related party: Mr. Arjun Suri Relationship: Son of Mr. Sushil Suri Chairman & Managing Director (KMP).
Nature of contracts/arrangements/transactions	Employment contract	Employment contract
Duration of the contracts/arrangements/ transactions	-	-
Salient terms of the contracts or arrangements or transactions including the value, if any	Appointed as 'Country Head – USA' at monthly salary of ₹2.00 Lakh per month, w.e.f., 22 <sup>nd</sup> January 2024.	Appointed as 'Manager – Business Development' at monthly salary of ₹2.20 Lakh per month, w.e.f., 12 <sup>th</sup> August 2024.
Justification for entering into such contracts or arrangements or transactions	Strategic, financial, or operational benefits to API business.	Strategic, financial, or operational benefits to medical devices business.
Date of approval by the Board	31 <sup>st</sup> January 2024	12 <sup>th</sup> August 2024.
Amount paid as advances, if any	Nil	Nil
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required	Not required

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	<b>Name of related party:</b> Morepen Medipath Limited (formerly Morepen Medtech Limited) <b>Relationship:</b> Mr. Sushil Suri, Promoter, Chairman & Managing Director (KMP) and Mr. Sanjay Suri, Whole Time Director (KMP), are common directors and holding together, indirectly, more than 10% shares in the Morepen Medipath Limited.
Nature of contracts/arrangements/ transactions	Business Transfer Agreement for hiving off the medical devices business, being an undertaking, to Morepen Medipath Limited, a subsidiary of the company, on a 'slump sale' basis as a going concern.
Duration of the contracts/arrangements/ transactions	To be consummated on or before 30 <sup>th</sup> September 2025.
Date of approval by the Board	14 <sup>th</sup> January 2025
Amount paid as advances, if any	Nil

For and on behalf of Board of Directors

Place: Gurugram, Haryana  
Date: 6<sup>th</sup> August 2025

Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028



ANNEXURE 'H'

**MANAGEMENT DISCUSSION AND ANALYSIS**

**GLOBAL PHARMACEUTICAL SCENARIO**

As of 2024, the global pharmaceutical industry was valued at approximately USD 1.64 trillion, reflecting a sustained upward trajectory over the past decade. From 2018 to 2024, the market expanded at a compound annual growth rate (CAGR) of around 4.8%, underpinned by a convergence of demographic, medical, and technological factors. Central to this growth was the rising burden of chronic non-communicable diseases, an ageing global population, and increased life expectancy. Pharmaceutical innovation also advanced rapidly, particularly in areas such as oncology, immunology, and rare diseases, while transformative technologies like cell and gene therapy, mRNA platforms, and artificial intelligence began reshaping both drug discovery and delivery. At the same time, digital health integration—from wearable diagnostics to telemedicine—enhanced patient engagement and created new models of personalized care. These drivers laid the groundwork for the industry's projected expansion to approximately USD 2.35 trillion by 2030, with future growth increasingly tied to emerging market expansion, innovation pipelines, and manufacturing decentralization.

**New Therapeutic Growth Drivers**

The therapeutic landscape is undergoing a decisive shift as innovation increasingly targets complex and high-burden disease categories. Oncology remains the single largest therapeutic area, valued at over USD 337 billion in 2024 and expected to grow at a CAGR of 5.5% to 6.2% through 2028. Growth in this area is being driven by advanced immunotherapies, antibody-drug conjugates (ADCs), and chimeric antigen receptor T-cell (CAR-T) treatments. In parallel, the diabetes and obesity segments are experiencing an inflexion point due to GLP-1 receptor agonists such as semaglutide and tirzepatide, which have demonstrated substantial efficacy in both weight reduction and glycemic control. These drugs are projected to form a therapeutic class exceeding USD 100 billion in value by 2030.

Neurology is also emerging as a strategic therapeutic priority, with significant investments being directed toward Alzheimer's, Parkinson's disease, and rare central nervous system (CNS) disorders. Advancements in biomarker discovery, AI-assisted diagnostics, and gene therapies are expected to unlock new treatment pathways. Mental health is gaining renewed attention as well, especially in post-pandemic markets. Pharmaceutical pipelines now include a growing number of therapies targeting

depression, anxiety, post-traumatic stress disorder (PTSD), and other psychiatric conditions, many of which are designed for integration with digital health platforms to improve adherence and outcomes.

The broader fields of cell and gene therapies are transitioning from experimental to commercial stages. Between 2025 and 2030, an estimated 25 new cell and gene therapy products are expected to receive regulatory approvals globally. However, scalability and affordability remain critical bottlenecks, necessitating innovation not just in bioprocessing but also in reimbursement models and regulatory harmonisation across major markets.

**Technological and Structural Shifts**

The next phase of pharmaceutical innovation will be shaped as much by technology and manufacturing transformation as by clinical breakthroughs. Artificial intelligence has become integral to the R&D process. By 2025, over 150 drug candidates in various stages of development will be either AI-generated or AI-optimised, contributing to time and cost reductions of up to 30% in early-phase research. Companion diagnostics, especially in oncology and rare diseases, are becoming routine, enabling personalised treatment plans and improving clinical efficacy rates.

Digital therapeutics (DTx) have moved from fringe innovation to a recognised part of the treatment ecosystem. In countries like Germany and select U.S. states, DTx solutions are now reimbursed under public or private insurance, particularly for conditions such as insomnia, ADHD, and chronic pain. These hybrid treatment models—blending pharmaceutical interventions with algorithm-based digital tools—are gaining traction across regulatory agencies and health systems.

From a structural standpoint, the pharmaceutical supply chain is being actively reconfigured in response to geopolitical tensions and post-pandemic disruptions. Regionalisation is gaining momentum, with the United States, European Union, and India all accelerating investments in domestic API and biosimilar production. The expansion of India's Production Linked Incentive (PLI) scheme and similar reshoring incentives in the U.S. and Europe are designed to reduce reliance on single-country sourcing, particularly from China, and to enhance supply security for critical therapeutics. Together, these shifts are not only redefining cost structures and risk profiles but are also reinforcing sovereign control over pharmaceutical manufacturing capacities.

As the pharmaceutical industry transitions into 2025 and beyond, new structural shifts are emerging across the value chain, ranging from research and development to production and market access. One of the most critical transformations is the accelerated adoption of sustainability practices in pharmaceutical manufacturing. Global pressure to reduce environmental impact—driven by government mandates, investor scrutiny, and evolving consumer expectations—is forcing pharmaceutical companies to rethink their operational models. Green chemistry, carbon-neutral facilities, and sustainable packaging are no longer niche innovations but are becoming industry-wide standards. The European Union's Green Deal, India's push for environmentally compliant production through its revised ESG norms, and similar regulatory initiatives in the United States and Japan are placing sustainability at the core of long-term competitiveness. Companies that proactively invest in cleaner processes, solvent recovery systems, and circular supply chains are expected to gain preferential access to markets and procurement contracts.

Another major development from 2025 onward is the evolution of global regulatory frameworks, which are increasingly converging across regions. Regulatory agencies such as the U.S. FDA, EMA (European Medicines Agency), and Japan's PMDA are moving toward more collaborative, technology-enabled, and patient-centric review models. Fast-track approvals, adaptive clinical trial designs, and real-time data integration are becoming more commonplace, especially for breakthrough therapies and digital therapeutics. This global regulatory alignment is particularly significant for emerging technologies such as AI-designed molecules, RNA-based therapies, and connected drug-device combinations, where standardized pathways can shorten time-to-market and improve patient access. For Indian and Southeast Asian firms seeking entry into regulated markets, aligning with these evolving regulatory standards presents both a challenge and an opportunity for growth.

Finally, the contract development and manufacturing organisation (CDMO) segment is becoming a key pillar of global pharmaceutical growth. Rising drug complexity, coupled with the need for faster scalability and flexible capacity, is pushing global firms to increasingly rely on outsourcing, particularly for biologics, high-potency APIs (HPAPIs), and novel formulation technologies. India, South Korea, and Singapore are emerging as preferred CDMO hubs due to their technical capabilities, cost-efficiency, and improving regulatory compliance. From biosimilars to advanced injectable formats, the shift

toward specialised CDMO partnerships is helping multinational companies reduce time-to-market while managing risks across fragmented supply chains. This trend also supports broader industry goals of agility and localisation, particularly as geopolitical uncertainty and pandemic-era lessons continue to shape future manufacturing strategies.

These developments rooted in sustainability, regulatory modernization, and supply chain transformation are redefining how pharmaceutical companies compete and create value. The winners of the next decade will not simply be those with breakthrough molecules, but those that align innovation with responsibility, agility, and global integration.

**Geographical Markets**

By the close of 2024, the global pharmaceutical market was still largely concentrated within a few dominant geographies, though emerging markets had begun to claim a growing share. North America continued to lead, accounting for approximately 42% of global pharmaceutical revenues. The United States remained the single largest pharmaceutical market in the world, backed by a mature insurance system, high healthcare expenditure, and deep-rooted innovation infrastructure. Over 50% of global drug development pipelines were concentrated in the U.S., with particular strength in biologics, immunotherapies, and breakthrough oncology treatments. Regulatory support mechanisms, such as the FDA's breakthrough therapy designation and the Orphan Drug Act, enabled faster approval timelines and commercial scalability, reinforcing the U.S.'s leadership in therapeutic innovation. However, the region also faced increasing scrutiny over drug pricing, prompting ongoing policy debates around affordability and transparency.

Europe contributed roughly 23% of the total global pharmaceutical value by 2024. The continent remained an essential hub for biosimilar development, vaccine innovation, and therapeutic antibody production. Countries like Germany, France, Switzerland, and the United Kingdom played pivotal roles in manufacturing, while also maintaining robust clinical trial infrastructure. Nonetheless, Europe's growth potential was constrained by a fragmented regulatory environment, pricing controls, and dependence on imported APIs, particularly from China and India. Still, efforts under the EU's Pharmaceutical Strategy aimed to strengthen regional resilience through enhanced manufacturing capacity, public-private R&D partnerships, and improved pandemic preparedness. Europe also made strides in



advancing digital therapeutics and increasing access to biologics via aggressive biosimilar substitution policies.

The Asia-Pacific region emerged as the fastest-growing pharmaceutical geography, capturing nearly 20% of global market share by 2024. This growth, estimated at a CAGR of 7–8%, was led by China and India. China rapidly scaled its pharmaceutical output and innovation capabilities, driven by state-funded R&D, an evolving regulatory regime, and major investment in biotech clusters. Oncology, rare diseases, and biosimilars formed the backbone of China's therapeutic expansion. India, already established as the world's largest supplier of generics and vaccines, continued to enhance its competitive edge in bulk drugs, complex APIs, injectables, and Contract Development and Manufacturing Organization (CDMO) services. In parallel, Japan and South Korea maintained a stronghold in precision diagnostics, robotic surgery technologies, and digital health integration, though their pharmaceutical sectors matured at a slower pace compared to their neighbours.

The rest of the world, comprising Latin America, Africa, and the Middle East, contributed approximately 15% of the remaining global market value in 2024. While these regions exhibited diverse growth profiles, several structural challenges persisted, including low public healthcare funding, weak infrastructure, and regulatory instability. Nevertheless, countries such as Brazil, Saudi Arabia, and South Africa led localized efforts to expand manufacturing capacity and improve access to essential medicines. In Africa, the pharmaceutical sector remained highly underpenetrated but critical, with growing demand for vaccines, anti-infectives, and maternal-child health interventions. Global institutions like the WHO and Gavi continued to support vaccine access and capacity-building initiatives, though funding gaps remained a significant barrier to scalable growth.

#### DOMESTIC PHARMACEUTICAL MARKET

India's domestic pharmaceutical market has consistently proven to be one of the most resilient and dynamic components of the country's economic framework. As of FY24, the Indian pharmaceutical sector was valued at approximately ₹521,000 crore, placing it among the top three globally in terms of production volume and the 14<sup>th</sup> in terms of value. Between FY18 and FY24, the domestic market expanded at a CAGR of 8.6%, supported by sustained demand across both chronic and acute therapy areas. Notably, chronic therapy segments such as anti-diabetics, cardiovascular drugs, and oncology treatments contributed significantly to this growth,

with oncology registering some of the fastest expansion rates due to rising lifestyle diseases and improved diagnostic access.

A significant structural driver of this performance has been India's demographic profile. With over 1.4 billion citizens, the country not only represents a vast base of pharmaceutical consumers but also a population undergoing a major epidemiological shift. Non-communicable diseases (NCDs) now account for over 65% of deaths in India. Lifestyle-related ailments, such as diabetes, hypertension, and respiratory disorders, have emerged as leading public health challenges. The rising middle class, greater life expectancy, and increased health awareness—especially in Tier 2 and Tier 3 cities—have further elevated medicine consumption. These trends created consistent volume growth across major therapy areas, with cardiovascular and anti-diabetic drugs witnessing over 10% annual growth by FY24.

Government intervention has also played a pivotal role in shaping the domestic landscape. Initiatives like the **Pradhan Mantri Jan Aushadhi Yojana** have expanded access to affordable generics, while the **Ayushman Bharat Digital Mission (ABDM)** has begun to lay the foundation for a connected, patient-centric health system. By 2024, more than 71 million **Ayushman Bharat Health Account (ABHA)** IDs had been issued, and millions of records had been digitally linked, marking a shift toward integrated, tech-enabled healthcare delivery. Additionally, the **PLI Scheme for Pharmaceuticals and Medical Devices** has been instrumental in reducing India's over dependence on imports, especially for Active Pharmaceutical Ingredients (APIs). Targeted investments through the scheme are expected to generate over 20,000 direct jobs and mobilize ₹15,000 crore in private capital by 2026.

As India moves into 2025 and beyond, the pharmaceutical industry is expected to deepen its transformation from a generics-led model toward a more innovation-driven, tech-integrated ecosystem. The domestic market is projected to grow at a CAGR of 8.1%, reaching ₹709,000 crore by FY28. This expansion will not only be volume-led but will also reflect greater therapeutic complexity. For example, dermatology is expected to grow at a CAGR of 7.1%, while respiratory and cardiovascular therapies continue to maintain strong momentum. Oncology is projected to outpace most categories, driven by rising incidence, better access to early diagnosis, and the entry of targeted therapies and biosimilars.

Leading companies are ramping up investments in

research and development, with a focus on new chemical entities (NCEs), complex generics, and biosimilars. Hyderabad, Bengaluru, and Ahmedabad are becoming R&D hubs, supported by global CRO partnerships and AI-driven clinical research tools. The number of Indian clinical trials approved for complex and targeted therapies is steadily rising, aligning with the global push for precision medicine.

A key trend shaping the domestic market is **digital health adoption**. With e-pharmacies now accounting for nearly 15–18% of the urban drug retail space and projected to grow at 21–34% CAGR through 2028, the model of healthcare delivery is rapidly evolving. Telemedicine, wearable monitoring devices, and online doctor consultations are becoming standard among middle- and upper-income urban populations. These changes are reinforcing adherence to therapy regimens and expanding demand for chronic care drugs and personalized treatment plans.

Despite the dominance of urban markets, future growth will also be driven by expanding access to rural India, which houses over 65% of the population. With the increasing penetration of mobile networks, telemedicine platforms, and health insurance coverage in Tier 2 and 3 towns, pharmaceutical firms are actively optimizing rural distribution networks. Customized packaging (smaller SKUs), localized communication, and mobile health campaigns are enabling wider uptake. The digital transformation of supply chains and government-supported infrastructure development is narrowing the urban–rural healthcare divide.

Furthermore, the medical devices segment, historically under represented, is emerging as a high-growth vertical. From ₹54,000 crore in FY18, the industry expanded to ₹95,000 crore in FY23 and is projected to reach ₹117,000 crore till now. By FY28, it is expected to grow to ₹268,000 crore, reflecting a CAGR of 23%. This growth is being driven by improved diagnostic infrastructure, government procurement reform, and increasing domestic manufacturing under the Make in India campaign. India is now the fourth-largest medical device market in Asia, following China, Japan, and South Korea.

Looking ahead, the Indian pharmaceutical sector is poised to benefit from a confluence of powerful trends: a growing population with higher life expectancy, greater incidence of chronic disease, improved affordability, enhanced insurance coverage, and strong state support. However, challenges such as regulatory fragmentation,

rising compliance costs, and intensifying competition in the generics space will require companies to innovate in product design, pricing, distribution, and digital integration. If successfully navigated, these changes will not only cement India's leadership in affordable drug supply but also help establish its competitive edge in high-value and precision therapies globally.

#### MOREPEN'S STRATEGY

##### ACTIVE PHARMACEUTICAL INGREDIENTS (API)

The company's robust R&D and manufacturing capabilities have solidified its position as a global leader in the Active Pharmaceutical Ingredient (API) market, particularly for several critical drugs. The company operates USFDA-approved facilities at Masulkhana, Himachal Pradesh, and Baddi, Himachal Pradesh, ensuring adherence to the highest international quality standards.

The company continues to be a world leader in Loratadine production, a testament to its consistent quality and supply chain reliability. Furthermore, the company has achieved a leadership position as one of the largest suppliers of the anti-asthmatic drug, Montelukast Sodium, produced at its USFDA-approved Masulkhana facility. This site also manufactures Desloratadine, another key anti-histaminic drug. The quality and compliance of these facilities were regularly affirmed, with both the Masulkhana and Baddi sites getting re-approval from the USFDA in 2022 for various products including Loratadine, Desloratadine, and Fexofenadine. Demonstrating its expanding global reach, the Masulkhana plant had also secured approval from the prestigious PMDA of Japan in 2023.

The Baddi facility plays a crucial role in the company's diverse API portfolio, being a prominent site for the commercial production of several blockbuster drugs and their intermediates. This includes Anti-hypercholesterolemic series: Atorvastatin calcium and Rosuvastatin calcium, Anti-histaminic series: Fexofenadine Hydrochloride and Desloratadine & Anti-hypertensive series: Olmesartan.

In addition to these established products, the Baddi facility is at the forefront of producing newer, high-demand APIs, catering to the needs of customers for formulation development and supply to patent-free countries. This includes: 'Gliptin' series (anti-diabetics): Sitagliptin, Saxagliptin, Linagliptin, and Vildagliptin, 'Gliflozin' series (anti-diabetics): Empagliflozin, Ertugliflozin L-pyroglyutamic acid, Dapagliflozin, Propanediol, and Amorphous Dapagliflozin, Anti-depressant category: Vortioxetine hydrobromide and Brexpiprazole, Anti-platelet category: Ticagrelor & Anti-ulcerative category: Vonoprazan fumarate.



This extensive and continuously expanding API portfolio, backed by strong regulatory approvals and a focus on quality, reinforces Morepen's position as a reliable and innovative partner in the global pharmaceutical industry.

It is worth noting that the company has successfully commercialized Vonoprazan and got approval from CDSCO for its commercial production. The company has also developed / commercialized another blockbuster API, Resmetirom for NASH treatment and is in advanced stages to get its formulation approval from the top Indian Regulator CDSCO.

The company has also developed various new products such as Finerenone (for treatment of chronic kidney disease), Sitagliptin Hydrochloride (Anti-diabetic), Cariprazine HCl (Atypical Anti-Psychotic), Bempedoic Acid (Anti-Hypercholesterolemic) & Rupaadine Fumarate (Anti-histaminic). The company has commercialized Resmetirom (For treatment of NASH), & Bempedoic acid (anti-lipemic category) during last year.

The company is in advanced stages of developing some other recently approved new APIs in R&D like Cenobamate (anti-convulsant), Vibegron (for treatment of overactive bladder), Mavacamten (Cardiovascular agent) & Lisdexamphetamine Dimesylate (for treatment of ADHD) etc.

During the year two USDMFs were filed for Ticagrelor & Brexpiprazole. Two CEPs were filed for Rosuvastatin calcium Process 4 & Sitagliptin phosphate process 2. IDL China DMFs were filed for Vonoprazan & Linagliptin. The Dapagliflozin Propanediol DMFs were filed in Europe-Latvia, Lithuania, Estonia, Czech Republic, Slovak republic, Poland, Germany, Spain, France & Italy. The Dapagliflozin Amorphous DMFs were filed in Croatia, Slovenia, Bulgaria, Sweden, Belgium, Bulgaria, Cyprus, Austria, Malta, Hungary, Romania, Luxembourg, Greece, Portugal, Denmark, Estonia to strengthen the regulatory portfolios.

During the year the company was granted a process patent for preparation of UDCA (For treatment of primary biliary cholangitis). The company also filed ten (10) new process patent applications for Novel processes/ New Polymorphs for Bempedoic Acid, Resmetirom, Brexpiprazole, Finerenone & Rosuvastatin Calcium.

The company has filed 363 Drug Master Files (DMF) over the last many years which includes, 29 USDMF, 13 CEP (Europe), 154 EDMF (European Drug Master File) in Europe, 10 China, Import Drug License (IDL) & 156 DMF in rest of world (RoW). Against 29 USDMF filed in the USA, 6 USDMF have been reviewed under the Generic Drug User Fee Act (GDUFA) of the USA. Out of 13, Certification

of Suitability (CEP) filings made in Europe, all 13 CEPs have been granted to the company.

The company has a large and growing high value product portfolio led by regulatory approval in place with integrated manufacturing capacities for APIs company manufacturing, 167 processes/polymorph patents are filed till date. A total of 55 (India – 39, Foreign – 16) patents have been granted to the company till 31<sup>st</sup> March 2025.

#### FORMULATIONS AND MEDICAL DEVICES DIAGNOSTICS

The Medical Devices business has shown robust performance, registering a year-on-year growth of 12.24 percent. This indicates a strong recovery and reinforces its prominent position in the domestic market, further bolstered by increasing online visibility that enhances reach and brand recognition.

##### Customer Trust and Product Contribution:

Customer trust remains high, attributed to the availability of high-quality, affordable products and a robust service network. The Blood Glucose Monitoring and Blood Pressure Monitoring segments are the primary drivers of revenue growth in this segment. While these flagship products are expected to maintain their dominance, the company foresees revenue expansion from other products, including, Thermometers, Stethoscopes, Digital Weighing Scales, Pregnancy Testing Kits and Other home-health devices.

During last 5 years period, Blood Sugar Monitoring Devices recorded a Compound Annual Growth Rate (CAGR) of 21.00 percent, followed by Blood Pressure Monitoring Devices, recorded a CAGR of 9.56 percent and overall Medical Devices Business, recording a CAGR of 18.35 percent.

The widespread adoption and trust in these products are evident from the cumulative sales of 1.95 billion Gluco Strips and the installation of over 14.20 million GlucoMonitors.

##### Expansion of Manufacturing Capabilities and Infrastructure:

The Company has made substantial progress in enhancing its manufacturing capabilities and operational integration throughout the year, complemented by the introduction of a new digital health initiative.

- **In-house Screen Printing:** The Company initiated in-house screen-printing operations. This is a strategic step in its backward integration efforts, building upon the prior successful

implementation of injection moulding and Surface Mount Technology (SMT). This move aims to bolster control over the entire production process.

- **Infrastructure Development:** A new manufacturing block is currently under construction. This expansion is designed to significantly increase capacities for injection moulding, orthopaedics products, and warehousing, thereby catering to growing demand across various business segments and improving overall operational scalability.
- **Ortho Products Manufacturing:** The Company has broadened its product portfolio by commencing the production of orthopaedics products, marking its strategic entry into this promising new therapeutic segment.
- **Expanded Quality Certification Scope:** The Company's ISO certification now encompasses the design, development, and manufacture of Blood Grouping Reagents and Lateral Flow Test Kits for infectious diseases. This expanded scope highlights the Company's unwavering commitment to delivering high-quality diagnostic solutions and opens new avenues for growth within the medical diagnostics sector.

These strategic manufacturing initiatives underscore the Company's long-term vision of establishing integrated, scalable, and high-quality operations to effectively address the evolving healthcare needs on a global scale.

##### Introduction of Dr. Morepen Sync App:

The Company has launched the **Dr. Morepen Sync App**, which it describes as a "gift to the nation." Bearing the tagline "Health in Your Hands," this application is designed to empower individuals to take a proactive role in managing their health. It facilitates easy monitoring of vital health metrics, including blood glucose, blood pressure, and weight, thereby encouraging healthier lifestyles.

##### Formulations Business Performance Overview

The Formulations business, comprising Formulations Manufacturing and Branded Prescription Drug Distribution, reported revenues of ₹13868.86 lakhs in the current financial year, reflecting a modest growth of 3.90 percent over the previous year's revenue of ₹13347.80 lakhs.

This performance was delivered despite a major strategic realignment, under which the brand-sharing business was transferred to the subsidiary, Dr. Morepen Limited. The move was designed to streamline operations,

sharpen business focus, and enhance the long-term agility of the group's pharmaceutical portfolio.

In line with its evolving strategy, the Company is now focusing on expanding its direct customer base, thereby reducing dependence on low-margin third-party manufacturing. This approach is expected to drive better utilization of in-house manufacturing capacities and promote a stronger mix of high-margin trade and institutional sales, laying the groundwork for improved profitability in the coming years.

#### INSTITUTIONAL, GENERICS AND CONTRACT MANUFACTURING

##### Institutional Supplies Business Performance

The Institutional Supplies business demonstrated strong performance during the year, recording revenue of ₹4952.44 lakhs, reflecting a 14.52 percent year-on-year growth. This increase underscores the Company's growing presence and reliability in the institutional healthcare segment.

##### Generics Business Performance

The Generics business achieved significant revenue growth, with total revenues rising to ₹12846.25 lakhs in the current financial year, compared to ₹8564.85 lakhs in the previous year. This represents a substantial growth of 50 percent, driven by the Company's strategic expansion initiatives. The revenue is segmented between the group entities comprising of Dr. Morepen Limited (DML): ₹6657.56 lakhs and Morepen Rx Limited: ₹6188.69 lakhs.

This bifurcation of generics revenue reflects the leadership role taken by Dr. Morepen Limited in driving the generics portfolio, as part of a broader strategy to optimize the business structure and enhance future synergies.

The company's past efforts are yielding positive results, with growth observed across all segments.

Moving forward, the company remains committed to the continued growth and expansion of its Diagnostics, Formulations, and OTC (Over the Counter) businesses.

##### OPPORTUNITIES AHEAD

The Indian healthcare landscape presents several significant opportunities for growth and innovation, driven by demographic shifts, technological advancements, and supportive government policies.

India is experiencing a notable epidemiological shift towards non-communicable diseases such as cardiovascular diseases, diabetes, cancer, and respiratory illnesses. This trend is creating a sustained and expanding demand for chronic therapies, specialty drugs,



and preventive healthcare solutions, offering a long-term growth avenue for pharmaceutical companies.

Vast rural areas and Tier 2/3 cities in India remain underserved by formal healthcare systems. Improved last-mile connectivity, the proliferation of mobile health platforms, and increased insurance penetration through initiatives like Ayushman Bharat and private schemes provide a significant opportunity for pharmaceutical firms to expand their distribution networks and introduce affordable product variants tailored for these markets.

Indian pharmaceutical companies are increasingly investing in complex generics, biosimilars, and niche therapeutics. These areas, while demanding higher R&D capabilities, promise better profit margins. Supportive regulatory frameworks and a growing demand for differentiated products are opening new domestic market segments, particularly in high-growth therapeutic areas such as oncology, dermatology, and rare diseases.

Digital health is revolutionizing healthcare delivery. E-pharmacies already command a significant share (15–18%) of urban drug retail and are expanding at a CAGR exceeding 20 percent. The emergence of platforms offering online doctor consultations, remote diagnostics, wearable device integration, and personalized medication plans is improving treatment adherence and establishing new channels for patient access.

India's medical devices sector is experiencing rapid growth, outpacing traditional pharma. Projected to grow to ₹268,000 crore by FY28, this expansion is fueled by enhanced diagnostics infrastructure, increasing demand for home health monitoring solutions, and strong domestic manufacturing incentives under the "Make in India" initiative.

Government initiatives, notably the Ayushman Bharat scheme which now covers over 500 million people, are significantly expanding public health insurance penetration. Continuous government investment in primary healthcare centers, digital health records, and affordable diagnostics is strengthening the formal healthcare system, especially in rural areas. This creates a large, accessible patient base for pharmaceutical products and opens avenues for public procurement.

#### OUTLOOK ON THREATS, RISKS AND CONCERNS

The Indian pharmaceutical industry, while globally competitive and resilient, continues to face **structural weaknesses and external threats** that may impact its long-term growth and operational stability. A clear understanding of these challenges is essential for informed decision-making and policy formulation.

#### Key Weaknesses

##### 1. Heavy Dependence on Imported APIs

India remains significantly reliant on imports—particularly from China—for nearly 70 percent of its Active Pharmaceutical Ingredients (APIs). This over dependence exposes the sector to, Supply chain disruptions, Price volatility in raw materials and Geopolitical tensions. While initiatives to enhance domestic API manufacturing are underway, results will take time to materialize.

##### 2. Fragmented Industry Structure & Quality Inconsistencies

The sector is characterized by a highly fragmented domestic landscape, comprising thousands of small and mid-sized enterprises. This leads to variable compliance standards, inconsistent product quality and challenges in scaling and securing international regulatory approvals. The lack of standardized quality management systems continues to erode confidence in regulatory oversight.

##### 3. Limited R&D Investment & Innovation Gap

Despite being a global generics powerhouse, India invests relatively modestly in R&D as a percentage of revenue. Key concerns include Overreliance on generics and incremental innovations and underdeveloped pipeline for novel drugs, biologics, and complex therapies. This limits long-term growth potential in high-margin, innovation-led segments.

##### 4. Margin Pressures from Price Sensitivity

The domestic market's price-sensitive nature, combined with drug price controls by NPPA, results in Narrow profitability windows and Pressure to drive high-volume sales or shift to premium/differentiated offerings. However, such shifts demand considerable upfront investment in branding, innovation, and distribution.

#### Major Threats

##### 1. Complex Regulatory Environment & Global Scrutiny

Indian pharma exports face rigorous oversight from agencies such as the USFDA and EMA. Risks include Import bans, Plant shutdowns and Reputational damage. Domestically, inconsistent enforcement and fragmented drug control mechanisms at the state level add further complexity and compliance costs.

##### 2. Rising Competition from Domestic and Global Players

Both multinational corporations and local competitors are increasing their footprint in India's growing market, resulting in Margin erosion in commoditized categories and Intensified pricing competition. This competitive landscape is accelerating industry consolidation and pressuring smaller players to differentiate or exit.

##### 3. Supply Chain and Logistics Challenges

The sector faces infrastructure bottlenecks, especially in Cold chain logistics, Real-time inventory tracking and Rural and semi-urban last-mile delivery. Additionally, raw material shortages, port delays, and rising transportation costs can impact service reliability and financial performance.

##### 4. Rising Compliance and Operational Costs

Compliance costs are rising due to Stricter global and domestic regulatory norms, Implementation of digital systems like e-labeling and barcode tracking and Enforcement of UCPMP and ethical marketing practices. These developments require investment in skilled compliance personnel, and robust internal controls.

While India's pharmaceutical industry remains a global leader in generics and vaccines, the path forward demands strategic investment, regulatory harmonization, supply chain strengthening, and R&D innovation. Proactive mitigation of these weaknesses and threats will be critical to maintaining growth momentum and global competitiveness.

#### FIXED ASSETS

Fixed Assets of the Company are generally well maintained and are in good condition.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains robust internal control systems, appropriately scaled to the size and complexity of its operations. These systems are designed to ensure:

- Proper Authorization: All transactions are subject to appropriate approval protocols.
- Accurate Recording: Transactions are recorded precisely in accordance with applicable accounting standards and policies.

- Timely Reporting: Financial and operational information is reported promptly to support informed decision-making.

- Asset Safeguarding: Adequate measures are in place to protect assets from loss, misuse, or unauthorized disposal.

An independent Internal Audit function operates across all critical areas of the Company. The audits are risk-based and systematic, with a primary focus on assessing the effectiveness of internal controls and process adherence. Post-audit reviews are regularly conducted to ensure the timely implementation of audit recommendations, thereby reinforcing a culture of continuous improvement. Any discrepancies or control deficiencies identified during the audit process are addressed promptly and appropriately.

#### HUMAN RESOURCES

The company places significant emphasis on its human capital, recognizing it as a cornerstone for success and growth. This is achieved through:

- Fair and Equal Opportunity: Promoting equitable practices and judiciously rewarding the workforce to maintain a positive work environment.
- Employee Engagement: This approach has fostered employee participation in various company activities, contributing to the company's growth trajectory.

The company cultivates pleasant and peaceful interpersonal relationships among its workers, staff, and officers. This is driven by a spirit of collaborative efforts and effective teamwork, resulting in harmonious relationships that lead to improved productivity and a stronger sense of solidarity within the company.

As of 31<sup>st</sup> March 2025, the group's total manpower strength is 3691, with 2379 employees on permanent payroll. This demonstrates the company's significant contribution to employment and nation-building. The organization is built on a strong foundation of mutual trust, encouraging collective efforts and collaboration across all employee sections. This collaborative environment enables the company to offer quality products at competitive prices, playing a role in India's growth story.

By steadfastly upholding its core values of fair play, equal opportunity, and value chain enhancement, the Company continues to position itself for sustained growth, long-term success, and responsible corporate leadership.



### KEY FINANCIAL RATIOS

Key financial parameters as on 31<sup>st</sup> March 2025 on the basis of Standalone Financials for the year ending 31<sup>st</sup> March 2025 & 31<sup>st</sup> March 2024 respectively are as follows;

Particulars	FY 2025	FY 2024
Debtors Turnover (No. of days)	71	67
Inventory Turnover	3.85	4.40
Current Ratio	2.51	2.39
Debt Equity Ratio	0.07	0.03
Operating Profit Margin	9.87%	10.52%
Net Profit Margin	6.47%	7.16%
Net Capital Turnover Ratio	1.33	1.74
Return on Capital Employed	11.49%	16.46%
Return on Investment	5.94%	8.67%

### CAUTIONARY STATEMENT

The company emphasizes the importance of acknowledging that market data and information presented in its reports are derived from various sources, both published and unpublished. The company explicitly states that it cannot guarantee the authenticity of such

information. Therefore, users are advised to exercise prudence and consider this limitation when using the data for decision-making.

The management of the company retains the right to reassess any analytical statements and implement necessary actions to maximize shareholder value while simultaneously fulfilling its social and corporate obligations.

Furthermore, the Management Discussions and Analysis Report may contain forward-looking statements. These statements pertain to the company's objectives, strategies, estimates, expectations, predictions, future plans, and projections, and are made in good faith. However, it is crucial to understand that actual results may diverge from the anticipated future performance and outlook presented in the report due to various influencing factors.

Readers are strongly advised to exercise caution and consider the inherent uncertainties when interpreting and acting upon these forward-looking statements. Factors such as market conditions, regulatory changes, economic shifts, and other unforeseen events can impact the company's actual results. Consequently, continuous reassessment of the situation and strategic adjustments are deemed necessary.

For and on behalf of Board of Directors

Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028

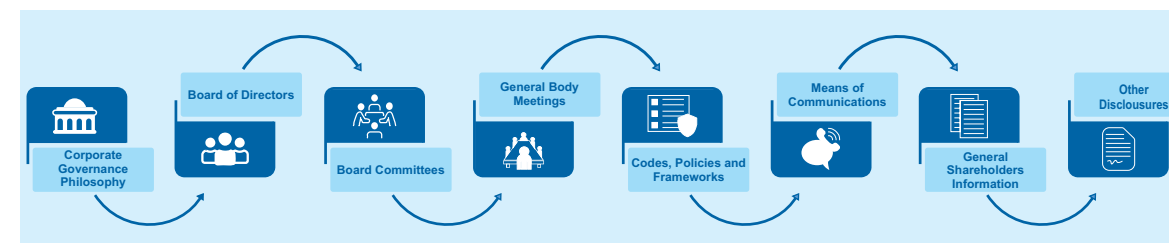
Place: Gurugram, Haryana  
Date: 6<sup>th</sup> August 2025

### ANNEXURE 'I'

## CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and forming part of the Directors' Report for the year ended 31<sup>st</sup> March 2025]

This Corporate Governance Report underscores our unwavering commitment to transparency, accountability, and ethical leadership. We strive to cultivate a culture grounded in integrity and responsibility-principles that guide every facet of our operations. Through this report, we present a clear and comprehensive overview of our governance framework, including the structures, policies, and practices that ensure sound decision-making and sustainable performance. We have organized the report into the following sections:



### CORPORATE GOVERNANCE PHILOSOPHY

Our company is firmly committed to upholding the highest standards of Corporate Governance across all aspects of our operations. We believe that strong governance is fundamental to fostering a sustainable corporate culture and delivering long-term value to our shareholders. Recognizing its critical importance in addressing the expectations and interests of all stakeholders, we consider sound Corporate Governance an essential foundation of our business.

To this end, we prioritize transparency in all our actions, ensuring clarity and openness in our communication with stakeholders. We have implemented rigorous control mechanisms to reinforce accountability and maintain integrity throughout the organization. Our governance framework is supported by well-defined policies and procedures that promote ethical decision-making and responsible business conduct.

In line with our commitment to innovation and continuous improvement, we have adopted digitally enabled systems and processes that enhance operational efficiency. These technologies further strengthen the transparency and effectiveness of our governance practices.

In summary, our approach to Corporate Governance is anchored in transparency, accountability, strong internal controls, and the use of advanced digital tools. These principles are integral to our efforts to create sustainable value for our shareholders while fulfilling the needs and aspirations of our wider stakeholder community.

The company fully complies with the applicable Corporate Governance requirements and makes disclosures in accordance with Regulation 34(3), read with Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

### BOARD OF DIRECTORS

The Board of Directors (the "Board") is entrusted with upholding the highest standards of Corporate Governance and plays a central role in overseeing the company's strategic direction and overall functioning. It is committed to ensuring that the management acts in the best interests of shareholders and other stakeholders both in the short and long term.

As the apex body constituted by shareholders, the Board provides strategic guidance, monitors the implementation of key policies, and ensures that long-term value creation remains a priority. While the day-to-day operations are delegated to the Chairman & Managing Director and the Whole-Time Director, the Board retains oversight responsibilities to ensure accountability and alignment with corporate objectives.

The composition of the Board is fully compliant with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as well as the Companies Act, 2013, as amended. With the Chairman serving in an executive capacity, more than 50% of the Board comprises Non-Executive Independent Directors, ensuring objectivity and independence in governance.



As of 31<sup>st</sup> March 2025, the Board comprises six (6) Directors: two (2) Executive Directors and four (4) Non-Executive Independent Directors.

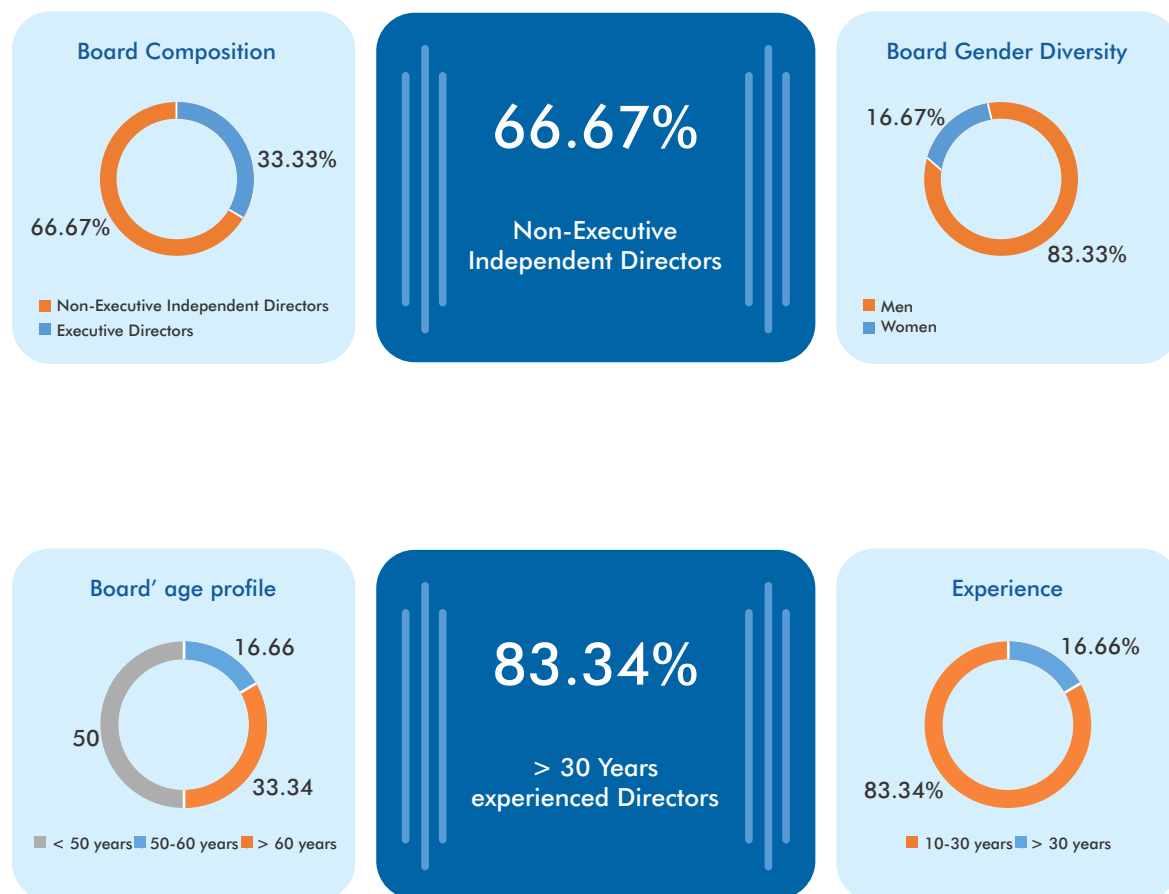
All Independent Directors are eminent professionals bringing wide range of experience in strategy, finance and account. None of the Directors on the Board is a member of more than ten (10) Committees or Chairman of more than five (5) Committees across all companies in which he/ she is a director. During the financial year 2024-25, the time gap between any two board meetings did not exceed one hundred and twenty days. Except Mr. Sushil Suri and Mr. Sanjay Suri, none of the Directors of the company is *inter-se* related.

The comprehensive profiles of the directors can be accessed on the company's website at [www.morepen.com/investors](http://www.morepen.com/investors) The Board composition, directorships, and board committee positions, including that of the company, as on 31<sup>st</sup> March 2025 are given below:

The Composition of the Board as on 31<sup>st</sup> March 2025

Executive Directors	Non-Executive Independent Directors
Mr. Sushil Suri Mr. Sanjay Suri	Mr. Praveen Kumar Dutt Mr. Ranjit Khattar Mrs. (Dr.) Savita Mr. Sharad Jain

Male Female



Sr. No.	Name of director and category of directorship	No. of directorship and committee memberships/ chairpersonship held in other companies			Directorship in other listed company(ies) and category of directorship
		Directorships	Committee Membership	Committee Chairpersonship	
<b>Executive Directors</b>					
1.	Mr. Sushil Suri Promoter-Chairman & Managing Director	3	1	Nil	Nil
2.	Mr. Sanjay Suri Whole-time Director	5	Nil	Nil	Nil
<b>Non-Executive Independent Directors</b>					
3.	Mr. Praveen Kumar Dutt	1	2	2	Nil
4.	Mr. Ranjit Khattar	3	2	1	Nil
5.	Mrs. (Dr.) Savita	1	1	Nil	Nil
6.	Mr. Sharad Jain	2	2	Nil	Nil

**Notes:**

- a) The directorships, held by Directors, as mentioned above, excludes directorships in foreign companies, companies registered under Section 8 of the Act, private limited companies and alternate directorships.
- b) Includes membership(s)/chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies.

**Details of skills/expertise/competence of Board of Directors**

As of 31<sup>st</sup> March 2025, the Board consists of highly qualified individuals who possess the necessary skills, competence, and expertise to actively contribute to discussions making during Board and Committee meetings. The Board of Directors has identified following key skills, expertise, and competencies that are essential for effective functioning in the company's business.

Board Skill	Description
<b>Industry and Sector Experience</b> 	Knowledge and sector experience to provide strategic guidance to the management in fast changing environment. Understanding of the relevant laws, rules, regulations, policies applicable to the company/ industry/ sector and level/ status of compliances thereof by the company. In view of overseas business operations, knowledge of international practice applicable on the pharmaceutical industry/ business.
<b>Technical Skills/ Innovation</b> 	Experience or knowledge in emerging technology areas, including digital innovation, artificial intelligence, cybersecurity, data centre management, and data security.
<b>Financial Expertise</b> 	Proficiency in analysing and interpreting financial statements and accounts to evaluate the company's financial health. Ability to identify and envision potential business opportunities.
<b>Behavioural Competencies/ Personal Attributes</b> 	Upholding integrity and ethical standards, along with strong mentoring abilities. Skilled in managing people and driving change through effective interpersonal relationships. Demonstrates curiosity and courage.



Board Skill	Description
<b>Strategic Expertise</b> 	Strategic thinking and valuable insights. Focused on vision and value creation. Expertise in strategy development, implementation, and driving change.
<b>Leadership &amp; Administration</b> 	Active decision-making and communication skills. Strong leadership abilities, with expertise in influencing, risk oversight, risk management, and stakeholder relations.

The specific areas of focus or expertise of individual director have been highlighted herein below;

Board Skill	Mr. Sushil Suri	Mr. Sanjay Suri	Mr. Praveen Kumar Dutt	Mr. Ranjit Khattar	Mrs. (Dr.) Savita	Mr. Sharad Jain
Industry and Sector Experience					-	
Technical Skills/Innovation						
Financial Expertise						
Behavioral Competencies/Personal Attributes						
Strategic Expertise						
Leadership & Administration						

**Disclosure regarding appointment, re-appointment and/or change in Directors.**

**Appointments**

• **Mr. Ranjit Khattar**

The Board of the Company at its meeting held on 12<sup>th</sup> August 2024, based on the recommendation of Nomination and Remuneration Committee approved the appointment of Mr. Ranjit Khattar (DIN: 00726997), as an additional Director in the category of Independent Director, subject to approval of members of the Company. Subsequently, members of the Company at the 39<sup>th</sup> AGM held on 28<sup>th</sup> September 2024, approved the appointment of Mr. Ranjit Khattar as an Independent Director for a term of five (5) consecutive years from 12<sup>th</sup> August 2024 to 11<sup>th</sup> August 2029.

• **Mr. Sharad Jain**

The Board of the Company at its meeting held on 27<sup>th</sup> August 2024, based on the recommendation of Nomination and Remuneration Committee approved the appointment of Mr. Sharad Jain (DIN: 06423452), as an additional Director in the category of Independent Director, subject to approval of members of the Company. Subsequently, members of the Company at the 39<sup>th</sup> AGM held on 28<sup>th</sup> September 2024, approved the appointment of Mr. Sharad Jain as an Independent Director for a term of five (5) consecutive years from 27<sup>th</sup> August 2024 to 26<sup>th</sup> August 2029.

**Re-appointment**

• **Mr. Praveen Kumar Dutt**

Mr. Praveen Kumar Dutt (DIN: 06712574), Non-Executive Independent Director of the company, appointed on

13<sup>th</sup> August 2019, for a term of 5 consecutive years i.e., till 12<sup>th</sup> August 2024. Accordingly, in view of the completion of his term of appointment, the Board of the Company at its meeting held on 12<sup>th</sup> August 2024, based on the recommendation of Nomination and Remuneration Committee approved the re-appointment of Mr. Praveen Kumar Dutt as an Independent Director, subject to approval of members of the Company. Subsequently, members of the Company at the 39<sup>th</sup> AGM held on 28<sup>th</sup> September 2024, approved the re-appointment of Mr. Praveen Kumar Dutt as an Independent Director for a second term of five (5) consecutive years from 13<sup>th</sup> August 2024 to 12<sup>th</sup> August 2029.

**Vacation**

• **Mr. Manoj Joshi, Mr. Sukhcharan Singh and Mr. Bhupender Raj Wadhwa**

On account of completion of their second term as Non-Executive Independent Directors, the office of Mr. Manoj Joshi, Mr. Sukhcharan Singh and Mr. Bhupender Raj Wadhwa, stand vacated on 18<sup>th</sup> September 2024.

**Director retire by rotation**

• **Mr. Sanjay Suri**

Mr. Sanjay Suri, Whole-Time Director of the company, retired by rotation at the 39<sup>th</sup> AGM held on 28<sup>th</sup> September 2024 and re-appointed at the said meeting.

**Senior Management Personnel**

Pursuant to company's Code of Conduct for Board Members and Senior Management Personnel ('Code'), "Senior Management" means the officers and personnel of the company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the Board of Directors, by the listed entity.

As on 31<sup>st</sup> March 2025, there are 15 persons (including CS and CFO) categorised as 'Senior management', abide by the Code and given confirmation thereof on annual basis.

As for as, changes in 'Senior Management' is concern as per requirement of the Listing Regulations, during the year under review following changes are recorded:

S. No.	Name	Designation	Department/ Division/ location	Reason of change	Date of change
1.	Mr. Rajesh Kumar Singh	Vice President (Formulation Plant)	Formulation, Himachal Pradesh	Resignation	29 <sup>th</sup> July 2024
2.	Mr. Sandeep Kumar	Vice President (Plant Operations)	Medipath, Himachal Pradesh	Promotion	1 <sup>st</sup> April 2024
3.	Mr. Amrit Ravi	'Lead - Emerging Opportunities' (Level VP)	Medipath, Haryana	Appointment	1 <sup>st</sup> October 2024
4.	Late Shantanu Tuli	President Strategy and Brand	Medipath, Haryana	Superannuation	3 <sup>rd</sup> December 2024

**Number of shares and convertible instruments held by Non-Executive Directors**

None of the Non-Executive Directors of the company hold any share/ convertible instruments of the company as on 31<sup>st</sup> March 2025.

**Number of board meetings and attendance of each Director at the board meetings and the last Annual General Meeting (AGM)**

During the financial year 2024-25, the Board met six (6) times i.e., on 21<sup>st</sup> May 2024, 12<sup>th</sup> August 2024, 27<sup>th</sup> August 2024, 11<sup>th</sup> November 2024, 14<sup>th</sup> January 2025 and 6<sup>th</sup> February 2025. The Annual General Meeting ('AGM') for the financial year 2023-2024, was held on 28<sup>th</sup> September 2024 through video conferencing/ other audio-visual mode.

Attendance of the Directors at the Board Meetings and AGM are as follows:



Name of Director	Attendance at last AGM	No. of Board meetings held during the tenure	No. of Board meetings attended	% of attendance
Mr. Sushil Suri	✓	6	6	100.00%
Mr. Sanjay Suri	✓	6	6	100.00%
Mr. Praveen Kumar Dutt <sup>1</sup>	✓	6	5	83.33%
Mr. Ranjit Khattar <sup>2</sup>	✓	4	4	100.00%
Mrs. (Dr.) Savita	✓	6	6	100.00%
Mr. Sharad Jain <sup>3</sup>	✓	3	3	100.00%
Mr. Manoj Joshi <sup>4</sup>	NA	3	3	100.00%
Mr. Sukhcharan Singh <sup>4</sup>	NA	3	3	100.00%
Mr. Bhupender Raj Wadhwa <sup>4</sup>	NA	3	3	100.00%

**Notes:**

1. Re-appointed as Independent Director for a second term w.e.f., 13<sup>th</sup> August 2024. Shareholders' approval for re-appointment was obtained on 28<sup>th</sup> September 2024.
2. Appointed as an Additional Director (Category Independent) w.e.f., 12<sup>th</sup> August 2024. Shareholders' approval for appointment was obtained on 28<sup>th</sup> September 2024.
3. Appointed as an Additional Director (Category Independent) w.e.f., 27<sup>th</sup> August 2024. Shareholders' approval for appointment was obtained on 28<sup>th</sup> September 2024.
4. Office of Directors stand vacated on account of completion of second term as Independent Director w.e.f., 18<sup>th</sup> September 2024.



The notice and detailed agenda along with the relevant notes and other material information were circulated to the Directors before the meeting including minimum information as required under Regulation 17(7) read with Schedule-II of the Listing Regulations, to the extent applicable and relevant and in exceptional cases tabled at the meeting with the approval of the Board of Directors. All the Directors have full and unrestricted access to any information required by them to understand the transactions and take decisions. It enables the Board to discharge its responsibilities effectively and make an informed decision. The compliance report pertaining to all laws applicable to the company as well as steps taken by the company to rectify instances of non-compliances, if any, was circulated to all the Directors along with the agenda and placed/reviewed on quarterly basis in the Board Meeting.

**Independent Directors**

The company has received necessary declaration from each Independent Director as per the provisions of Section 149(7) of the Act, that they meet the criteria of independence laid down in Section 149(6) of the Act. Additionally, they are complying with criteria of independence as prescribed in clause (b) of sub-regulation (1) of regulation 16 of the Listing Regulations.

During the year under review, a separate meeting of the Independent Directors of the company was held on 6<sup>th</sup> February 2025, without the presence of Non-Independent Directors and members of the Management except Company Secretary. All the Independent Directors of the company were present in the meeting.

The Board of Directors of the company is of the firm opinion that all independent directors of the company fulfil all the requirements/ conditions related to Listing Regulations and the Companies Act, 2013 and its rules made thereunder and

are truly independent of the management of the company. During the year, there were not any Independent Director resigned before the expiry of his/her tenure. However, on account of completion of their second term as Non-Executive Independent Directors, the office of Mr. Manoj Joshi, Mr. Sukhcharan Singh and Mr. Bhupender Raj Wadhwa, stand vacated on 18<sup>th</sup> September 2024.

**Familiarization Program for Independent Directors**

The company has put in place a system to familiarise the Independent Directors about the company's profile, products, business performance, market presence, constitution, board procedures, major risks and risk management strategy, regulatory compliance status, values and commitments of the company, through presentations.

The details of such familiarization program for Independent Directors are also available at website of the company and can be accessed at: <https://www.morepen.com/public/img/pdf/Familiarisation-Programme-for-Independent-Directors.pdf>

**Performance Evaluation of Board, Committees & Individual Directors**

The company has mechanism for evaluation of the performance of the Board, Committees, individual Directors and Chairman of the Board. As per the requirements of the Act and the Listing Regulations, annual performance evaluation of Board, Independent Directors, Non-Executive Director, Executive Director, Committees and Chairman of the Board is required to be carried out during the year. Such evaluation has been carried out during the financial year ended 31<sup>st</sup> March 2025. Overview of evaluation framework and criteria is as follows:

Sr. No.	Category	Criteria
1.	Board of Directors	Board structure, composition, diversity, experience, competencies, performance of specific duties and obligations, quality of decision making, board practices, regular meetings, healthy discussions, active participation, open for new ideas and practices, and overall effectiveness of the Board as a whole.
2.	Board Committees	Optimum composition, regular meetings, healthy discussions, information-flow with the Board in terms of reporting and due consideration of Committees' recommendations.
3.	Individual Directors	Requisite qualification, skills and experience, understanding of the Company's business, its market and its goals along with roles and responsibilities, ability to express divergent views and independent judgement, open to new ideas and views from other members, active participation in the meetings.
4.	Chairman and Managing Director	Leadership development, Board management, development, encouragement to effective and open communication and active engagement and employee relationships and interests.
5.	Independent Directors	Besides the criteria mentioned in point no. 3 above, the following are additional criteria: - Independence criteria and conflict of interest; - Providing external expertise and independent judgement that contributes to the Board's deliberations, strategy and performance.

The evaluation process covers structured questionnaire covering aforementioned aspects, which were shared with the Directors. During the evaluation process, Board members submitted their response on a scale of 1 (indicating minimum positive) to 10 (maximum positive) and evaluated performance of Board, its committees and individual directors, including Chairman of the Board.

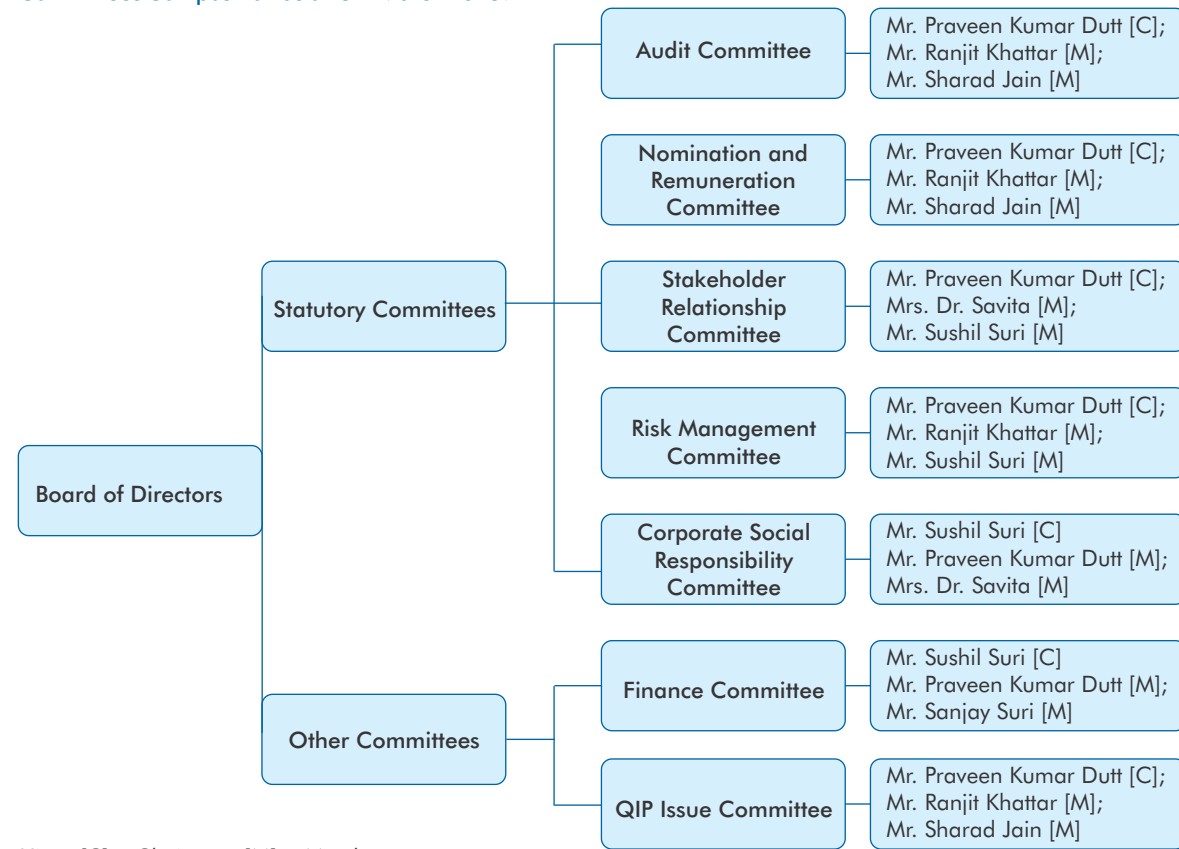
The performance evaluation of the Independent Directors has been done by the entire Board, excluding the Director being evaluated. All Directors participated and completed the performance evaluation process and expressed their satisfaction with the evaluation process.



**Board Committees**

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

**Committees Composition as on 31<sup>st</sup> March 2025:**



Hints: [C] = Chairman; [M] = Member

**AUDIT COMMITTEE**

The company has an Audit Committee, as per the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. The terms of reference of the Audit Committee includes the matters specified under Regulation 18 and Part C of Schedule II of the Listing Regulations and Section 177 of the Act, as amended from time to time and other matters referred by Board.

**Composition of the Committee**

As on 31<sup>st</sup> March 2025, the Company's Audit Committee comprises following members of the Board of Directors.

S. No.	Name of the Committee' member	Category	Status
1.	Mr. Praveen Kumar Dutt	Non-Executive Independent Director	Chairman
2.	Mr. Ranjit Khattar	Non-Executive Independent Director	Member
3.	Mr. Sharad Jain	Non-Executive Independent Director	Member

On account of the completion of second term of Mr. Manoj Joshi, Mr. Sukhcharan Singh and Mr. Bhupender Raj Wadhwa, Non-Executive Independent Directors and members of Audit Committee, on 18<sup>th</sup> September 2024, the Board of Directors re-constituted the Audit Committee on 27<sup>th</sup> August 2024 with Mr. Praveen Kumar Dutt as the chairman, Mr. Ranjit Khattar and Mr. Sharad Jain as the members of the Committee.

All the members of the Committee are financially literate i.e., can read and understand financial statements. The majority of the members of the Audit Committee possesses accounting or related financial management expertise. The meeting of Audit Committee is also attended by the Chief Financial Officer, Statutory Auditors and the special invitees with the confirmation of the Chairman of the Audit Committee of the company. The Company Secretary of the company acts as the Secretary to the Committee.

As per Regulation 18(1) of the Listing Regulations, Section 177 of the Act and the Secretarial Standards, Mr. Praveen Kumar Dutt, the Chairman of the Committee was present at the last Annual General Meeting of the company to answer members queries.

**Meetings and attendance during the year**

During the period under review, Six (6) meetings were held i.e., on 21<sup>st</sup> May 2024, 12<sup>th</sup> August 2024, 11<sup>th</sup> November 2024, 18<sup>th</sup> December 2024, 14<sup>th</sup> January 2025 and 6<sup>th</sup> February 2025. The attendance of members are as follows:

S. No.	Name of the Committee' member	No. of meetings held during the tenure	No. of meetings attended	% of attendance
1.	Mr. Praveen Kumar Dutt	4	4	100%
2.	Mr. Ranjit Khattar	4	4	100%
3.	Mr. Sharad Jain	4	4	100%
4.	Mr. Manoj Joshi*	2	2	100%
5.	Mr. Bhupender Raj Wadhwa*	2	2	100%
6.	Mr. Sukhcharan Singh*	2	2	100%

\* Office vacated on completion of second term as Non-Executive Independent Directors on 18<sup>th</sup> September 2024.



**Brief terms of reference of the Audit Committee**

The terms of reference, role and powers of the Audit Committee are as per the applicable provisions of the Act and Listing Regulations, inter-alia, includes the following:

- (i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Modified opinion(s), if any, in the draft audit report.
- (v) Reviewing with the management, the quarterly financial results before submission to the Board for approval;



- (vi) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the whistle blower mechanism;
- (xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments; and
- (xxi) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the company and its shareholders.
- (xxii) management discussion and analysis of financial condition and results of operations.
- (xxiii) management letters / letters of internal control weaknesses issued by the statutory auditors.
- (xxiv) internal audit reports relating to internal control weaknesses.
- (xxv) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (xxvi) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- (xxvii) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**NOMINATION AND REMUNERATION COMMITTEE**

The company has a duly constituted Nomination & Remuneration Committee. The Committee's constitution and terms of reference are in compliance with the provisions of Regulation 19 and Part D of Schedule II of the Listing Regulations and Section 178 of Companies Act, 2013, as amended, from time to time and other matters referred by the Board.

**Composition of the Committee**

As on 31<sup>st</sup> March 2025, the Company's Nomination & Remuneration Committee comprises following members of the Board of Directors.

S. No.	Name of the Committee' member	Category	Status
1.	Mr. Praveen Kumar Dutt	Non-Executive Independent Director	Chairman
2.	Mr. Ranjit Khattar	Non-Executive Independent Director	Member
3.	Mr. Sharad Jain	Non-Executive Independent Director	Member

On account of the completion of second term of Mr. Sukhcharan Singh and Mr. Bhupender Raj Wadhwa, Non-Executive Independent Directors and members of Nomination & Remuneration Committee, on 18<sup>th</sup> September 2024, the Board of Directors re-constituted the Nomination & Remuneration Committee on 27<sup>th</sup> August 2024 with Mr. Ranjit Khattar and Mr. Sharad Jain co-opted the members of the committee in place of Mr. Sukhcharan Singh and Mr. Bhupender Raj Wadhwa.

Pursuant to provisions of Regulation 19 of the Listing Regulations, all the members of Nomination and Remuneration Committee of the company are non-executive independent directors of the company. The Company Secretary of the company acts as the Secretary to the Committee.

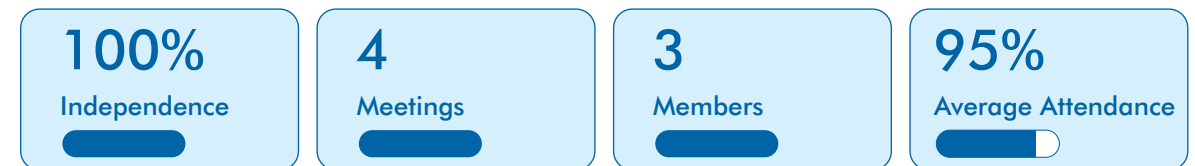
In compliance with Regulation 19(3) of the Listing Regulations, Section 178 of the Companies Act 2013 and the Secretarial Standards, Mr. Praveen Kumar Dutt, Chairman the Committee was present at the last AGM of the company to answer shareholder queries.

**Meetings and attendance during the year**

During the period under review, four (4) meetings of Nomination and Remuneration Committee were held i.e. on 21<sup>st</sup> May 2024, 12<sup>th</sup> August 2024, 27<sup>th</sup> August 2024 and 6<sup>th</sup> February 2025. The attendance of members are as follows:

S. No.	Name of the Committee' member	No. of meetings held during the tenure	No. of meetings attended	% of attendance
1.	Mr. Praveen Kumar Dutt	4	3	75%
2.	Mr. Ranjit Khattar	1	1	100%
3.	Mr. Sharad Jain	1	1	100%
4.	Mr. Sukhcharan Singh*	3	3	100%
5.	Mr. Bhupender Raj Wadhwa*	3	3	100%

\* Office vacated on completion of second term as Non-Executive Independent Directors on 18<sup>th</sup> September 2024.



**Brief terms of reference of the Nomination and Remuneration Committee**

The terms of reference, role and powers of the Nomination and Remuneration Committee are as per the applicable provisions of the Act and Listing Regulations and includes the following:

- (i) Formulation of criteria for determining qualification, positive attributes and independence of Directors; Recommendation of the remuneration policy for the Directors, Key Managerial Personnel, and other employees.
- (ii) In case of appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. The Nomination and Remuneration Committee may select the suitable candidate by:



- a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity;
  - c) consider the time commitments of the candidates.
- (iii) Formulation of criteria for evaluation of Independent Directors, the Board and the Committees thereof; Recommendation of remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria and commissions to non-executive Directors.
- (iv) Devise a policy on Board diversity.
- (v) Identifying persons who are qualified to become Directors and who may be appointed as Key Managerial Personnel/ Senior Management Personnel in accordance with the criteria laid down and recommending to the Board their appointment, removal, and other terms as may be referred by the Board from time to time.
- (vi) Requirement of extension or continuation of term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- (vii) Recommendation to the board, all remuneration, in whatever form, payable to senior management.

#### Performance evaluation of Directors and criteria for Independent Directors

The Nomination & Remuneration Committee carries out the evaluation of performance of individual Directors. Further, in accordance with Schedule IV to the Act and Regulation 17(10) the Listing Regulations, performance evaluation of Independent Directors is done by the entire Board excluding the Director being evaluated.

#### Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the company is available on the website of the company at <https://www.morepen.com/public/img/pdf/Nomination-and-Remuneration-Policy.pdf>.

The Remuneration to the Executive Directors are paid in accordance with the provisions of the Act, Articles of Association and as per the Nomination and Remuneration Policy of the company. The Nomination and Remuneration Policy of the company is aimed at:

- (i) Identifying persons who are qualified to become Directors and persons who may be appointed at senior management and Key Managerial positions;
- (ii) Attracting talented managerial persons considering the talent market, the remuneration trend and the competitive requirement of the business;
- (iii) Retaining high-calibre talent; and
- (iv) Determining remuneration of Directors, Key Managerial Personnel and functional heads.

Presently, except sitting fees Non-Executive Directors are not paid any remuneration. Further, none of the Non-Executive Directors have any pecuniary relationship or transaction vis-a-vis the company.

Details of remuneration disbursed to Executive Directors of the company, during the period under review are as under:

(Amount in ₹ /Lakhs)

Name of Director	Salary*	Perks	Commission	Sitting Fee	Total
Mr. Sushil Suri	260.27	69.24	–	–	329.51
Mr. Sanjay Suri	107.16	24.00	–	–	131.16

\*Including performance linked incentive.

The Nomination and Remuneration Committee determines key parameters for performance linked incentive of Executive Directors and paid annually based on the individual performance and organisation performance.

Details of sitting fee paid to Non- Executive Directors of the company, during the year under review are as under;

Name of Director	Sitting fee (Amount in ₹/ Lakh)
Mr. Praveen Kumar Dutt	7.10
Mr. Ranjit Khattar <sup>#</sup>	3.20
Mr. Sharad Jain <sup>^</sup>	2.50
Mrs. (Dr.) Savita	3.80
Mr. Bhupender Raj Wadhwa*	3.50
Mr. Manoj Joshi*	2.90
Mr. Sukhcharan Singh*	3.10

<sup>#</sup> Appointed on 12<sup>th</sup> August, 2024.

<sup>^</sup> Appointed on 27<sup>th</sup> August, 2024.

\* Office vacated on completion of second term as Non-Executive Independent Directors on 18<sup>th</sup> September 2024.

There is no separate service contract executed with Directors of the company, the terms and condition including notice period, severance fees etc., are as per appointment letter and in accordance with the policy of the company. The company does not have any stock option scheme.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to compliance of Regulation 20 and Part D of Schedule II of Listing Regulations and Section 178 of the Act, as amended from time to time, the company have a duly constituted Stakeholders Relationship Committee.

#### Composition of the Committee:

As on 31<sup>st</sup> March 2025, the Company's Stakeholders Relationship Committee comprises following members of the Board of Directors.

S. No.	Name of the Committee' member	Category	Status
1.	Mr. Praveen Kumar Dutt	Non-Executive Independent Director	Chairman
2.	Mrs. (Dr.) Savita	Non-Executive Independent Director	Member
3.	Mr. Sushil Suri	Executive Director	Member

During the year under review, the office of Mr. Manoj Joshi and Mr. Sukhcharan Singh, Non-Executive Independent Directors and members of Stakeholders Relationship Committee, were vacated on 18<sup>th</sup> September 2024, the Board of Directors re-constituted the Stakeholders Relationship Committee on 27<sup>th</sup> August 2024 with Mr. Praveen Kumar Dutt co-opted as the chairman in place of Mr. Manoj Joshi and Mrs. (Dr.) Savita co-opted as the member in place of Mr. Sukhcharan Singh.

Mr. Vipul Kumar Srivastava, Company Secretary of the company, has been designated as Compliance Officer of the company and acts as the Secretary of the Committee. Pursuant to Section 178(7) of the Act read with Regulation 20 of the Listing Regulations and the Secretarial Standards, Mr. Praveen Kumar Dutt, chairman of the Committee was present at the last AGM of the company to answer members' queries.

#### Role of Stakeholders' Relationship Committee

The role and terms of reference of Stakeholders' Relationship Committee are as follows:

- Redressal of grievances of the members, including complaints related to the transfer/ transmission/ transposition of names on the share certificates, issue of duplicate certificates/ letter of confirmation and new certificates on split/ consolidation/ renewal;
- Collection and analysis of reports received periodically from the Registrar and Share Transfer Agent;
- Matters related to non-receipt of declared dividends, balance sheets, annual report or any other documents or information sent by the company to the members.
- Review of measures taken for effective exercise of voting rights by the members.
- Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the members of the company.



The company and its Registrar & Share Transfer Agent attend all grievances received from the shareholders. Efforts are made to ensure that all the grievances of the shareholders are redressed expeditiously and satisfactorily. A separate e-mail i.e., investors@morepen.com, has been designated by the company for the shareholders to lodge their complaints/queries.

Shareholder's holding shares in physical mode, may address such correspondences either to the Company Secretary of the company or Mas Services Limited (Registrar and Share Transfer Agent of the company). However, queries relating to non-receipt of dividend or non-receipt of annual reports and others, should be addressed to the company. Members are requested to indicate their DP ID & Client ID/ Ledger folio number in their correspondence with the company and to provide their email addresses and telephone numbers to facilitate prompt response from the company.

#### SEBI Complaints Redressal System (SCORES):

The company has registered with SCORES. In SCORES, the investor complaints may be processed in a centralized web-based complaints redressal system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the company and online viewing by investors/shareholder of actions taken on the complaint and its current status.

The company has received, in aggregate, seven (7) shareholders'/investors' complaints during the year and all complaints have been resolved/answered to the satisfaction of the shareholders. No complaint remained un-attended/pending for statutory prescribed time.

#### SEBI Smart Online Dispute Resolution Portal (ODR Portal):

The SEBI has introduced an Online Dispute Resolution ('ODR') mechanism to streamline the resolution of disputes between investors and various market participants. This initiative aims to provide a more efficient, transparent, and cost-effective method for addressing grievances, enhancing investor confidence in the securities market. In line with the requirements, the company has also registered at ODR platform and providing services by placing a weblink on website at www.morepen.com

SEBI's Online Dispute Resolution mechanism represents a significant step forward in the regulation and oversight of the securities market. By providing an efficient, transparent, and accessible platform for resolving disputes, SEBI ODR not only enhances investor confidence but also contributes to the overall stability and integrity of the market. This initiative underscores SEBI's commitment to protecting investor interests and fostering a fair and equitable market environment.

#### RISK MANAGEMENT COMMITTEE

Pursuant to compliance of Regulation 21 and Part D of Schedule II of Listing Regulations as amended from time to time, The company have a Risk Management Committee of the Board of Directors for monitoring and reviewing of the risk and its management.

#### Composition of the Committee

As on 31<sup>st</sup> March 2025, the Company's Risk Management Committee comprises following members of the Board of Directors.

S. No.	Name of the Committee' member	Category	Status
1.	Mr. Praveen Kumar Dutt	Non-Executive Independent Director	Chairman
2.	Mr. Ranjit Khattar*	Non-Executive Independent Director	Member
3.	Mr. Sushil Suri	Executive Director	Member

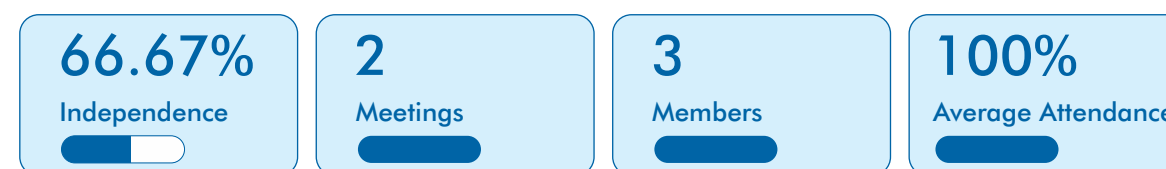
\*On account of the completion of second term of Mr. Sukhcharan Singh, Non-Executive Independent Director and member of Risk Management Committee, on 18<sup>th</sup> September 2024, the Board of Directors re-constituted the Risk Management Committee on 27<sup>th</sup> August 2024 with Mr. Ranjit Khattar co-opted as a member in place of Mr. Sukhcharan Singh.

#### Meetings and attendance during the year

During the period under review, two (2) meetings of Risk Management Committee were held i.e., on 29<sup>th</sup> April 2024 and 11<sup>th</sup> November 2024. The attendance of members are as follows:

S. No.	Name of the Committee' member	No. of meetings held during the tenure	No. of meetings attended	% of attendance
1.	Mr. Praveen Kumar Dutt	2	2	100%
2.	Mr. Sushil Suri	2	2	100%
3.	Mr. Ranjit Khattar	1	1	100%
4.	Mr. Sukhcharan Singh*	1	1	100%

\*Office vacated on completion of second term as Non-Executive Independent Director on 18<sup>th</sup> September 2024.



#### Brief terms of reference of the Risk Management Committee:

The terms of reference, role and powers of the Risk Management Committee are as per the applicable provisions of the Act and Listing Regulations and includes the following:

- (i) Formulation of a detailed risk management policy which shall include:
  - a. framework for identification of internal and external risks specifically faced by the company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
- (ii) Applicability of appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the company;
- (iii) Monitoring and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (iv) Periodic review of risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (v) Information to the board of directors about the nature and content of its discussions, recommendations and actions to be taken;
- (vi) Appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The company have also a duly constituted Corporate Social Responsibility Committee in compliance of Section 135 of the Companies Act, 2013 and its rules made thereunder.



**Composition of the Committee:**

The Corporate Social Responsibility ('CSR') Committee was constituted by the Board of Directors of the company. The composition of the CSR Committee are in compliance with the provisions of Section 135 of the Act. As on 31<sup>st</sup> March 2025 the CSR Committee is comprising following members:

S. No.	Name of the Committee' member	Category	Status
1.	Mr. Sushil Suri	Executive Director	Chairman
2.	Mr. Praveen Kumar Dutt	Non-Executive Independent Director	Member
3.	Mrs. (Dr.) Savita	Non-Executive Independent Director	Member

On account of the completion of 2<sup>nd</sup> term of Mr. Bhupender Raj Wadhwa, Non-Executive Independent Director and member of CSR Committee, on 18<sup>th</sup> September 2024, the Board of Directors re-constituted the Corporate Social Responsibility Committee on 27<sup>th</sup> August 2024 with Mrs. (Dr.) Savita co-opted as a member in place of Mr. Bhupender Raj Wadhwa.

**Role of Corporate Social Responsibility Committee**

The Role and Terms of Reference of the CSR Committee, includes the following:

- Formulation and updation of the CSR Policy;
- Decision of the CSR activities to be taken up by the company in accordance with the CSR Policy;
- Decide the amount to be allocated for each project or activity;
- Overseeing and monitoring the progress of the initiatives rolled out under the CSR policy;
- Submission of report, to the Board on all CSR activities undertaken during the financial year.

**Meetings and attendance during the year**

During the period under review, four (4) meetings of CSR Committee were held i.e., on 12<sup>th</sup> August 2024, 27<sup>th</sup> August 2024, 11<sup>th</sup> November 2024 and 6<sup>th</sup> February 2025. The attendance of members are as follows:

S. No.	Name of the Committee' member	No. of meetings held during the tenure	No. of meetings attended	% of attendance
1.	Mr. Sushil Suri	4	4	100%
2.	Mr. Praveen Kumar Dutt	4	3	75%
3.	Mrs. (Dr.) Savita	2	2	100%
4.	Mr. Bhupender Raj Wadhawa*	2	2	100%

\*Office vacated on completion of second term as Non-Executive Independent Director on 18<sup>th</sup> September 2024.



The requisite quorum was present at meetings and Mr. Vipul Kumar Srivastava, Company Secretary of the company acts as the Secretary of the Committee. The CSR Policy of the company is available on the website of the company at the following address at <https://www.morepen.com/public/img/pdf/Corporate-Social-Responsibility-Policy.pdf>

**FINANCE COMMITTEE**

The Board at its meeting held on 27<sup>th</sup> July 2021, constituted the Finance Committee, inter-alia, to oversee day to day business and affairs of the Company and to take decisions on routine operations that arise in the normal course of business. The Committee is governed by the terms of reference as laid down by the Board of Directors of the Company.

**Composition of the Committee:**

As on 31<sup>st</sup> March 2025 the Company's Finance Committee comprises following members of the Board of Directors.

S. No.	Name of the Committee' member	Category	Status
1.	Mr. Sushil Suri	Executive Director	Chairman
2.	Mr. Praveen Kumar Dutt	Non-Executive Independent Director	Member
3.	Mr. Sanjay Suri	Executive Director	Member

**Role and Terms of reference of Finance Committee:**

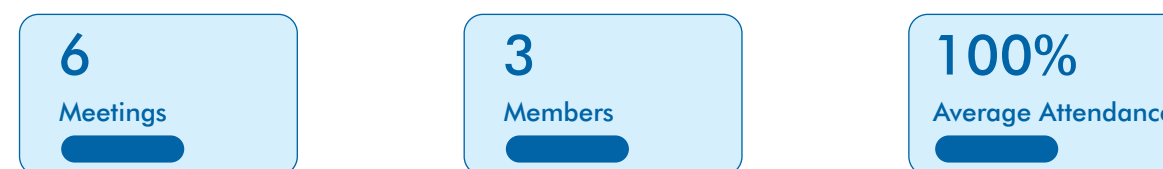
The Role and Terms of Reference of the Finance Committee, includes the following:

- Review the Company's financial policies and procedures;
- Grant loans or give guarantee or provide security in respect of loans;
- Borrow monies including but not limited to Banks/ FIs i.e., bank guarantee, letter of credit etc.;
- Investment in securities and access to liquidity;
- Reviewing and recommending to the board methods and terms of external financing and other financial transactions required to achieve the company's objectives;
- Review banking arrangements and cash management;
- Approve opening of bank accounts as may require in day-to-day course of business;
- Approve modifications in the authorised signatories in the bank accounts;
- Delegate authorities from time to time to the executives/ authorized persons to implement the decisions of the committee;
- Approve and provide any other bank related authorisation in day-to-day course of business;
- Approve any changes made in the annual budget;
- Carry out any other function as is mandated by the board from time to time and/or enforced by any statutory notification, amendment or modification/ statutory compliance as may be applicable;
- Other matters, as directed by the board.

**Meetings and attendance during the year:**

During the period under review, six (6) meetings of Finance Committee were held i.e., on 30<sup>th</sup> July 2024, 18<sup>th</sup> December 2024, 15<sup>th</sup> January 2025, 13<sup>th</sup> February 2025, 22<sup>nd</sup> March 2025 and 29<sup>th</sup> March 2025. The attendance of members are as follows:

S. No.	Name of the Committee' member	No. of meetings held during the tenure	No. of meetings attended	% of attendance
1.	Mr. Sushil Suri	6	6	100%
2.	Mr. Sanjay Suri	6	6	100%
2.	Mr. Praveen Kumar Dutt	6	6	100%



The Company Secretary act as the Secretary to this Committee. The Committee meets as and when deem necessary to cater the requirements of the Company.

**QIP ISSUE COMMITTEE**

The Board at its meeting held on 22<sup>nd</sup> February 2024, constituted the QIP issue Committee, inter-alia, to decide quantum, price, opening and closing, objects of the issue, selection of investors to whom issue is to be made and other related



matters and to carry out such other functions as may be necessary or desirable and also to settle any question, difficulty or doubt that may arise in connection with the Issue.

**Composition of the Committee:**

As on 31<sup>st</sup> March 2025, the Company's QIP Issue Committee comprises following members of the Board of Directors.

S. No.	Name of the Committee' member	Category	Status
1.	Mr. Praveen Kumar Dutt	Non-Executive Independent Director	Chairman
2.	Mr. Ranjit Khattar	Non-Executive Independent Director	Member
3.	Mr. Sharad Jain	Non-Executive Independent Director	Member

On account of the completion of second term of Mr. Manoj Joshi, Mr. Sukhcharan Singh and Mr. Bhupender Raj Wadhwa, Non-Executive Independent Directors and members of QIP Issue Committee, on 18<sup>th</sup> September 2024, the Board of Directors re-constituted the QIP Issue Committee on 27<sup>th</sup> August 2024 with Mr. Praveen Kumar Dutt as the chairman, Mr. Ranjit Khattar and Mr. Sharad Jain as the members of the Committee.

**Role and Terms of reference of QIP Issue Committee:**

The brief role and terms of reference of the QIP Issue Committee, includes the following:

- Decide quantum of the Issue, the date for the opening and closing of the Issue, the class of investors to whom the securities are allotted, type of securities, number of Securities the Issue price Issue schedule, number of Equity Shares to be issued and allotted and approval and execution of various transaction documents.
- Finalization of the allotment of the Equity Shares on the basis of the subscriptions received.
- Decide and finalize the objects of the Issue for which funds are being raised by the Company.
- Finalization of any arrangement for the submission of the preliminary and final offering circulars/prospectus(es)/offer document(s), letter of offer(s), placement document(s) and any amendments and supplements thereto, with any applicable government and regulatory authorities, institutions or bodies.
- Finalization of the materiality policy with respect to disclosures to be made in the preliminary and final placement document;
- Approval and adoption of any special purpose financials statements, if any, in respect of the QIP;
- Entering into any arrangement for managing and marketing the Issue and to appoint, in its absolute discretion, book running lead manager(s), legal advisor(s), escrow bank(s)/agent(s) and other agents as may be required in order to facilitate or consummate the Issue and sign all documents in relation to the Issue thereof and to pay any fees, commissions, remunerations, and expenses in connection with the Issue.
- Approval of the deposit agreement(s), placement agreement, escrow agreement, the purchase/underwriting agreement, the trust deed, the indenture, other certificate representing the securities, letters of allotment, listing application, engagement letter(s), memoranda of understanding and any other agreements or documents as may necessary for the purpose of issue.
- Seeking the listing of the Equity Shares on the Stock Exchanges, submitting the in-principle listing application to the Stock Exchanges and taking all actions that may be necessary in connection with obtaining such listing.
- Opening of one or more bank accounts in the name of the Company as may be required in connection with the aforesaid Issue, including with any escrow bank.
- Taking decision pertaining to road shows (deal and non-deal road shows) and investor meet(s).
- Settlement of all questions, difficulties or doubts that may arise in regard to such issue.
- Taking necessary actions and steps for obtaining relevant approvals as may be required from such authorities as may be necessary in relation to the Issue.
- Doing all such acts, deeds, matters and things as the QIP Issue Committee may, in its absolute discretion, consider necessary, proper, expedient, desirable or appropriate for making the said issue.

During the year under review, three (3) meetings of the QIP Issue Committee were held i.e., on 1<sup>st</sup> August 2024 and two (2) meetings held on 5<sup>th</sup> August 2024. The requisite quorum was present at meetings and Mr. Vipul Kumar Srivastava, Company Secretary of the company acts as the Secretary of the Committee.

**GENERAL BODY MEETINGS**

The General Body Meetings i.e., Annual General Meetings were held in accordance with the requirements of Listing Regulations and the Companies Act, 2013.

**Details of the last three Annual General Meetings (AGMs):**

Financial Year	Location/ Mode	Date & Time	Special Resolution(s) Passed	Transcript	Other Web Links
2023-2024		28 <sup>th</sup> September 2024 at 1.00 p.m.	Yes, please refer below note 1.	Transcript available at link	Notice Results
2022-2023		28 <sup>th</sup> September 2023 at 1.00 p.m.	Yes, please refer below note 2.	Transcript available at link	Notice Results
2021-2022		27 <sup>th</sup> September 2022 at 12.30 p.m.	Yes, please refer below note 3.	Transcript available at link	Notice Results

The meeting was held through video conferencing/ other audio-visual mode, deemed venue of the meeting was the registered office of the company namely Morepen Village, Nalagarh Road, Near Baddi, Distt. Solan, Himachal Pradesh.

**The details of special resolutions passed at the 39<sup>th</sup> AGM held on 28<sup>th</sup> September 2024:**

- Re-appointment of Mr. Praveen Kumar Dutt (DIN: 06712574) as an Independent Director.
- Appointment of Mr. Ranjit Khattar (DIN: 00726997) as an Independent Director.
- Appointment of Mr. Sharad Jain (DIN: 06423452) as an Independent Director.

**The details of special resolutions passed at the 38<sup>th</sup> AGM held on 28<sup>th</sup> September 2023:**

- Remuneration paid/ payable to Mr. Sushil Suri (DIN: 00012028) as the Chairman & Managing Director from 1<sup>st</sup> April 2023 to 19<sup>th</sup> October 2023.
- Re-appointment of Mr. Sushil Suri (DIN: 00012028) as the Chairman & Managing Director.

**The details of special resolutions passed at the 37<sup>th</sup> AGM held on 27<sup>th</sup> September 2022:**

- Re-appointment of Mr. Sanjay Suri as Whole-Time Director.
- Alteration of articles of association of the company.

No Special Resolution was passed through postal ballot, during the period under review. None of the businesses proposed to be transacted at the ensuing Annual General Meeting are required to be transacted through postal ballot.

**Codes, Policies and Frameworks**

In line with our Corporate Governance philosophy, which emphasizes adherence to ethical and governance standards, the company is committed to ensuring fairness, accountability, responsibility, and transparency for all its stakeholders. The company, inter-alia, has adopted the following policies and codes. These policies are reviewed periodically by the Board and updated as and when needed. All these policies/ codes have been uploaded on the website of the Company at [www.morepen.com](http://www.morepen.com)



Name of the Policy/Codes	Key Objectives
Corporate Social Responsibility Policy	To ensure CSR amount is allocated, monitored, spent, and reported.
Code of Conduct for Board Members and Senior Management Personnel	To ensure that Directors and Senior management are aware of core guiding principles while conducting the business of the Company.
Code of Conduct to regulate, monitor & report of trading by insiders	To ensure regulation of trading, communication of unpublished price sensitive information (USPI) and reporting by designated persons in relation to securities or USPI of the Company.
Code of practices and procedures for fair disclosure of unpublished price sensitive information	To ensure uniform disclosure practices are adopted for any kind of unpublished price sensitive information.
Dividend Distribution Policy	To provide guidance to stakeholders as to when one should expect to receive dividend and help the management to develop effective dividend strategy under guidance of the Board.
Nomination and Remuneration policy for directors, key managerial personnel and other employees	To provide structured framework for selecting and remunerating the Directors, key managerial personnel and Senior management.
Determination of materiality for disclosures policy	To develop standardized process for identifying, and reporting the material events
Policy for determining material subsidiary	To ensure governance around material subsidiaries viz identification, approvals required for disposal of subsidiaries etc.
Familiarisation programme for independent directors	To ensure structured approach and process for familiarisation of Independent Directors.
Risk management policy	To enable the Company in adopting defined process for identifying, assessing monitoring, managing and reporting the key risks.
Policy on dealing with related party transaction	To ensure strong governance process around identification, dealing and approval of the related party transactions.
Whistle Blower Policy	To provide a formal process of raising complaints without fear of being reprimanded thereby reposing confidence amongst the stakeholders.
BRSR Policy	To ensure the level of reporting on environmental, social, and governance (ESG) performance.

### MEANS OF COMMUNICATIONS

**Quarterly Results:** The Company's quarterly / half-yearly / annual financial results are sent to the stock exchanges and are also available on the website of the Company viz., [www.morepen.com](http://www.morepen.com)

**Newspaper Publications:** The financial results (quarterly/ half-yearly / annual results ) of the company published within 48 hours in 'Financial Express' (English) and 'Jansatta' (Hindi) newspapers from the approval thereof and posted on the company's website viz., [www.morepen.com](http://www.morepen.com)

**Annual Report:** The company sent annual reports, notices, and other communications to the shareholders electronically at their email IDs as registered in the depository system or with the Registrar and Share Transfer Agent (physical shareholdings) and shall be given the physical copies to those who have asked for the same.

**Website:** The company's website i.e., [www.morepen.com](http://www.morepen.com), contains a separate section wherein shareholders' related information is updated periodically and available in a user-friendly and downloadable form.

**News Release and presentation etc.:** The press releases and official news, as applicable, are displayed on the company's website on the happening of any material event, an official news release is made to the newspapers/press, stock exchanges and the same is also displayed on the company's website.

The Company organizes earnings call with analysts and investors after the announcement of quarterly/ annual financial results. The transcript of the earnings calls and the presentation made to institutional investors or to analysts are disseminated at the stock exchanges' website as well as the company's website.

### GENERAL SHAREHOLDERS INFORMATION

- a) Date, Time and Venue of Annual General Meeting (AGM) Saturday, 6<sup>th</sup> September 2025 at 1.00 p.m. through video conferencing or other audio-visual means. The Registered Office of the Company shall be deemed to be the venue for the AGM. For details, please refer to the Notice of this AGM.
- b) Financial Year 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025
- c) Dividend, Record Date and Dividend Payment Date The Board has considered and recommended a final dividend of 0.20/- per equity share of face value of 2/- each for financial year ended 31<sup>st</sup> March 2025, subject to approval of the members at the ensuing AGM.  
**Record Date:** Saturday, 30<sup>th</sup> August 2025  
Dividend will be paid within a period of thirty (30) days of AGM upon approval of the members
- d) Dates of Book Closure The dates of book closure will Sunday, 31<sup>st</sup> August 2025 to Saturday, 6<sup>th</sup> September 2025 (both days inclusive) for AGM.
- e) Stock Exchanges  
**National Stock Exchange of India Limited (NSE)**  
Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051  
NSE Symbol: MOREPENLAB  
**BSE Limited (BSE)**  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai - 400001  
BSE Scrip Code: 500288  
Listing fees for the year 2025-26 have been paid to NSE & BSE.  
During the year under review, the equity shares of the company are not suspended from trading.
- f) ISIN INE083A01026
- g) Registrar and Share Transfer Agents (RTA) **MAS Services Limited**



T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area,  
Phase- II, New Delhi-110 020  
Tel. No.:011-26387281/82/83; Fax. No.:011-26387384  
e-mail id: investor@masserv.com; website:  
www.masserv.com

h) Share Transfer System

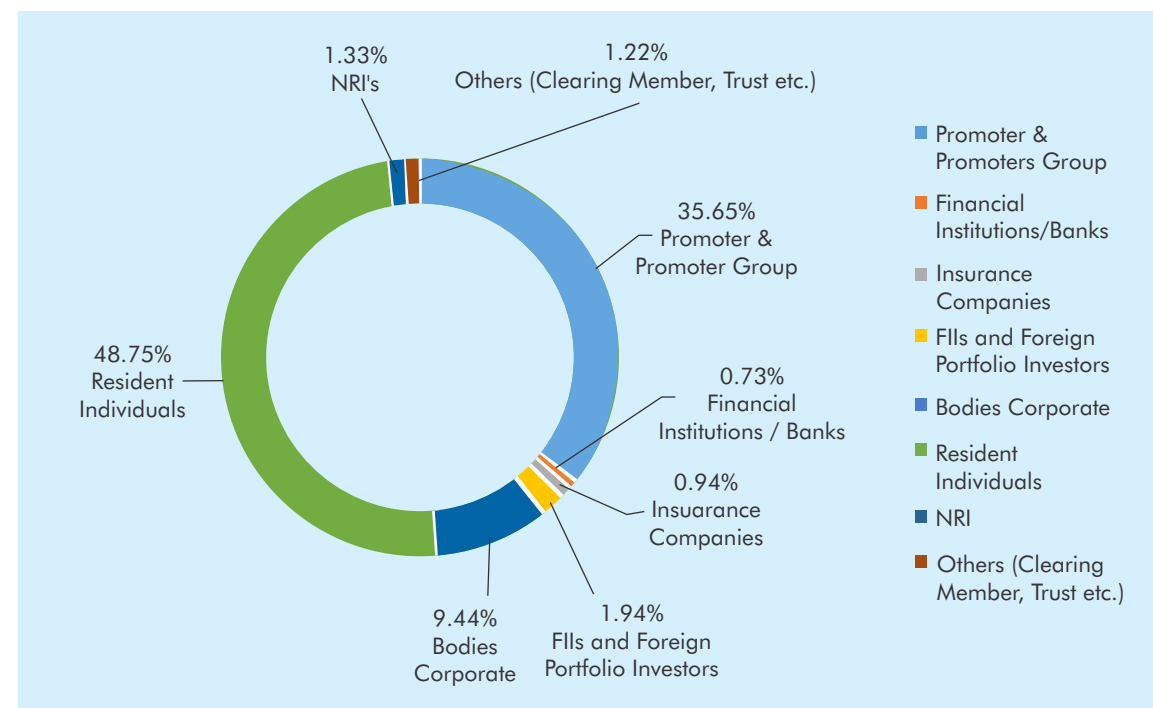
The company has appointed a Registrar and Share Transfer Agent ('RTA') viz., Mas Services Limited, for smooth and hassle-free share transfer and other related activities. The company is complying with the Listing Regulations and the Companies Act 2013 and its rules made thereunder related to the share transfers

l) Distribution of shareholding as on 31<sup>st</sup> March 2025

No. of shares held ranging (From-To)	No. of shareholders	% of Total shareholders	Total Shares	Amount (₹)
1 – 5,000	4,53,383	96.70	12,74,46,933	25,48,93,866
5,001 – 10,000	9,184	1.96	3,31,17,033	6,62,34,066
10,001 – 20,000	3,625	0.77	2,64,73,437	5,29,46,874
20,001 – 30,000	971	0.21	1,20,93,845	2,41,87,690
30,001 – 40,000	477	0.10	85,68,795	1,71,37,590
40,001 – 50,000	269	0.06	61,55,514	1,23,11,028
50,001 – 1,00,000	536	0.11	1,91,44,368	3,82,88,736
1,00,001 & above	415	0.09	31,49,53,774	62,99,07,548
<b>Total</b>	<b>4,68,860</b>	<b>100</b>	<b>54,79,53,699</b>	<b>1,09,59,07,398</b>

Category of Shareholdings as on 31<sup>st</sup> March 2025

Category	% of Shareholding
Promoter & Promoters Group	35.65
Financial Institutions/Banks	0.73
Insurance Companies	0.94
FII and Foreign Portfolio Investors	1.94
Bodies Corporate	9.44
Resident Individuals	48.75
NRI	1.33
Others (Clearing Member, Trust etc.)	1.22
<b>Total</b>	<b>100.00</b>



j) Dematerialization of Shares and Liquidity

The Equity Shares of the company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited and the Central Depository Services (India) Limited. The ISIN Number of company on both the NSDL and CDSL is INE083A01026.

As on 31<sup>st</sup> March 2025, there are 52,16,25,915 Equity Shares (i.e., 95.2%) of ₹2/- each are held in electronic/ demat form.



k) Outstanding GDRS/ADRS/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity.

There is no outstanding GDRS/ADRS/Warrants, or any Convertible Instruments issued by the company during the financial year 2024-25.

l) Commodity price risk or foreign exchange risk and hedging activities.

The company is not engaged in commodity trading, hedging or exchange risk management activities.

m) Plant Locations

- 1) Morepen Village, Nalagarh Road, Near Baddi, Distt. Solan, Himachal Pradesh – 173 205
- 2) Plot No. 12 B, Sector - 2, Parwanoo, District Solan, Himachal Pradesh – 173 220
- 3) Plot No. 12 C, Sector - 2, Parwanoo, District Solan, Himachal Pradesh – 173 220



- n) Address for correspondence
- 4) Village Masulkhana, District Solan, Himachal Pradesh – 173 220
- Registered Office:**  
Morepen Village, Malkumajra, Nalagarh Road, Near Baddi, Distt. Solan, Himachal Pradesh – 173 205  
Tel No.: 01795 - 266401-03, 244590; Fax No.: 01795 - 244591 Email i.d.: investors@morepen.com  
Website: www.morepen.com
- Corporate Office:**  
2<sup>nd</sup> Floor, Tower C, DLF Cyber Park, Udyog Vihar III, Sector 20, Gurugram, Haryana 122016, India  
Tel No.: 0124-4892000  
Email i.d.: investors@morepen.com  
Website: www.morepen.com
- Investor Correspondence (RTA):**  
MAS Services Ltd.  
Unit: Morepen Laboratories Limited  
T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110 020  
Tel No.: 011 - 26387281/82/83;  
Fax No.: 011 – 26387384  
Email: investor@masserv.com.  
Website: www.masserv.com
- o) Credit Rating
- The company has not issued any debt securities, accepted fixed deposits, or launched any fund-mobilising schemes or proposals. The credit facilities from banks are in the place, for which the company is in the process of obtaining credit ratings for those credit facilities.

#### DEPOSITORY SERVICES

Shareholders may write to the company or to the respective Depositories for any guidance on depository services:

**National Securities Depository Ltd.**  
4<sup>th</sup> Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Telephone: 022 - 24994200  
Fax: 022-24976351

**Central Depository Services (India) Ltd.**  
Marathon Futurex, A-Wing, 25<sup>th</sup> Floor, NM Joshi Marg, Lower Parel (East), Mumbai - 400 013, Telephone: 022 - 62343333

#### OTHER DISCLOSURES

##### a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large

During the year under review, the particulars and nature of transactions with the related parties, in summarized form, duly reviewed by Audit Committee, entered during the financial year ended 31<sup>st</sup> March 2025, in the ordinary course of business of the company and at arm's length basis, are disclosed in compliance with the Indian Accounting Standard on "Related Party Disclosures" in Note No. 31 of Notes to Consolidated Financial Statements in the Annual Report.

The Company based on the recommendation of the Audit Committee and subsequent approvals by the Board of Directors on 14<sup>th</sup> January 2025 sought the approval of shareholders at the Extra- Ordinary General Meeting held on 10<sup>th</sup> February 2025 for transfer (hiving off) of its medical devices business, classified as an "undertaking" under Section 180(1)(a) of the Companies Act, 2013, to its subsidiary, Morepen Medipath Limited (formerly known as Morepen Medtech Limited), a material related party transaction, having no potential conflict with the interests of the company at large.

The company' policy on Related Party Transactions is available on the website of the company and can be accessed at <https://www.morepen.com/public/img/pdf/Policy-on-Dealings-with-Related-Party-Transactions.pdf>.

##### b) Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years

The company has complied with the requirements of Stock Exchanges, Securities and Exchange Board of India and other statutory authorities /regulatory on matters relating to capital markets during the last three years. The summary orders/ penalties/ strictures imposed by Stock Exchange or SEBI or any statutory authority, during the previous years are as follows:

SEBI vide its order no. WTM/ AB / EFD-1/ DRA-1/21/2019-20 dated 24<sup>th</sup> September 2019, in the matter of issuance of Global Depository Receipts by the company, had prohibited the company from accessing the securities market and restraining it from buying, selling or otherwise dealing in the securities, either directly or indirectly or in any other manner whatsoever, for a period of one year.

The company was filed an appeal before Hon'ble Securities Appellate Tribunal, *inter-alia*, for setting aside the aforesaid SEBI order and/or grant an interim stay on operation of the said order. The Hon'ble SAT vide its order dated 15<sup>th</sup> April, 2021, set aside the aforesaid order passed by SEBI. Further, the SEBI was filed an appeal before Hon'ble Supreme Court of India on 20<sup>th</sup> July 2021 against SAT order dated 15<sup>th</sup> April 2021. The company filed a counter affidavit against the appeal filed by SEBI, praying for dismissal on 3<sup>rd</sup> September 2021.

On 22<sup>nd</sup> April 2025, Hon'ble Supreme Court has admitted the appeal of SEBI. The matter is currently pending adjudication.

##### c) Details of establishment of vigil mechanism, whistle blower policy and affirmation

The company has adopted a Vigil Mechanism/ Whistle Blower Policy for developing a culture where it is safe for all directors/ employees to raise concerns about any unacceptable practice and any event of misconduct. The policy allows unrestricted access to all employees and others to approach the Audit Committee and there has been no instance during the year where any personnel has been denied access to the Audit Committee.

##### d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The company has generally complied with all the mandatory requirements as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations, to the extent applicable to the company.

##### e) Disclosures related to policy for 'material' subsidiary

In compliance with the Listing Regulations, the Audit Committee of the company periodically reviews the financial statements and the investments made by the unlisted subsidiary companies. The minutes of the board meetings and financial statements of all unlisted subsidiary companies were circulated along with the agenda also placed before the meeting(s) of the Board of Directors of the company. The company does not have any material unlisted subsidiary company, during the year under review.

The policy for determining the 'material' subsidiaries is in accordance with the definition of 'material subsidiary' as contained in Regulation 16(1) (C) of the Listing Regulations is available on the website of the company at <https://www.morepen.com/public/img/pdf/Policy-for-Determining-Material-Subsidiary.pdf>

##### f) Disclosures related to policy on dealing with Related Party Transaction

The company has formulated a policy on the materiality of Related Party Transactions, inter-alia, manner of dealing with Related Party Transactions. The said policy is available on the website of the company and can be accessed through web link at <https://www.morepen.com/public/img/pdf/Policy-on-Dealings-with-Related-Party-Transactions.pdf>

##### g) Disclosures related commodity price risks and commodity hedging activities

The company is not engaged in the business related to commodity therefore this clause is not applicable on the company.



**h) Disclosures related to utilization of funds raised through preferential allotment or qualified institutional placement**

During the year under review, the Company had raised an amount ₹200,00,00,000 (Rupees Two Hundred Crore Only) by issuing 3,67,84,991 (Three Crore Sixty Seven Lakh Eighty Four Thousand Nine Hundred Ninety One) equity shares of ₹2/- each fully paid up at an issue price of ₹54.37/- per equity share (including premium of ₹52.37 per equity share) to Qualified Institutional Buyers by way of Qualified Institutional Placement (QIP).

The Company discloses to the Audit Committee the uses/ application of proceeds/funds raised from the initial public offer QIP as a part of the quarterly review of financial results.

Further, the Company has also appointed Care Ratings Limited as the Monitoring Agency in terms of Regulation 173A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018 ("ICDR Regulations"), as amended from time to time, to monitor the utilization of QIP proceeds. The Company has obtained monitoring reports from the Monitoring Agency on a quarterly basis confirming no deviation or variation in the utilization of QIP proceeds from the objects stated in the placement document.

The company has submitted the statement(s) and Monitoring Agency Report as required under Regulation 32 of the SEBI Listing Regulations and Regulation 173A of ICDR Regulations, to both the exchanges where the equity shares of the company are listed, namely, National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE').

**i) Certificate of Practicing Company Secretary for Board of Directors**

A certificate has been obtained from Mr. Praveen Dua, Company Secretary in practice that none of the Directors on the Board has been debarred or disqualified from being appointed/re-appointed or continuing as Director of the company by SEBI/ Ministry of Corporate Affairs or any such statutory authority.

**j) Disclosures related to recommendation of Committee(s) of the Board of Directors of the company**

There is not any instance wherein the Board has not accepted any recommendation of any committee of the board, which is mandatorily required, during the financial year. The Board had considered all the recommendation of / submissions of the Committee before passing any resolution.

**k) Disclosures related to total fees paid to Statutory Auditors for all their services to the company and its subsidiary**

Total fees paid to Statutory Auditors for all services provided to the company and its subsidiaries, on a consolidated basis, is ₹75.25 Lakhs for the year ending 31<sup>st</sup> March 2025. Statutory Auditors firm does not have any network firm/ network entity of which the Statutory Auditors are a part.

**l) Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as follows:**

Particulars	Number
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

During the year under review, there was one (1) complaint received in the subsidiary company, which was resolved within stipulated time.

**m) Disclosure related to 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'.**

During the year under review, there is no loans and advances granted to firms/companies in which directors of the company are interested.

**n) Disclosure related to details of material subsidiaries of the company including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries**

During the year under review, no subsidiaries of the company are identified as material subsidiary, therefore, aforesaid is not applicable on the company.

**o) Disclosure related to compliance related to Corporate Governance**

There is no non-compliance of any requirement of Corporate Governance as mentioned in sub paras (2) to (10) of Part C of Schedule V of the Listing Regulations. The company is complying with all compliance related to Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**p) Disclosure related to adoption of discretionary requirements – Part E of Schedule II of Listing Regulations**

Presently, the company has not adopted certain discretionary requirements viz., maintenance of the Non-Executive Chairman's office, sending of half-yearly declaration of financial performance including summary of the significant events in the last six months to each household of shareholders and separate post of Chairperson and Managing Director or Chief Executive Officer. However, the requirement viz., moving towards regime of financial statements with unmodified audit opinion, reporting of internal auditors directly to the Audit Committee have generally been complied with.

**q) Chairman Managing Director and Chief Financial Officer' declaration**

In accordance with Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Chairman Managing Director and Chief Financial Officers have furnished a duly signed Compliance Certificate to the Board of Directors for the year ended 31<sup>st</sup> March 2025.

A declaration for compliance of Code of Conduct by the Board of Directors and Senior Management Personnel, duly signed by Chairman Managing Director of the company annexed with this report.

The Chairman Managing Director and Chief Financial Officer have also certified to the Board in accordance with Regulation 33(2)(a) of the Listing Regulations pertains to Chairman Managing Director & Chief Financial Officer certificates for the financial year ended 31<sup>st</sup> March 2025.

**r) Compliance Certificate from Practicing Company Secretary for Corporate Governance Compliance**

A certificate from Mr. Praveen Dua, Proprietor of PD and Associates, a firm of practicing Company Secretary, regarding compliance of conditions of corporate governance is annexed with Directors Report.

**s) Code of Conduct to Regulate, Monitor and Report Trading by Insiders**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, and with a view to regulate trading in securities by the Promoters, Directors, Designated Persons, Employees and other connected persons, the company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Insiders pursuant to compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

**t) Compliance related to Secretarial Standards as issued by the Institute of Company Secretaries of India**

The applicable Secretarial Standards as issued by the Institute of Company Secretaries of India and approved by the Central Government has been duly complied with and adhered to by the company.



### EQUITY SHARES IN THE SUSPENSE ACCOUNT

In terms of Part F of Schedule V of the Listing Regulations, the company hereby reports the following details in respect of Equity Shares lying in de-mat unclaimed suspense account and unclaimed suspense escrow account of the company, which were issued in de-mat form :

Particulars	Morepen Laboratories Limited- Unclaimed Securities Suspense Demat Account <sup>1</sup>		Morepen Laboratories Limited- Unclaimed Securities Suspense Escrow Demat Account <sup>2</sup>	
	Number of shareholders	Number of Equity Shares	Number of shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 1 <sup>st</sup> April 2024	4,801	53,20,562	12	12048
Number of shareholders who approached the company for transfer of shares from Unclaimed Suspense Account during the year	18	6511	10	7282
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	18	6511	10	7282
Number of Shareholders whose shares transferred to unclaimed suspense account	-	-	10	7695
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31 <sup>st</sup> March 2025	4783	5314051	12	12461

Notes:

- Demat account opened for unclaimed shares (i.e., physical shares which had not been claimed by shareholders), being dematerialised, and kept as unclaimed shares;
- Suspense Escrow Demat Account opened for those shares who were not claimed by the shareholders into their demat account after expiry of prescribed period of 120 days from the date of issuance of letter of confirmation.

The voting rights in respect of the shares lying in the unclaimed suspense accounts shall remain frozen till the rightful owner of such shares claims the shares.

### DISCLOSURES RELATED TO CERTAIN TYPES OF AGREEMENT BINDING THE COMPANY

In terms of clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations, the company has not entered into any agreement binding on the company.

For and on behalf of the Board of Directors

Place: Gurugram, Haryana  
Date: 6<sup>th</sup> August 2025

Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028

### DECLARATION PURSUANT TO PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In accordance with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, I hereby declare that all the Directors and Senior Management Personnel of the company have affirmed compliance with Code of Conduct of Board of Directors and Senior Management, as applicable to them, for the year ended 31<sup>st</sup> March 2025.

For and on behalf of Board of Directors

Place: Gurugram, Haryana  
Date: 6<sup>th</sup> August 2025

Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028

### CERTIFICATE FROM PRACTICING COMPANY SECRETARY (Pursuant to clause 10(i) of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015)

The Members

**Morepen Laboratories Limited**  
Morepen Village, Malkumajra, Nalagarh Road,  
Near Baddi, District Solan,  
Himachal Pradesh-173205

We, PD and Associates, Practicing Company Secretaries, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Morepen Laboratories Limited having CIN: L24231HP1984PLC006028 and having Registered office at Morepen Village, Malkumajra, Nalagarh Road, Near Baddi, District Solan, Himachal Pradesh-173205 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that as on the financial year ending on 31<sup>st</sup> March 2025 none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Sushil Suri	00012028	10 <sup>th</sup> April 1992
2.	Mr. Sanjay Suri	00041590	13 <sup>th</sup> August 2019
3.	Mr. Praveen Kumar Dutt*	06712574	13 <sup>th</sup> August 2019
4.	Mr. Ranjit Khattar**	00726997	12 <sup>th</sup> August 2024
5.	Mr. Sharad Jain***	06423452	27 <sup>th</sup> August 2024
6.	Mrs. (Dr.) Savita****	08764773	22 <sup>nd</sup> June 2020
7.	Mr. Bhupender Raj Wadhwa ^	00012096	19 <sup>th</sup> September 2014
8.	Mr. Manoj Joshi ^	00036546	19 <sup>th</sup> September 2014
9.	Mr. Sukhcharan Singh ^	00041987	19 <sup>th</sup> September 2014

\*Re-appointed as an Independent Director with effect from 13<sup>th</sup> August 2024.

\*\*Appointed as an Independent Director with effect from 12<sup>th</sup> August 2024.

\*\*\*Appointed as an Independent Director with effect from 27<sup>th</sup> August 2024.

\*\*\*\*Re-appointed as an Independent Director with effect from 22<sup>nd</sup> June 2025.

^ Ceased to be an Independent Director of the Company upon completion of second term with effect from 18<sup>th</sup> September 2024.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For PD and Associates  
Company Secretaries

Praveen Dua  
Proprietor  
FCS: 3573; CP: 2139  
UDIN: F003573G000925098  
PR UIN: 11994DE052200

Place: New Delhi  
Date: 6<sup>th</sup> August 2025



**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE PURSUANT TO  
PART E OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,

The Shareholders / Members,  
Morepen Laboratories Limited

We have examined the compliance of conditions of Corporate Governance by Morepen Laboratories Limited ('the company') for the financial year ended on 31<sup>st</sup> March, 2025 as stipulated in Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') of the company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, of the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For PD and Associates  
Company Secretaries

Praveen Dua  
Proprietor

FCS: 3573; CP: 2139  
UDIN: F003573G000925054  
PR UIN: 11994DE052200

Place: New Delhi  
Date: 6<sup>th</sup> August 2025

**CMD AND CFO CERTIFICATE PURSUANT TO PART B OF SCHEDULE II OF  
SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)  
REGULATIONS, 2015**

To,

The Board of Directors/Audit Committee  
Morepen Laboratories Limited

We, Sushil Suri, Chairman & Managing Director and Ajay Kumar Sharma, Chief Financial Officer, of Morepen Laboratories Limited, hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March 2025 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Morepen Laboratories Limited

Place: Gurugram, Haryana  
Date: 12<sup>th</sup> May 2025

Ajay Kumar Sharma  
(Chief Financial Officer)

Sushil Suri  
(Chairman & Managing Director)  
DIN: 00012028



## Independent Auditor's Report

To the Members of Morepen Laboratories Limited  
Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Morepen Laboratories Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles

generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of standalone financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1	<p>In the Scheme of Arrangement &amp; Compromise under Section 391 of the Companies Act, 1956 as approved by the Hon'ble High Court of Himachal Pradesh vide its Order dated August 4, 2009, the Company allotted 9,24,90,413 Equity Shares to the fixed deposit holders in settlement of their dues. The Hon'ble NCLT vide its judgment dated 12<sup>th</sup> March 2018 dismissed the Company's petition seeking approval of the Scheme and stated that the order will not affect the allotment of the shares to the FD holders who have traded the shares to the third parties or transferred the allotted shares and to the balance FD holders (eligible FD holders), the company shall pay the outstanding amount as per the scheme approved by the Company Law Board (CLB). The appeal preferred by the company against the said order of NCLT, is dismissed by Hon'ble National Company Law Appellate Tribunal (NCLAT).</p> <p>Pursuant to implementation of Hon'ble National Company Law Tribunal (NCLT), Chandigarh Order dated 12.03.2018, out of 3,85,65,810 Equity Shares of ₹2/- each issued at a premium of ₹9.32 per share belonging to eligible FD holders, the company has paid Fixed Deposit dues in respect of 50,62,872 Equity Shares received for cancellation with the company till 31.03.2022.</p> <p>(Refer Note No. 13G to the standalone financial statements)</p>	<p><b>Principal Audit Procedures</b></p> <p>We collected and analyzed the Scheme approved by the Company Law Board (CLB) dated 19.08.2003, Judgment of Hon'ble NCLT dated 12<sup>th</sup> March 2018, order of Hon'ble National Company Law Appellate Tribunal (NCLAT) dated 23.7.2019, Communication with ROC and Stock Exchanges in this regard and other relevant documents in this regard produced for our verification.</p> <p>Post reconciliation of equity shares surrendered by eligible Fixed Deposit (FD) holders, the number of equity shares identified for cancellation has increased to 50,62,872 instead of earlier 50,38,983 equity shares.</p> <p><b>The payment to pending eligible FD holders may impact financials of the company in the coming year/years.</b></p>

### Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Management's responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the company in accordance with applicable Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board

of Directors either intends to liquidate the company or to cease the operations, or has no realistic alternative but to do so.

The Company's Board of Directors are responsible for overseeing the company's financial reporting process.

### Auditor's Responsibilities for the Audit of standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures



in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transaction and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factor in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of section 143(11) of the Act, we give in Annexure A, a statement on the matters

specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of accounts.

- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.

- e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2025 from being appointed as a director in terms of section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

- b) The Company did not have any long-term contracts including derivative contracts.

- c) During the year, the company was not liable to transfer any amount to the Investor Education and Protection Fund.

- d) The Gratuity liability accrued remains uncovered to the extent of being unfunded.

- e) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement. (Refer Note No. 43(d) to the standalone financial statements)

- f) As stated in Note 39 to the accompanying standalone financial statements, the Board of Directors of the company have proposed final

dividend for the year ended March 31, 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the act to extent it applies to declaration of dividend.

- g) Based on our examination, which includes the test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

- h) In respect of MSME vendors, there exists no overdue demand as on the date of audit report for the current financial year.

For S.P. Babuta & Associates  
Chartered Accountants  
F.No. 007657N

CA S.P. Babuta  
Managing Partner  
FCA, IP, DISA, CCA  
GST Cert, Forensic Auditor  
Membership No. : 086348  
UDIN : 25086348BMIMU1131

Date : 12<sup>th</sup> May, 2025  
Place : Gurugram, Haryana



## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the standalone financial statements of Morepen Laboratories Limited for the year ended 31<sup>st</sup> March, 2025)

- |  |   |   |   |
|--|---|---|---|
| <p>(i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;</p> <p>(B) The company is maintaining proper records showing full particulars of intangible assets;</p> <p>(b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification;</p> <p>(c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company;</p> <p>(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;</p> <p>(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;</p> <p>(ii) (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and an independent CA at the year end, in our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancy of 10% or more in the aggregate for each class of inventory was noticed;</p> <p>(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current</p> | <p>assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.<br/>(Refer Note No. 41 to standalone financial statements)</p> <p>(iii) According to the information and explanations given to us and based on audit procedures performed, we are of the opinion that during the year the company has made investments of ₹88.00 lakhs in equity share capital in newly created subsidiary Morepen Medipath Limited (Formerly known as Morepen Medtech Limited), but not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. In our opinion, investment made in subsidiary is not prejudicial to the company's interest;</p> <p>(iv) According to the information and explanations given to us and based on audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security, the company has complied with the provisions of section 185 and 186 of the Act;</p> <p>(v) According to the information and explanations given to us, the company is complying Hon'ble National Company Law Tribunal (NCLT) order dated 12.03.2018 in the matter of fixed deposit holders. (Refer Note 13(G) to standalone financial statements);</p> <p>(vi) According to the information and explanations given to us, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act and as explained to us such accounts and records have been so made and maintained by the company;</p> <p>(vii) (a) According to the information and explanations given to us and based on audit procedures performed, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities except payment of advance income tax. No such dues are outstanding as on 31<sup>st</sup> March 2025 for a period exceeding six months;</p> <p>(b) According to the records and information and explanation given to us, there are no dues in</p> | <p>respect of Income tax, Sales tax, VAT, Service-tax, Custom duty, cess outstanding as at March 31, 2025 due to any dispute;</p> <p>(viii) According to the records and information and explanation given to us, no transaction/amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;</p> <p>(ix) (a) According to the information and explanations given to us by the management, the company has not made any default in the repayment of loans or other borrowings or interest to Banks/Fls.</p> <p>(b) According to the information and explanations given to us by the management, the company has not been declared willful defaulter by any bank or financial institution or other lender, during the year</p> <p>(c) According to the records and information and explanation given to us, term/car loans were applied for the purpose for which the loans were obtained;</p> <p>(d) According to the records and information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes;</p> <p>(e) According to the records and information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;</p> <p>(f) According to the records and information and explanation given to us, the company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;</p> <p>(x) (a) During the year, the Company has issued 3,67,84,991 equity shares of ₹2/- each under a Qualified Institutions Placement (QIP) at ₹54.37 per share (including a premium of ₹52.37 per Equity Share), [which takes into account a discount of 5 % (i.e. ₹2.86 per Equity Share) to the floor price of ₹57.23 per Equity Share] upon the closure of Issue, determined as per the formula prescribed under Regulation 176(1) of Chapter VI of the SEBI ICDR Regulations, for the Equity Shares to be allotted to the eligible qualified institutional buyers in the Issue; raising ₹20,000.00 lakhs in total.</p> | <p>As a result, the paid-up equity share capital increased from ₹10,222.71 lakhs (51,11,68,708 shares) to ₹10,958.41 lakhs (54,79,53,699 shares), with issue-related expenses of ₹926.96 lakhs debited to the securities premium account.</p> <p>(xi) (a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or on the company, noticed or reported during the year, nor have we been informed of any such case by the Management;</p> <p>(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;</p> <p>(c) According to the records and information and explanation given to us, there is no whistle-blower complaint received during the year by the company;</p> <p>(xii) The company is not a Nidhi Company and hence this clause is not applicable to the company;</p> <p>(xiii) According to the information and explanations given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with sections 177 &amp; 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;</p> <p>(xiv) (a) The company has an internal audit system commensurate with the size and nature of its business;</p> <p>(b) The report of the internal Auditors for the period under audit were considered by us;</p> <p>(xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transaction with directors or person connected with them during the year;</p> <p>(xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;</p> <p>(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year;</p> <p>(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;</p> |
|--|---|---|---|



- (xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year;
- (xviii) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xix) (a) According to the information and explanations given to us and based on our examination of the records of the company,

there is no unspent amount required to be transferred to a Fund specified in Schedule VII to the Companies Act in respect of other than ongoing projects as per sub-section (5) of section 135 of the said Act;

- (b) According to the information and explanations given to us and based on our examination of the records of the company, there is no amount remaining unspent under sub-section (5) of section 135 of the Companies Act which is required to be transferred to a special account in compliance with the provision of sub-section (6) of section 135 of the said Act;
- (xx) There is no qualification or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For S.P. Babuta & Associates  
Chartered Accountants  
F.No. 007657N

CA S.P. Babuta  
Managing Partner  
FCA, IP, DISA, CCA  
GST Cert, Forensic Auditor  
Membership No. : 086348  
UDIN : 25086348BMIMU1131

Date : 12<sup>th</sup> May, 2025  
Place : Gurugram, Haryana

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the standalone financial statements of Morepen Laboratories for the year ended 31st March 2025)

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Morepen Laboratories Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial control. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes

obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate



because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system

over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For S.P. Babuta & Associates  
Chartered Accountants  
F.No. 007657N

CA S.P. Babuta  
Managing Partner  
FCA, IP, DISA, CCA  
GST Cert, Forensic Auditor  
Membership No. : 086348  
UDIN : 25086348BMIMU1131

Date :12<sup>th</sup> May, 2025  
Place :Gurugram, Haryana

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# Financial Statements



## Balance Sheet

As at 31<sup>st</sup> March, 2025

		(₹ in Lakhs)	
		As at	As at
		31.03.2025	31.03.2024
<b>A</b>	<b>ASSETS</b>		
	<b>1. NON-CURRENT ASSETS</b>		
	Property, Plant and Equipment and Intangible Assets		
	Property, Plant and Equipment	31589.44	21244.13
	Capital Work in Progress	2834.05	2445.18
	Right of Use of Assets	1641.32	-
	Other Intangible Assets	3356.62	409.41
	Financial Assets :		
	Investments	12716.55	12617.82
	Loans	14.32	3.59
	Other Financial Assets	612.34	532.84
	Other Non-Current Assets	8677.42	6386.94
		<u>61442.06</u>	<u>43639.91</u>
	<b>2. CURRENT ASSETS</b>		
	Inventories	28638.93	22015.11
	Financial Assets :		
	Investments	7780.68	-
	Trade Receivables	29374.65	31688.79
	Cash and Cash Equivalents	2442.76	1530.40
	Bank Balances other than Cash and Cash Equivalents	2190.53	3517.15
	Loans	47.96	22.43
	Other Financial Assets	1111.94	1049.42
	Other Current Assets	39090.95	24467.34
		<u>110678.40</u>	<u>84290.64</u>
	<b>Total</b>	<u>172120.46</u>	<u>127930.55</u>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>1. EQUITY</b>		
	Equity Share Capital	10958.41	10222.71
	Other Equity	107191.81	78679.72
		<u>118150.22</u>	<u>88902.43</u>
	<b>2. NON - CURRENT LIABILITIES</b>		
	Financial Liabilities :		
	Borrowings	2575.81	336.40
	Lease Liabilities	858.81	-
	Other Financial Liabilities	42.90	42.90
	Deferred Tax Liabilities	697.66	224.95
	Provisions	3639.50	3160.37
		<u>7814.68</u>	<u>3764.62</u>
	<b>3. CURRENT LIABILITIES</b>		
	Financial Liabilities :		
	Borrowings	5320.15	2482.84
	Lease Liabilities	796.62	-
	Trade Payables	33841.40	26742.58
	Other Financial liabilities	2517.13	3399.22
	Other Current Liabilities	1920.51	333.42
	Provisions	1759.75	2305.44
		<u>46155.56</u>	<u>35263.50</u>
	<b>Total</b>	<u>172120.46</u>	<u>127930.55</u>
	<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1	
	<b>NOTES ON FINANCIAL STATEMENTS</b>	2-45	

As per our separate report of even date

**For S.P. Babuta & Associates**  
Chartered Accountants  
Firm Regn. No. 007657N

**(CA S.P. Babuta)**  
Partner  
Membership No. 086348

Place : Gurugram, Haryana  
Date : 12<sup>th</sup> May, 2025

For & on behalf of the Board of Directors of Morepen Laboratories Limited

**(Sushil Suri)**  
Chairman & Managing Director  
DIN : 00012028

**(Ajay Kumar Sharma)**  
Chief Financial Officer

**(Praveen Kumar Dutt)**  
Director  
DIN : 06712574

**(Vipul Kumar Srivastava)**  
Company Secretary  
Membership No. F-12148

## Statement of Profit and Loss

For the Year Ended 31<sup>st</sup> March, 2025

		(₹ in Lakhs)	
		Year Ended	Year Ended
		31.03.2025	31.03.2024
	<b>REVENUE</b>		
	Revenue from Operations (Net)	155453.53	153759.35
	Other Income	1571.96	1256.57
	<b>Total Income (I)</b>	<u>157025.49</u>	<u>155015.92</u>
	<b>EXPENSES</b>		
	Cost of Materials Consumed	99918.31	88330.68
	Purchases of Stock-in-Trade	2081.11	6184.38
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(4436.05)	512.96
	Employee Benefits Expense	17722.43	16027.88
	Finance Costs	710.29	350.94
	Depreciation and Amortization Expense	2444.21	2189.98
	Other Expenses	24826.63	26521.55
	<b>Total Expenses (II)</b>	<u>143266.93</u>	<u>140118.37</u>
	<b>Profit before Tax</b>	<u>13758.56</u>	<u>14897.55</u>
	<b>Tax Expense</b>		
	Current Tax	3128.33	3856.64
	Earlier periods Tax	-	(9.04)
	Deferred Tax	472.71	(43.65)
	<b>Total Tax Expense</b>	<u>3601.04</u>	<u>3803.95</u>
	<b>Net Profit for the Year (III)</b>	<u>10157.52</u>	<u>11093.60</u>
	<b>Other Comprehensive Income (OCI)</b>		
	Items that will not be reclassified to Profit & Loss	23.03	(270.60)
	Tax	5.80	(68.01)
	<b>Other Comprehensive Income for the Year (Net of Tax) (IV)</b>	<u>17.23</u>	<u>(202.59)</u>
	<b>Total Comprehensive Income for the Year (III + IV)</b>	<u>10174.75</u>	<u>10891.01</u>
	Earning per equity share (Face Value of ₹2/- each)	1.90	2.17
	<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1	
	<b>NOTES ON FINANCIAL STATEMENTS</b>	2-45	

As per our separate report of even date

**For S.P. Babuta & Associates**  
Chartered Accountants  
Firm Regn. No. 007657N

**(CA S.P. Babuta)**  
Partner  
Membership No. 086348

Place : Gurugram, Haryana  
Date : 12<sup>th</sup> May, 2025

For & on behalf of the Board of Directors of Morepen Laboratories Limited

**(Sushil Suri)**  
Chairman & Managing Director  
DIN : 00012028

**(Ajay Kumar Sharma)**  
Chief Financial Officer

**(Praveen Kumar Dutt)**  
Director  
DIN : 06712574

**(Vipul Kumar Srivastava)**  
Company Secretary  
Membership No. F-12148



## STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31<sup>st</sup> March, 2025

### A. EQUITY SHARE CAPITAL

As at 31<sup>st</sup> March, 2025 (₹ in Lakhs)

Balance as at 1 <sup>st</sup> April, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Change in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2025
10222.71	–	10222.71	735.70	10958.41

As at 31<sup>st</sup> March, 2024

Balance as at 1 <sup>st</sup> April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Change in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2024
10222.71	–	10222.71	–	10222.71

### B. OTHER EQUITY

As at 31<sup>st</sup> March, 2025

(₹ in Lakhs)

	RESERVES & SURPLUS				Other items of other comprehensive income	Warrant subscription received	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings			
Balance as at 1 <sup>st</sup> April, 2024	2145.40	7623.33	36978.86	32820.44	(888.31)	–	78679.72
Securities Premium received during the year *	–	–	19264.30	–	–	–	19264.30
Share issue expenses *	–	–	(926.96)	–	–	–	(926.96)
Profit for the year	–	–	–	10157.52	–	–	10157.52
Other comprehensive income/(loss) for the year	–	–	–	–	17.23	–	17.23
Balance as at 31 <sup>st</sup> March, 2025	2145.40	7623.33	55316.20	42977.95	(871.08)	–	107191.81

### OTHER EQUITY

As at 31<sup>st</sup> March, 2024

(₹ in Lakhs)

	RESERVES & SURPLUS				Other items of other comprehensive income	Warrant subscription received	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings			
Balance as at 1 <sup>st</sup> April, 2023	2145.40	7623.33	36978.86	21726.84	(685.72)	–	67788.71
Profit for the year	–	–	–	11093.60	–	–	11093.60
Other comprehensive income/(loss) for the year	–	–	–	–	(202.59)	–	(202.59)
Balance as at 31 <sup>st</sup> March, 2024	2145.40	7623.33	36978.86	32820.44	(888.31)	–	78679.72

\* During the year, the company has issued and allotted 3,67,84,991 equity shares of ₹2/- each in Qualified Institutions Placement ('QIP') at an issue price of ₹54.37/- per share (including securities premium of ₹52.37/- per share) after a discount of 5% on the floor price of ₹57.23/- per share aggregating to ₹20,000.00 lakhs. The issue was made through QIP in terms of Securities and exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI Regulations) as amended, Sec 42, Sec 62 & other relevant provisions of Companies Act, 2013.

### SIGNIFICANT ACCOUNTING POLICIES

1

### NOTES ON FINANCIAL STATEMENTS

2-45

As per our separate report of even date

For & on behalf of the Board of Directors of Morepen Laboratories Limited

**For S.P. Babuta & Associates**  
Chartered Accountants  
Firm Regn. No. 007657N

**(Sushil Suri)**  
Chairman & Managing Director  
DIN : 00012028

**(Praveen Kumar Dutt)**  
Director  
DIN : 06712574

**(CA S.P. Babuta)**  
Partner  
Membership No. 086348

**(Ajay Kumar Sharma)**  
Chief Financial Officer

**(Vipul Kumar Srivastava)**  
Company Secretary  
Membership No. F-12148

Place : Gurugram, Haryana  
Date : 12<sup>th</sup> May, 2025



## Cash Flow Statement

For the Year Ended 31<sup>st</sup> March, 2025

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
(₹ in Lakhs)			
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES :</b>			
Profit before Tax from continuing operations		13758.56	14897.55
Adjustments for :			
Depreciation & Amortisation	2	2444.21	2189.98
Loss on sale of property, plant & Equipments		15.17	-
Provision for Employee benefit (OCI)		23.03	(270.60)
Finance Cost	28	710.29	350.94
<b>Operating Profit before changes in Current Assets and Liabilities</b>		<b>16951.26</b>	<b>17167.87</b>
<b>Changes in Current Assets and Liabilities -</b>			
Trade Receivables	8	2314.14	(6141.67)
Loans, Bank balance other than cash & Cash equivalent and other Current Assets	4,10,11,12	(13385.04)	(4779.92)
Inventories	7	(6623.82)	(880.21)
Current Liabilities	17,18,19,20	7258.13	6106.14
<b>Cash generated from Operations</b>		<b>6514.67</b>	<b>11472.21</b>
Tax Expense (Net)		(3606.84)	(3735.94)
<b>NET CASHFLOW - OPERATING ACTIVITIES</b>		<b>2907.83</b>	<b>7736.27</b>
<b>B. CASH FLOWS - INVESTING ACTIVITIES:</b>			
Purchase of Property, Plant & Equipments & Capital work in Progress	2	(12395.36)	(7123.48)
Purchase/Addition of Intangibles	2	(5391.79)	(384.17)
Proceeds from Sale of Property, Plant & Equipments	2	5.06	2.40
Loans to Employees		(10.73)	-
Purchase of Investments (Net)	3	(7879.40)	(833.34)
Investment in Other Non-Current Assets and Loans	4,5,6	(2369.98)	(21.86)
<b>NET CASHFLOW - INVESTING ACTIVITIES</b>		<b>(28042.20)</b>	<b>(8360.45)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Finance Cost	28	(710.29)	(350.94)
Proceeds of Long Term Borrowings	14	2239.41	243.05
Proceeds of Short Term Borrowings	14	2837.31	59.78
Change in Lease Liabilities	15	1655.42	-
Proceeds from issue of shares under QIP (Net of Share Issue Expenses)		19073.04	-
Change in Other Non- Current Liabilities & Provisions (Net)	16,17,38	951.84	76.33
<b>NET CASHFLOW - FINANCING ACTIVITIES</b>		<b>26046.73</b>	<b>28.22</b>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		912.36	(595.96)
Cash and Cash Equivalents as at Beginning of the Year		1530.40	2126.36
Cash and Cash Equivalents as at End of the Year		2442.76	1530.40
Bank Balances other than Cash and Cash Equivalents		2190.53	3517.15
<b>Components of cash and cash equivalents as on end of the period</b>			
Balance with Banks		2433.17	1514.81
Cash in hand		9.59	15.59
		<b>2442.76</b>	<b>1530.40</b>

**Notes** a) The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as Amended).

b) Figures have been regrouped/ reclassified wherever considered necessary.

### SIGNIFICANT ACCOUNTING POLICIES NOTES ON FINANCIAL STATEMENTS

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2-45

As per our separate report of even date For & on behalf of the Board of Directors of Morepen Laboratories Limited

**For S.P. Babuta & Associates**  
Chartered Accountants  
Firm Regn. No. 007657N

**(Sushil Suri)**  
Chairman & Managing Director  
DIN : 00012028

**(Praveen Kumar Dutt)**  
Director  
DIN : 06712574

**(CA S.P. Babuta)**  
Partner  
Membership No. 086348

**(Ajay Kumar Sharma)**  
Chief Financial Officer

**(Vipul Kumar Srivastava)**  
Company Secretary  
Membership No. F-12148

Place : Gurugram, Haryana  
Date : 12<sup>th</sup> May, 2025

## 1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

### 1. Company Overview

Morepen Laboratories Limited ("the Company") is a Public limited company incorporated and domiciled in India and has its listing on the BSE Limited and National Stock Exchange of India Limited. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. The Company is in the business of manufacturing, producing, developing and marketing a wide range of Active Pharmaceutical Ingredients (APIs), branded and generic formulations and also the Home Health products. The Company has its manufacturing locations situated in the state of Himachal Pradesh with trading and other incidental and related activities extending to both domestic and global markets.

#### 1.1 Basis for preparation of financial statements

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on May 12, 2025.

#### Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

#### Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

#### Operating Cycle

Based on the nature of products/activities of the company and normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of

classification of its assets and liabilities as current and non-current.

### 1.2 Use of Estimates and Judgements

The presentation of financial statements in conformity with Ind AS requires the management of the company to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported balances of assets and liabilities, disclosures of contingent assets and liabilities as at the date of financial statements and the reported amount of revenues and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee benefits, provisions for income taxes, useful life of depreciable assets and provisions for impairments & others.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

### 1.3. Property, Plant and Equipment (PPE)

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

a) Free hold land is carried at cost. All other items of Property, plant and equipment are stated at cost, less accumulated depreciation. The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected significant costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

b) Advances paid towards the acquisition of property, plant and equipment outstanding at



each balance sheet date is classified as capital advances under other non-current assets.

- c) Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest
- d) The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell

#### 1.4. Intangible Assets and Amortisation

##### Internally generated Intangible Assets - Research and Development expenditure

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset and/or benefits are expected over more than one period, otherwise such expenditure is charged to the Statement of Profit and Loss.

Expenditure providing benefits for more than one period is amortised proportionately over the periods during which benefits are expected to occur.

##### Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

#### 1.5 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

- a) Depreciation on fixed assets is provided on straight-line method at the rates prescribed by the schedule II of the Companies Act, 2013 and in the manner as prescribed by it except assets costing less than ₹5000/- on which depreciation is charged in full during the year.

- b) Intangible assets are amortized over their respective individual estimated useful life on straight line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, etc. The amortization method and useful lives are reviewed periodically at end of each financial year.

#### 1.6 Valuation of inventories

Stocks of raw materials and other ingredients have been valued on First in First Out (FIFO) basis, at cost or net realizable value whichever is less, finished goods and stock-in-trade have been valued at lower of cost and net realizable value, work-in-progress is valued at raw material cost up to the stage of completion, as certified by the management on technical basis. Goods in transit are carried at cost.

#### 1.7 Foreign Currency Transactions / Translations

- i) Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or at rates that closely approximate the rate at the date of the transaction.
- ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- iii) Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- iv) Foreign exchange differences recorded as an adjustment to borrowing costs are presented in the statement of profit and loss, as a part of finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.
- v) In case of long term monetary items outstanding as at the end of year, exchange differences arising on settlement / restatement thereof are capitalised as part of the depreciable fixed assets to which the

monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss.

#### 1.8 Dividends

Dividends are recognized as liability in the financial statements in the period in which they are appropriately authorized and no longer at the discretion of the company. For interim dividends, this is typically the date of approval by the Board of Directors. For final dividends, liability is recognized upon approval by the shareholders at the Annual General Meeting.

Proposed dividends that are declared after the reporting date are not recognized as a liability at the end of the reporting period but are disclosed in the notes to the financial statements in accordance with Ind AS-10 'Events occurring after reporting period'

Dividends are distributed from retained earnings and are subject to the availability of sufficient distributable profits and liquidity. All dividend payments are made in compliance with applicable legal and regulatory requirements.

#### 1.9 Right-of-use (RoU) of Asset and Lease liabilities

The company recognizes a right-of-use (RoU) asset and a corresponding lease liability at the commencement date of a lease. The commencement date is the date on which the underlying asset is available for use by the Company.

Right-of-use of assets are initially measured at cost, which comprises the amount of initial lease liability, any lease payments made at or before the commencement date, less any lease incentive received, any initial direct costs incurred and an estimate of the costs to dismantle or restore the asset.

Lease liabilities are initially measured at the present value of future lease payments over the lease term, discounted using the interest rate implicit in the lease, or if it cannot be readily determined, the Company's incremental borrowing rate. Lease liabilities are subsequently measured at amortized cost using effective interest rate and are remeasured when there is a change in future lease payments arising from change in index or rate, a reassessment of options, or a modification of the lease.

The Company has elected not to recognize RoU assets and lease liabilities for leases with a lease term of 12 months or less (short-term leases) and for leases of low-value assets. Lease payment for such leases is recognized as an expense on a straight-line basis over the lease term.

#### 2.0 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

##### i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss ("FVTPL"). Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### ii) Subsequent measurement

###### a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding



**c) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

**d) Investments in subsidiaries, joint ventures and associates**

The Company has adopted to measure investments in subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with Ind AS 101.

**e) Financial liabilities**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**iii) Derecognition of financial instruments**

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

**iv) Fair value measurement of financial instruments**

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and

for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

**2.1 Impairment of Assets**

**i) Financial Assets**

In accordance with Ind AS 109, the company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognized as an impairment gain or loss in statement of profit or loss.

**ii) Non-Financial Assets**

The carrying amounts of the Company's tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

**2.2 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

a) Revenue is recognised at the value of consideration received or receivable. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract. The amount disclosed as revenue is net of returns, trade discounts, Goods and Services Tax (GST).

Provisions for rebates, discount and return are estimated and provided for in the year of sales and recorded as reduction of revenue.

b) Dividend income is accounted for when the right to receive the income is established.

**2.3 Interest**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Income from interest is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

**2.4 Income Taxes**

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively.

Current income tax for current and prior periods is recognized at the amount expected to be paid to

or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Pursuant to Taxation Laws (Amendment) Ordinance 2019, the company has opted to pay Income Tax as provided under Section 115BAA of the Income Tax Act, 1961.

**2.5 Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**2.6 Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a



result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

## 2.7 Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as at beginning of the period, unless they have been issued at a later date.

## 2.8 Employee Retirement benefits

### i) Short term employee benefits

All employee benefits payable/available within twelve months of rendering the service

are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

### ii) Post – employment benefits

#### Defined contribution plans –

Retirement benefits in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Defined benefit plans –

##### Gratuity

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity payment plan provides for a lump sum payment to the vested employees at retirement, death, incapacitation while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. Re-measurements comprising of actuarial gains and losses, are recognised in other comprehensive income which are not reclassified to profit or loss in the subsequent periods.

### iii) Long – term employee benefits

#### Leave Encashment

The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

## 2.9 Segment Reporting

The company operates in one reportable business segment i.e. "Pharmaceuticals".

## 3.0 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2025

### 2. I) PROPERTY, PLANT AND EQUIPMENT

#### TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTIZATION			CARRYING VALUE		
	As at	Additions	(Disposals)/	As at	For the	Deductions/	As at	As at	
	01.04.2024		Adjustments	31.03.2025	year	Adjustments	31.03.2025	31.03.2024	
Land	143.03	2183.60	-	2326.63	-	-	-	2326.63	143.03
Buildings	9961.06	1265.32	-	11226.38	224.39	-	4514.16	6712.22	5671.29
Plant & Machinery	33217.18	7755.67	(100.92)*	40871.93	19834.99	(100.92)	20753.73	20118.20	13382.19
Furnitures & Fixtures	1366.30	80.68	(2.38)*	1444.60	511.28	(2.38)	621.47	823.13	855.02
Vehicles	1663.68	610.80	(113.20)	2161.28	660.31	(97.76)	747.87	1413.41	1003.37
Office Equipments	710.48	110.42	(29.47)*	791.43	521.25	(29.47)	595.58	195.85	189.23
<b>Total</b>	<b>47061.73</b>	<b>12006.49</b>	<b>(245.97)</b>	<b>58822.25</b>	<b>25817.60</b>	<b>(230.53)</b>	<b>27232.81</b>	<b>31589.44</b>	<b>21244.13</b>
Previous Year	49207.91	6379.67	(8525.85)	47061.73	32599.36	(8523.44)	25817.60	21244.13	
<b>II) CAPITAL WORK IN PROGRESS</b>									
Buildings	415.30	1695.91	(415.30)	1695.91	-	-	-	1695.91	415.30
Plant & Machinery	1935.21	970.31	(1935.21)	970.31	-	-	-	970.31	1935.21
Furniture & Fixture	1.24	-	(1.24)	-	-	-	-	-	1.24
Research & Development	52.12	-	-	52.12	-	-	-	52.12	52.12
Electrical Installation	41.31	115.71	(41.31)	115.71	-	-	-	115.71	41.31
<b>Total</b>	<b>2445.18</b>	<b>2781.93</b>	<b>(2393.06)</b>	<b>2834.05</b>	-	-	-	<b>2834.05</b>	<b>2445.18</b>
Previous Year	1701.37	748.73	(4.92)	2445.18	-	-	-	2445.18	
<b>III) RIGHT OF USE OF ASSETS</b>									
Right to use of Asset	-	2408.54	-	2408.54	-	767.22	-	1641.32	-
<b>Total</b>	<b>-</b>	<b>2408.54</b>	<b>-</b>	<b>2408.54</b>	<b>-</b>	<b>767.22</b>	<b>-</b>	<b>1641.32</b>	<b>-</b>
Previous Year	-	-	-	-	-	-	-	-	-
<b>IV) INTANGIBLE ASSETS</b>									
Computer Software	343.76	4.81	(13.12)	335.45	265.28	31.05	(8.33)	288.00	47.45
Dr. Morepen Sync App	-	32.02	-	32.02	-	0.03	-	0.03	31.99
Customer Acquisition Cost	-	1925.64	-	1925.64	-	-	-	1925.64	-
Product Development Cost	330.93	1020.78	-	1351.71	-	0.17	-	1351.54	330.93
<b>Total</b>	<b>674.69</b>	<b>2983.25</b>	<b>(13.12)</b>	<b>3644.82</b>	<b>265.28</b>	<b>31.25</b>	<b>(8.33)</b>	<b>288.20</b>	<b>409.41</b>
Previous Year	1999.27	384.17	(1708.75)	674.69	1525.73	448.30	(1708.75)	265.28	409.41
<b>GRAND TOTAL</b>									
<b>Current year</b>	<b>50181.60</b>	<b>20180.21</b>	<b>(2652.16)</b>	<b>67709.66</b>	<b>26082.88</b>	<b>2444.21</b>	<b>(238.86)</b>	<b>28288.23</b>	<b>39421.43</b>
Previous Year	52908.55	7512.57	(10239.52)	50181.60	34125.08	2189.98	(10232.19)	26082.88	24098.72

Notes :- (1) During earlier years, advance were made to land owners for acquisition of land at Baddi, Himachal Pradesh for expansion of manufacturing facilities of the company. Necessary documentation and statutory approvals for the transfer of land in the name of the company were awaited. During the current financial year necessary approvals were received from the state government and the land has been transferred in the name of the company. Therefore, during the year, a sum of ₹2060.00 Lakhs has been capitalized under the head 'Land'. In addition to this, a sum of ₹123.60 Lakhs has been paid on account of e-stamping and e-registration fees of land is also capitalized. (Refer Note no. 6). (2) Customer acquisition cost represents amounts invested for expansion of point on care business of the company, (3) Product Development cost represents amount spent on development on formulation products, (4) Old machinery and other fixed assets no longer in use have been, written off, derecognised during the year.



(₹ in Lakhs)

3. INVESTMENTS

Trade Investments (At Cost)

A. Investment in Equity Instruments (Unquoted)

Subsidiary Companies

	Current Portion		Non -Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
i) <u>Dr. Morepen Limited</u> 4,06,79,500 Equity shares of ₹10/- each fully paid up	-	-	11747.25	11747.25
ii) <u>Morepen Bio Inc.</u> <u>(Previously Morepen Inc.)</u> 94,000 fully paid common stock of USD 0.001 each	-	-	22.23	22.23
iii) <u>Morepen Devices Limited</u> 1,00,000 Equity shares of ₹10/- each fully paid up	-	-	10.00	10.00
iv) <u>Morepen Rx Limited</u> 70,82,356 Equity Share of ₹10/- each fully paid up	-	-	708.24	708.24
v) <u>Morepen Medipath Limited</u> <u>(formerly Morepen Medtech Ltd.)</u> 8,80,000 Equity Share of ₹10/- each fully paid up	-	-	88.00	-
	-	-	12575.72	12487.72

Non-Trade Investments (At Cost)

A. Investment in Mutual Funds (Quoted)	-	-	-	45.00
Nil Units (Previous Year- 13164.448) ICICI Prudential Liquid Fund	-	-	-	-
259.588 Units (Previous Year- 657.861) HDFC Liquid Fund	-	-	12.70	30.00
1043.954 Units (Previous Year- Nil) HDFC Flexi Cap Fund	-	-	18.64	-
1319.809 Units (Previous Year- Nil) HDFC Balance Advantage Fund	-	-	6.32	-
Nil Units (Previous Year- 5507.283) HDFC Large and Midcap Fund	-	-	-	15.00
Nil Units (Previous Year- 63152.078) HDFC Multi Cap Fund	-	-	-	10.00
149992.50 Units (Previous Year- 149992.5) Motilal Oswal Large Cap Fund	-	-	15.00	15.00
149992.50 Units (Previous Year- 149992.50) Mirae Asset Multi Asset Allocation Fund	-	-	15.00	15.00
53290.124 Units (Previous Year- Nil) Invesco MF	1555.54	-	-	-
1017389.232 Units (Previous Year- Nil) ICICI Prudential Mutual Fund	3687.72	-	-	-

(₹ in Lakhs)

	Current Portion		Non -Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
59152.058 Units (Previous Year- Nil) Kotak Money Market Scheme	2537.42	-	-	-
85.251 Units (Previous Year- Nil) Tata Liquid Fund Regular Plan	-	-	3.39	-
13553.297 Units (Previous Year- Nil) Tata Digital India Fund Regular Plan	-	-	6.66	-
61.771 Units (Previous Year- Nil) Bandhan Liquid Fund Regular Plan	-	-	1.88	-
3070.272 Units (Previous Year- Nil) Bandhan Core Equity Fund Regular Plan	-	-	3.64	-
89.637 Units (Previous Year- Nil) Franklin India Liquid Fund	-	-	3.40	-
2949.415 Units (Previous Year- Nil) Franklin India Opportunities Fund	-	-	6.64	-
2587.470 Units (Previous Year- Nil) ICICI Prudential Multicap Fund	-	-	18.64	-
9797.444 Units (Previous Year- Nil) ICICI Prudential Dividend Yield Equity	-	-	4.64	-
2114.059 Units (Previous Year- Nil) ICICI Prudential Value Discovery Fund	-	-	9.00	-
4444.729 Units (Previous Year- 142.506) ICICI Prudential Liquid Fund	-	-	15.28	0.10
	7780.68	-	140.83	130.10
Aggregate amount	7780.68	-	12716.55	12617.82
Market Value of Quoted Investments as on 31.03.2025	7986.86	-	150.28	134.26

(₹ in Lakhs)

4. LOANS

Unsecured  
(Consided good)  
Loans to Employees

	Current Portion		Non -Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
	47.96	22.43	14.32	3.59
	47.96	22.43	14.32	3.59



	(₹ in Lakhs)	
	As at 31.03.2025	As at 31.03.2024
<b>5. OTHER FINANCIAL ASSETS - NON CURRENT</b>		
Security Deposits	612.34	532.84
	<u>612.34</u>	<u>532.84</u>

	(₹ in Lakhs)	
	As at 31.03.2025	As at 31.03.2024
<b>6. OTHER NON CURRENT ASSETS</b>		
Unsecured		
Capital Advances (Considered good)*	8654.68	6362.66
Leasehold Land Prepayments	19.45	22.76
Prepaid (Deferred)Expenses for Employee Benefit	3.29	1.52
	<u>8677.42</u>	<u>6386.94</u>

\*During the financial year 2020-21, the Company had paid a sum of ₹2596.38 Lakhs towards the acquisition of land for expansion of manufacturing facilities at Baddi, Himachal Pradesh. The necessary documentation for want of statutory approvals for the transfer of land in the name of the company was not completed till previous financial year. However, during the current financial year, the company has received all requisite approvals from the state government and legal ownership of the land now stand transferred in the name of the company. Accordingly, an amount of ₹2,060.00 Lakhs has been capitalized under the head 'Land' within Property, Plant and Equipment. In addition, an amount of ₹123.60 Lakhs incurred towards e-stamping and e-registration charges has also been capitalized along with value of acquired land.

Upon completion of final measurements and verification, the total payable amount for the land was confirmed at ₹2,060.00 lakhs. Therefore, a net amount of ₹536.38 lakhs was received by the company during the year, representing refund of excess payment of ₹701.18 lakhs and payment of outstanding dues of ₹164.80 lakhs.

	(₹ in Lakhs)	
	As at 31.03.2025	As at 31.03.2024
<b>7. INVENTORIES</b>		
Raw Materials	15576.70	14496.08
Work-in-progress	5861.95	3741.37
Finished goods	5387.82	3090.43
Stock -in-trade	139.99	313.67
Goods in transit	1113.71	6.56
Stores and spares	558.76	367.00
	<u>28638.93</u>	<u>22015.11</u>

The inventory of stocks, stores and spares has been taken, valued and certified by the management.

**Breakup of Inventory**

	(₹ in Lakhs)	
	As at 31.03.2025	As at 31.03.2024
<b>i) Raw materials -</b>		
API & Intermediates	6306.38	7247.79
Home Health	8048.61	6403.68
Formulations	1221.71	844.61
<b>Total Raw Materials</b>	<u>15576.70</u>	<u>14496.08</u>

	(₹ in Lakhs)	
	As at 31.03.2025	As at 31.03.2024
<b>ii) Work in Progress -</b>		
API & Intermediates	5649.38	3017.10
Home Health	63.03	571.35
Formulations	149.54	152.92
<b>Total Work -in -progress</b>	<u>5861.95</u>	<u>3741.37</u>
<b>iii) Finished goods -</b>		
API & Intermediates	2854.35	1497.05
Home Health	2325.38	1344.36
Formulations	208.09	249.02
<b>Finished Goods Inventory</b>	<u>5387.82</u>	<u>3090.43</u>
<b>iv) Stock in trade -</b>		
Home Health	113.57	313.67
Formulations	26.42	-
<b>Stock in trade Inventory</b>	<u>139.99</u>	<u>313.67</u>
<b>8. TRADE RECEIVABLES</b>		
<b>Unsecured -</b>		
Considered good	29309.63	31575.97
Considered Doubtful	201.69	249.56
	<u>29511.32</u>	<u>31825.53</u>
Less : Allowance for doubtful debts	136.67	136.74
	<u>29374.65</u>	<u>31688.79</u>



Ageing of Trade Receivables (2024-25)	< than 6 months	6 months-1 year	1-2 years	2-3 years	3 years or more	Total
<b>Undisputed</b>						
- Considered good	28860.19	357.00	82.83	2.12	7.49	29309.63
- Having significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
<b>Disputed</b>						
- Considered good	-	-	-	-	-	-
- Having significant increase in credit risk	18.88	3.67	87.58	25.67	65.89	201.69
- Credit impaired	-	-	-	-	-	-
<b>Total Receivables</b>	<b>28879.07</b>	<b>360.67</b>	<b>170.41</b>	<b>27.79</b>	<b>73.38</b>	<b>29511.32</b>

Ageing of Trade Receivables (2023-24)	< 6 months	6months-1 year	1-2 years	2-3 years	3 years or more	Total
<b>Undisputed</b>						
- Considered good	30830.16	485.90	128.37	63.63	67.91	31575.97
- Having significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
<b>Disputed</b>						
- Considered good	-	-	-	-	-	-
- Having significant increase in credit risk	116.13	9.31	36.34	32.62	55.16	249.56
- Credit impaired	-	-	-	-	-	-
<b>Total Receivables</b>	<b>30946.29</b>	<b>495.21</b>	<b>164.71</b>	<b>96.25</b>	<b>123.07</b>	<b>31825.53</b>

(₹ in Lakhs)

As at 31.03.2025 As at 31.03.2024

**9. CASH AND CASH EQUIVALENTS**

Balances with banks		
Current Accounts	2433.17	1514.81
Cash in hand	9.59	15.59
	<u>2442.76</u>	<u>1530.40</u>

(₹ in Lakhs)

As at 31.03.2025 As at 31.03.2024

**10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Term Deposit - Towards Margin Money & Security against Overdraft, Bills discounting and LC facilities (Refer Note No. 14)	2161.84	3465.88
Guarantees	28.69	51.27
	<u>2190.53</u>	<u>3517.15</u>

**11. OTHER FINANCIAL ASSETS - CURRENT**

Security Deposits	879.78	414.28
Interest accrued but not due	116.52	155.51
Export Incentives Receivable	115.64	479.63
	<u>1111.94</u>	<u>1049.42</u>

**12. OTHER CURRENT ASSETS**

<u>Unsecured considered good, unless otherwise stated</u>		
Advances with Suppliers & Others*	25589.26	21327.52
Leasehold Land Prepayments	5.13	1.83
Balance with Government Authorities	6485.81	2026.22
Advances to Employees	116.60	121.24
Prepaid Expenses	6894.15	990.53
	<u>39090.95</u>	<u>24467.34</u>

\* Includes-

- Sum of ₹570.41 Lakhs paid to fixed deposit holders towards cancellation of 50,62,872 no of Equity Shares (Refer Note No. 13 G)

**13. SHARE CAPITAL**

**A. Equity Share Capital**

	As at 31.03.2025		As at 31.03.2024	
	Nos. of Shares	Amount (₹/Lakhs)	Nos. of Shares	Amount (₹/Lakhs)
<b>Authorised</b>				
Equity Shares of ₹2/- each	100000000	20000.00	100000000	20000.00
<b>Issued and Subscribed</b>				
Equity Shares of ₹2/- each	547953699	10959.07	511168708	10223.37
<b>Paid up</b>				
Equity Shares of ₹2/- each	547953699	10958.41	511168708	10222.71

(33000 Shares not paid up)


**Reconciliation of the numbers and amount of Equity shares -**

For the year ended	As at 31.03.2025		As at 31.03.2024	
	Nos. of Shares	Amount (Rs./Lakhs)	Nos. of Shares	Amount (Rs./Lakhs)
Outstanding at beginning of the year	511168708	10222.71	511168708	10222.71
Add : Shares issued during the year	36784991	735.70	-	-
Outstanding at the end of year	547953699	10958.41	511168708	10222.71

**Shares held by promoters at the end of the year**

S. No.	Name of the promoter	As at 31.03.2025		As at 31.03.2024	
		Nos. of Shares	% of share-holding	Nos. of Shares	% of share-holding
1	KANTA SURI	1510	0.00%	1510	0.00%
2	RAJAS SURI (KB SURI SONS HUF)	972830	0.18%	972830	0.19%
3	SANJAY SURI (SANJAY SURI SONS HUF)	2100000	0.38%	2100000	0.41%
4	PRADUMAN LAL SURI HUF	2990	0.00%	2990	0.00%
5	SUSHIL SURI (SUSHIL SURI SONS HUF)	1201560	0.22%	1201560	0.24%
6	ANUBHAV SURI (ARUN SURI SONS HUF)	1500000	0.27%	1500000	0.29%
7	MAMTA SURI	3004000	0.55%	3004000	0.59%
8	SONIA SURI	3679718	0.67%	3679718	0.72%
9	SANJAY SURI	3417240	0.62%	3417240	0.67%
10	P.L. SURI	400000	0.07%	400000	0.08%
11	ANJU SURI	5186369	0.95%	5186369	1.01%
12	SUSHIL SURI	5501510	1.00%	5501510	1.08%
13	SUNITA SURI	3192240	0.58%	3192240	0.62%
14	SHALU SURI	2052250	0.37%	2052250	0.40%
15	VARUN SURI	3052357	0.56%	3052357	0.60%
16	ANUBHAV SURI	782134	0.14%	782134	0.15%
17	SARA SURI	705000	0.13%	705000	0.14%
18	GULFY SURI	1150000	0.21%	1150000	0.22%
19	AANCHAL SURI	685922	0.13%	685922	0.13%
20	RAJAS SURI	155000	0.03%	155000	0.03%
21	MASTER ARJUN SURI	697060	0.13%	697060	0.14%
22	KANAK SURI	997060	0.18%	997060	0.20%
23	AANANDI SURI	750000	0.14%	750000	0.15%

24	AAKRITI SURI	55000	0.01%	55000	0.01%
25	BROOK INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15159252	2.77%	15159252	2.97%
26	CONCEPT CREDITS AND CONSULTANTS PRIVATE LTD.	15347724	2.80%	15347724	3.00%
27	EPITOME HOLDINGS PRIVATE LTD.	14500820	2.65%	14500820	2.84%
28	LIQUID HOLDINGS PRIVATE LTD.	5003000	0.91%	5003000	0.98%
29	MID MED FINANCIAL SERVICES AND INVESTMENTS PRIVATE LTD.	14973813	2.73%	14973813	2.93%
30	REACT INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	14942134	2.73%	14942134	2.92%
31	SOLITARY INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15114045	2.76%	15114045	2.96%
32	SQUARE INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	14102075	2.57%	14102075	2.76%
33	SOLACE INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15082790	2.75%	15082790	2.95%
34	SEED SECURITIES AND SERVICES PRIVATE LTD.	14328780	2.61%	14328780	2.80%
35	SCOPE CREDITS AND FINANCIAL SERVICES PRIVATE LTD.	15575405	2.84%	15575405	3.05%
	<b>TOTAL</b>	<b>195371588</b>	<b>35.65%</b>	<b>195371588</b>	<b>38.22%</b>

**B. Shareholders holding more than 5% shares - Equity Shares**

Name of Shareholder	As at 31.03.2025		As at 31.03.2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Pinfold Overseas Ltd.	38530000	7.03%	38530000	7.54%

**C. Rights, preferences and restrictions attached to each class of Shares and terms of redemption -**

- The equity shares of the company are having a par value of ₹2/- each. Every member of the Company holding equity shares shall be entitled to vote on every resolution placed before the Company and his voting rights on any poll shall be in proportion to his share in the paid-up equity share capital of the company.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company as per preference prescribed under the Act. The distribution will be in the proportion of the number of equity shares held by each shareholder.

D. During last 5 years immediately preceding the balance sheet date, no Equity Share has been issued pursuant to any contract without payment being received in cash.

**E. Disclosure about unpaid calls -**

(₹ in Lakhs)

Unpaid Calls	As at 31.03.2025	As at 31.03.2024
By Directors & Officers	-	-
By Others	0.66	0.66

F. No shares have been forfeited by the company during the year.



G. In terms of Hon'ble National Company Law Tribunal ('NCLT') order dated 12.03.2018, the company sent notices to all the eligible FD holders seeking, their bank account details and identification particulars, for transfer of Fixed Deposit (FD) dues in their respective bank accounts. In all 4953 no. of fixed deposit holders submitted their identification and bank account particulars and surrendered a total of 50,62,872 Equity Shares for cancellation, with the company. All these FD holders who provided their bank account details, identification particulars and other relevant details, were paid their entire FD dues as per Hon'ble NCLT order dated 12.03.2018. The necessary information in this regard to payment of FD dues were duly submitted to the jurisdictional Registrar of Companies.

Post reconciliation of equity shares surrendered by eligible Fixed Deposit (FD) holders, the number of equity shares identified for cancellation has increased to 50,62,872 instead of earlier 50,38,983 equity shares.

The company has approached BSE Limited (BSE) and National Stock Exchange of India (NSE) for cancellation of aforesaid shares, for which pay-out has been made by the company, in compliance with Hon'ble NCLT's order dated 12.03.2018. As soon as the Stock Exchanges give their go ahead for cancellation of said shares from total listed capital, the resultant reduction of share capital will be updated with the jurisdictional Registrar of Companies.

Necessary accounting entries for the cancellation of equity capital and reversal of reserves and surplus for ₹100.78 Lakhs and ₹469.63 Lakhs respectively, will be given effect on the receipt of guidance from stock exchanges and depositories. The total sum of ₹570.41 Lakhs, comprising of debit balance of share capital and reserves & surplus, is appearing under head - other current assets. Aforesaid entries has insignificant impact on EPS and current assets.

H. During the year, the company has issued and allotted 3,67,84,991 equity shares of ₹2/- each in Qualified Institutions Placement ('QIP') at an issue price of ₹54.37/- per share (including securities premium of ₹52.37/- per share) after a discount of 5% on the floor price of ₹57.23 per share aggregating to ₹20,000.00 lakhs. The issue was made through QIP in terms of Securities and exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI Regulations) as amended, Sec 42, Sec 62 & other relevant provisions of Companies Act, 2013.

Pursuant to the allotment of equity shares in the QIP, the paid up equity share capital of the Company has increased from ₹10,222.71 lakhs comprising of 51,11,68,708 equity shares to ₹10,959.07 lakhs comprising of 54,79,53,699 equity shares. The company has incurred expenses amounting to ₹926.96 lakhs towards issuance of equity shares which have been debited to securities premium account.

The QIP issue proceeds are utilised in accordance with the objects of the issue as stated in the placement document. Details of utilisation of QIP issue proceeds are given below :-

Particulars	As at 31.03.2025
<b>Sources of funds</b>	
Proceeds from issue	20000.00
<b>Utilisation of funds</b>	
Payment towards issue expenses (inclusive of GST of ₹165.49 Lakhs)	1092.45
Payment towards Capital Expenditures	4941.49
Payment towards Working Capital requirements	6464.87
<b>Total utilisation of funds</b>	<b>12498.81</b>
Unutilised Fund	7501.19
Income from investments (Net of TDS/TCS)	293.38
The total unutilised funds as on March 31, 2025 amount to ₹7,780.68 lakhs, which have been temporarily invested in debt mutual funds. Additionally, ₹3.41 lakhs and ₹10.48 lakhs are lying in the Monitoring Account and Current Account, respectively.	7794.57

**14. BORROWINGS\***

(₹ in Lakhs)

	Current Portion		Non Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
<b>Long Term</b>				
<b>Secured</b>				
Term Loans - Vehicles	216.58	133.75	575.81	336.40
<b>Unsecured</b>				
Term Loans	500.00	-	2000.00	-
<b>Total</b>	<b>716.58</b>	<b>133.75</b>	<b>2575.81</b>	<b>336.40</b>
<b>Short Term</b>			As at 31.03.2025	As at 31.03.2024
<b>Secured</b>				
Bank Overdraft and Bill Discounting facility against term deposit made by company			1274.59	2349.09
Cash Credit Limit, Working Capital Demand Loan & Demand Loan			3328.98	-
Current maturities of Long Term Borrowings - Secured Loan			216.58	133.75
<b>Unsecured</b>				
Current maturities of Long Term Borrowings - Unsecured Loan			500.00	-
<b>Total</b>			<b>5320.15</b>	<b>2482.84</b>

\*For detailed terms and conditions of borrowings please refer note no. 41

**15. LEASE LIABILITIES\***

	Current Portion		Non Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
Lease Liabilities	796.62	-	858.81	-
<b>Total</b>	<b>796.62</b>	<b>-</b>	<b>858.81</b>	<b>-</b>

\* For detailed disclosures please refer note no. 42

**16. OTHER FINANCIAL LIABILITIES (NON-CURRENT)**

Security Deposits from Business Associates & Others	42.90	42.90
	<b>42.90</b>	<b>42.90</b>

**17. PROVISIONS**

(₹ in Lakhs)

	Current Portion		Non Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
Gratuity	561.60	638.09	2783.24	2471.97
Leave Encashment	221.93	208.67	856.26	688.40
Income Tax & TDS deductions (Net of tax payments)	687.71	1318.35	-	-
Other Expenses	288.51	140.33	-	-
<b>Total</b>	<b>1759.75</b>	<b>2305.44</b>	<b>3639.50</b>	<b>3160.37</b>



(₹ in Lakhs)

	As at 31.03.2025	As at 31.03.2024
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**18. TRADE PAYABLES**

Total outstanding dues of micro small and medium enterprises	43.03	206.64
Total outstanding dues of creditors other than micro small and medium enterprises	33798.37	26535.94
	<u>33841.40</u>	<u>26742.58</u>

In respect of MSME vendors, there is no outstanding demand with respect to overdue payments.

Ageing of Trade Payables (2024-25)	< 1 year	1-2 years	2-3 years	3 years or more	Total
(I) MSME	43.03	-	-	-	43.03
(ii) Others	33437.96	245.34	22.99	92.08	33798.37
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total Payables</b>	<b>33480.99</b>	<b>245.34</b>	<b>22.99</b>	<b>92.08</b>	<b>33841.40</b>

Ageing of Trade Payables (2023-24)	< 1 year	1-2 years	2-3 years	3 years or more	Total
(I) MSME	206.64	-	-	-	206.64
(ii) Others	26301.41	107.04	78.10	49.39	26535.94
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total Payables</b>	<b>26508.05</b>	<b>107.04</b>	<b>78.10</b>	<b>49.39</b>	<b>26742.58</b>

(₹ in Lakhs)

	As at 31.03.2025	As at 31.03.2024
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**19. OTHER FINANCIAL LIABILITIES -CURRENT**

Accrued Salaries and Benefits	1569.73	1612.30
Other payables	947.40	1786.92
	<u>2517.13</u>	<u>3399.22</u>

**20. OTHER CURRENT LIABILITIES**

Advance Received from Customers	1675.07	-
Direct & Indirect Taxes	245.44	333.42
	<u>1920.51</u>	<u>333.42</u>

(₹ in Lakhs)

	As at 31.03.2025	As at 31.03.2024
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**21. CONTINGENT LIABILITIES AND COMMITMENTS  
(TO THE EXTENT NOT PROVIDED FOR)**
**a) Contingent Liabilities**

Claims against the Company not acknowledged as debts	63.07	36.00
Guarantees	904.84	334.78
Other money for which company is contingently liable	655.54	338.34
	<u>1623.45</u>	<u>709.12</u>

**b) Other commitments**

Capital commitments	1944.45	1294.52
	<u>3567.90</u>	<u>2003.64</u>

(₹ in Lakhs)

	Year Ended 31.03.2025	Year Ended 31.03.2024
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**22. REVENUE FROM OPERATIONS**
Sale of products

Domestic	86773.10	88657.47
Exports	67921.25	64285.91
<b>Total</b>	<b>154694.35</b>	<b>152943.38</b>

Other Operating Revenues

Export Incentives	438.54	815.97
Other items	320.64	-
	<u>759.18</u>	<u>815.97</u>
	<u>155453.53</u>	<u>153759.35</u>

Break-up of revenue from sale of products (net of taxes)

Manufactured goods

API & Intermediates	93554.47	93952.20
Home Health Formulations	47724.89	41774.80
<b>Total Sales of Manufactured Goods - (A)</b>	<b>10970.87</b>	<b>10518.01</b>
	<u>152250.23</u>	<u>146245.01</u>

Traded Goods

Home Health Formulations	1967.73	2496.80
<b>Total Sales of Traded Goods - (B)</b>	<b>476.39</b>	<b>4201.57</b>
	<u>2444.12</u>	<u>6698.37</u>
<b>Revenues from Sales Operations (A+B)</b>	<b>154694.35</b>	<b>152943.38</b>

**23. OTHER INCOME**

Interest Income	446.71	248.43
Notional Interest on security deposit & others	22.33	-
Exchange Fluctuations	1029.45	969.68
Others	73.47	38.46
	<u>1571.96</u>	<u>1256.57</u>



	(₹ in Lakhs)	
	Year Ended 31.03.2025	Year Ended 31.03.2024
<b>24. COST OF MATERIALS CONSUMED</b>		
Raw Materials	95298.33	83775.12
Packing Materials	4619.98	4555.56
	<u>99918.31</u>	<u>88330.68</u>
<b>Break up of cost of materials consumed</b>		
API & Intermediates	62168.74	53128.28
Home Health	30687.46	28050.72
Formulations	7062.11	7151.68
<b>Total</b>	<u>99918.31</u>	<u>88330.68</u>
<b>25. PURCHASE OF STOCK-IN-TRADE</b>		
Home Health	1733.34	2612.62
Formulations	347.77	3571.76
<b>Total</b>	<u>2081.11</u>	<u>6184.38</u>
<b>26. CHANGE IN INVENTORY</b>		
<b>Opening Balance -</b>		
Work-in-progress	3741.37	3864.55
Finished goods	3090.43	3511.27
Stock-in-trade	313.67	636.72
Stores and spares	367.00	449.59
	<u>7512.47</u>	<u>8462.13</u>
<b>Closing Balance -</b>		
Work-in-progress	5861.95	3741.37
Finished goods	5387.82	3090.43
Stock-in-trade	139.99	313.67
Stores and spares	558.76	367.00
	<u>11948.52</u>	<u>7512.47</u>
Less : Transferred to Morepen Rx Ltd., a wholly owned subsidiary of the company, on slump sales basis, vide Business Transfer Agreement dated 22.08.2023, entered between the company and Morepen Rx Ltd.	-	436.70
<b>Change in Inventory</b>	<u>(4436.05)</u>	<u>512.96</u>
<b>27. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	16088.08	14553.89
Contribution to provident fund/ ESI	409.71	396.22
Gratuity and Leave Encashment	705.29	600.23
Staff Welfare	519.35	477.54
	<u>17722.43</u>	<u>16027.88</u>

	(₹ in Lakhs)	
	Year Ended 31.03.2025	Year Ended 31.03.2024
<b>28. FINANCE COST</b>		
Interest expense	326.58	205.84
Interest expense of lease liabilities	152.91	-
Loan Processing Fees	55.75	-
Interest on delay in deposit of Advance Tax (includes ₹38.00 Lacs for previous financial year 2023-24)	175.05	145.10
	<u>710.29</u>	<u>350.94</u>
<b>29. OTHER EXPENSES</b>		
Consumption of Stores and spare parts	2636.65	2109.80
Power and Fuel	4062.24	3408.91
Repairs to Buildings	211.28	230.61
Repairs to Machinery	807.35	707.91
General Repairs	1559.55	1370.72
Research & Development	369.37	519.83
Quality Control & Testing Charges	1588.39	1426.39
Insurance	222.06	185.18
Rent	493.26	1055.38
Rates and Taxes	117.52	164.16
Legal and Professional Expenses	1803.59	1400.55
Travelling Expenses	1832.74	1679.85
Selling and Distribution Expenses	7000.01	9915.35
Miscellaneous Expenses	2122.62	2346.91
	<u>24826.63</u>	<u>26521.55</u>
<b>30. PAYMENTS TO AUDITORS (excluding GST)</b>		
<b>Statutory Auditors -</b>		
Audit Fee	25.00	25.00
Tax Audit Fee	13.00	13.00
Tax Matters	2.00	2.00
Certification & Others	29.95	3.03
<b>Total</b>	<u>69.95</u>	<u>43.03</u>
<b>Cost Auditors-</b>		
Audit Fees	3.60	2.00
Others	2.50	2.50
<b>Total</b>	<u>6.10</u>	<u>4.50</u>
<b>31. PRIOR PERIOD ITEMS</b>		
Expenses include ₹31.35 Lakhs (Previous Year ₹66.59 Lakhs) as expenses relating to earlier years		
<b>32. DISCLOSURES ABOUT IMPORTS, EXPENDITURE IN FOREIGN CURRENCY, RAW MATERIAL CONSUMPTION &amp; EARNINGS IN FOREIGN EXCHANGE -</b>		
<b>A. VALUE OF IMPORTS ON CIF BASIS</b>		
Raw Materials	59267.13	52553.06
Stock -in -trade	769.45	1499.56
Capital Goods	962.35	573.70
	<u>60998.93</u>	<u>54626.32</u>



	(₹ in Lakhs)	
	Year Ended 31.03.2025	Year Ended 31.03.2024
<b>B. EXPENDITURE IN FOREIGN CURRENCY</b>		
Purchase of Capital Goods/ Travel/ Commission	1646.92	1217.55
	<u>1646.92</u>	<u>1217.55</u>
<b>C. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL CONSUMED AND PERCENTAGE THEREOF</b>		
Imported	63792.46	54466.12
Indigenous	36125.85	33864.30
	<u>99918.31</u>	<u>88330.42</u>
% Imported	63.84	61.66
% Indigenous	36.16	38.34
	<u>100.00</u>	<u>100.00</u>
<b>D. EARNINGS IN FOREIGN EXCHANGE</b>		
Exports of Goods on F.O.B. basis	66403.06	63876.30
	<u>66403.06</u>	<u>63876.30</u>

### 33. SEGMENT REPORTING

In accordance with Indian Accounting Standard, Ind AS-108 "Operating Segment", segment information has been given in consolidated financial statements of the company, and therefore, no separate disclosure on segment information is given in these financial statements.

### 34. RELATED PARTY DISCLOSURES

Disclosure as required by Indian Accounting Standard "Related Party Disclosures" (Ind AS 24) as notified u/s 133 of Companies Act, 2013 are as under:

Related Parties	
1. Subsidiary Companies - Morepen Bio Inc., USA (Formerly Morepen Inc.) Dr. Morepen Limited Morepen Devices Limited Morepen Rx Limited Morepen Medipath Limited (Formerly Morepen Medtech Limited) Quick Med Private Limited Total Care Limited	Overseas Company Domestic Company Domestic Company Domestic Company Domestic Company Domestic Company Domestic Company Domestic Company
2. Key Management Personnel	Mr. Sushil Suri, Chairman & Managing Director Mr. Sanjay Suri, Whole Time Director Mr. Ajay Kumar Sharma, Chief Financial Officer Mr. Vipul Kumar Srivastava, Company Secretary
3. Relatives of Key Management personnnels with whom the company has any transaction during the year	Mr. Varun Suri, Mr. Anubhav Suri, Mr. Kushal Suri, Mrs. Sunita Suri, Mrs. Mamta Suri, Mrs. Shalu Suri, Mrs. Sakshi Suri, Mrs. Suhina Suri, Mrs. Bavleen Suri, Mr. Rajas Suri, Ms. Anandi Suri, Mrs. Amita Sharma, Ms. Sara Suri, Ms. Simmi Bhasin, Ms. Sonia Bajaj

4. Entities over which key management personnel/ or Relatives of key management personnel are able to exercise significant influence with which the company has any transactions during the year	Edit 25 Lifestyle Private Limited Mr. Naman Joshi (till September 5, 2024) Groom Town Pvt. Ltd. Happier Life Pvt. Ltd.
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### Transactions with related parties -

Particulars	Nature of transaction	₹/Lakhs
1. Subsidiary Companies	Subscription of Share Capital	88.00
	Sale of inventories	16432.96
	Brand Usage expenses	247.22
	Reimbursement of Office & Rental Expense	355.10
	Amount payable as on 31.03.2025	1570.99
	Amount receivable as on 31.03.2025	2106.82
	Maximum amount outstanding	3490.99
2. Key Management Personnel	Remuneration	658.42
	Amount received back against Baddi Land	57.52
	Amount Payable as on 31.03.25	52.45
	Maximum amount outstanding	196.60
3. Relatives of key Management personnnels with whom the company has any transaction during the year	Remuneration	936.23
	Amount received back against Baddi Land	643.66
	Payment of outstanding dues towards	164.80
	Purchase of Baddi Land	
	Amount Payable as on 31.03.25	171.07
	Maximum amount outstanding	207.29
4. Entities over which key management personnel/ or Relatives of key management personnel are able to exercise significant influence with which the company has any transactions during the year	Receipt of services	42.00
	Amount Payable as on 31.03.25	8.06
	Maximum amount outstanding	10.58

Remuneration paid to employees of Morepen Laboratories Limited (the company) and its KMPs of the subsidiaries, is not included in the above details. The above details also do not include retail purchases made by related parties from the company.



### 35. EARNING PER SHARE

Particulars	Year Ended	
	31.03.2025	31.03.2024
Profit for the year (₹ in Lakhs)	10157.52	11093.60
Earnings per share in rupees (face value ₹2/- per share)-		
Weighted average number of equity shares used in computing basic EPS	535255319	511168708
Basic & Diluted EPS (₹) - (Face value of ₹2/- per share)	1.90	2.17

### 36. EMPLOYEE BENEFITS

Disclosures as per Accounting Standard, Ind AS -19 'Employee Benefits' is as under -

(A) Disclosures for Defined Contribution Plans -		(₹/ Lakhs)		
Particulars	31.03.2025	31.03.2024		
Employer's Contribution to Provident Fund	379.62	361.25		
Employer's Contribution to Employees State Insurance	29.31	33.93		
Labour Welfare Fund- Employer	0.78	1.03		
(B) Disclosures for Defined Benefit Plans - Unfunded		(₹/ Lakhs)		
Particulars	Gratuity		Leave Encashment	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
<b>I Change in the present value of obligation:</b>				
Present Value of Obligation at beginning of the year	3110.06	2739.24	897.07	889.78
Add: Interest Cost	222.04	206.78	82.84	71.97
Add: Current Service Cost	227.84	204.74	498.27	369.61
Less:- Benefit Paid	192.08	311.29	354.87	491.30
Add: Actuarial loss/(gain) on obligations	(23.03)	270.59	(45.12)	57.01
Present Value of Obligation as at year end	3344.84	3110.06	1078.19	897.07
<b>II Change in the fair value of plan Assets:</b>				
Fair Value of Plan Assets at the beginning of year	-	-	-	-
Add : Expected Return on Plan Assets	-	-	-	-
Add : Contributions	-	-	-	-
Less: Benefits Paid	-	-	-	-
Fair Value of Plan Assets at year end	-	-	-	-
<b>III Expense recognized in the Statement of Profit &amp; Loss</b>				
Current Service Cost	227.84	204.74	498.27	369.61
Add: Interest Cost	222.04	206.78	82.84	71.97
Less: Expected Return on plan assets	-	-	-	-
Less: Settlement Credit	-	-	280.59	309.89
Add: Net actuarial loss/(gain) recognised	(23.03)	270.59	(45.12)	57.01
Total expenses recognized in the statement of profit & loss	426.85	682.11	255.41	188.70

### IV The following table sets out the assumptions used in actuarial valuation of gratuity and leave encashment-

Assumptions	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Discount Rate	6.70%	7.20%	6.70%	7.20%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%
Expected Return on Assets	-	-	-	-
Employee Turnover rates	3.00%	3.00%	3.00%	3.00%
Expected average remaining working lives of employees (years)	20.10	19.91	20.10	20.07

**Notes -** 1. The sum of ₹280.59 Lakhs (previous year ₹309.89 Lakhs) benefits paid as salaries in respect of compensated absences and ₹74.29 Lakhs (previous year ₹41.33 Lakhs) regular benefit payments upon exit from service is included in the amount of ₹354.87 Lakhs (previous year ₹426.38 Lakhs) of benefits paid. 2. During Financial year ending March 31, 2024, benefits paid includes a sum of ₹87.91 Lakhs (Gratuity) and ₹64.92 Lakhs (Leave Encashment), transferred to Morepen Rx Limited (MRx Ltd.), a wholly owned subsidiary, in respect of employees transferred to MRx Ltd., in transfer of business under Slump Sales basis under U/R 11 UA, of Income Tax Rules 1962, pursuant to business transfer agreement (BTA) signed between, Morepen Laboratories Limited and Morepen Rx Limited dated, August 22, 2023.

### 37. IMPAIRMENT

It is the view of management that there are no impairment conditions that exist as on 31st March, 2025. Hence, no provision is required in the accounts for the year under review.

### 38. INCOME TAXES

#### A. Current Tax and Deferred Tax Expense

Income taxes recognised in the statement of profit and loss including Other Comprehensive Income (OCI)-

	(₹ in Lakhs)	
For the year ended	31.03.2025	31.03.2024
Current tax	3134.13	3788.63
Earlier Years taxes	-	(9.04)
Deferred tax expense	472.71	(43.65)
<b>Total income tax expenses</b>	<b>3606.84</b>	<b>3735.94</b>
<b>B. Deferred Tax Liabilities/ (Assets) (Net)</b>		
Deferred Tax Liabilities	2261.88	1263.30
Deferred Tax Assets	1564.22	1038.35
<b>Deferred tax Liabilities/(Assets) (Net)</b>	<b>697.66</b>	<b>224.95</b>
<b>Major Components of temporary difference and their movements thereof are given below -</b>		
<b>Deferred Tax Assets -</b>		
Retirement benefits & Leave Encashment	4423.03	4007.14
Provisions deductible for tax purposes in future periods	136.67	118.54
Lease Liabilities	1655.42	-
<b>Total</b>	<b>6215.12</b>	<b>4125.68</b>
Tax Rate	25.17%	25.17%
<b>Tax Amount</b>	<b>1564.22</b>	<b>1038.35</b>
<b>Deferred tax Liabilities -</b>		
PP&E depreciation and Intangible Amortiation	8987.13	5019.46
<b>Total</b>	<b>8987.13</b>	<b>5019.46</b>
Tax Rate	25.17%	25.17%
<b>Tax Amount</b>	<b>2261.88</b>	<b>1263.30</b>



**C. Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India:-**  
(₹ in Lakhs)

S.No	Particulars	31.03.2025	31.03.2024
(1)	Profit before tax	13758.56	14897.55
(2)	Corporate tax rate as per Income tax Act, 1961	25.17%	25.17%
(3)	Tax on accounting profit (3)=(1)*(2)	3462.75	3749.42
(4)	(i) Tax on expenses not tax deductible		
	- A. CSR Expenses	56.66	58.98
	- B. Provisional Expenses (includes expenses disallowed u/s 43B, Gratuity and provision for doubtful debts and provision for interest on income tax)"	177.51	246.53
	- C. Depreciation as provided in books of accounts	615.16	551.17
	- D. Disallowance of notional interest on lease liabilities	38.48	
	- E. Expenses not deductible u/s 37	53.92	26.60
	(ii) Tax on deductible expenses		
	- A. Depreciation as per Income Tax Act, 1961	(983.88)	(652.05)
	- B. Other Comprehensive Income - Remeasurement of defined benefit obligations	(5.80)	(68.01)
	- C. Expenses allowable on payment basis (includes gratuity payments and payments made u/s 43B)	(67.04)	(124.00)
	- D. Tax effect on notional interest income	(5.62)	-
	- E. Expenses deductible towards actual lease payments.	(208.02)	-
	(iii) Effect of current tax related to earlier years	-	(9.04)
	(iv) Recognition/ (Reversal) of deferred tax liability on account of changes in timing differences and deductible temporary differences	472.71	(43.65)
	<b>Total effect of tax adjustments [(i) to (iv)]</b>	<b>144.10</b>	<b>(13.47)</b>
(5)	Tax expense recognised during the year (5)=(3)+(4)	3606.84	3735.94
(6)	Effective tax rate (6)=(5)/(1)	26.22%	25.08%

The Company has opted to pay the tax under section 115BAA of the Income Tax Act, 1961. Accordingly the provision for current and deferred tax has been determined at the rate of 25.17%

**39. Dividend**

The Board of Directors at their meeting held on 12<sup>th</sup> May, 2025 recommended a final dividend of ₹0.20/- per share, for the financial year ending March 31, 2025. Final dividend proposed by the Board of Directors is recognized upon approval by the members shareholders, at the forthcoming Annual General Meeting, who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors.

No dividend shall be payable in respect of 50,62,872 equity shares that had been surrendered by members (erstwhile fixed deposit holders) to the Company for cancellation and had claimed refund of their fixed deposit dues in lieu thereof, in accordance with the order passed by the Hon'ble National Company Law Tribunal (NCLT), Chandigarh, dated March 12, 2018. These shares have been cancelled by the Board of Directors of the Company and are pending for cancellation by the Stock Exchanges.

**40. Corporate Social Responsibility (CSR)**

- During the financial year ended March 31, 2025, CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof was ₹225.11 Lakh (Previous year ₹210.00 Lakh).
- During the year the Company has made an expenditure of ₹225.51 Lakh (Previous year ₹220.36 lakh) related to CSR.

c) Details of CSR expenditure incurred during the year ended March 31, 2025 is as below :-

Nature of CSR activity	(₹/Lakhs)	
	31.03.2025	31.03.2024
-Promotion of Healthcare	79.00	54.07
-Social Infrastructure	34.21	47.46
-Education	105.30	115.04
-Sports	4.95	3.79
-Others	2.05	-
<b>Total</b>	<b>225.51</b>	<b>220.36</b>

**41. Terms and Conditions of borrowings**

**A) Long Term Borrowings – Vehicle Loans (Secured)**

These loans are repayable on a monthly basis, secured by way of hypothecation of specific assets purchased under the hire purchase agreement.

Particulars	Current Portion	Non - Current Portion				Total
		2025-26	2026-27	2027-28	2028-29	
Annual Repayment Amount (₹in Lakhs)	216.58	223.35	218.23	117.73	16.51	792.40
Annual Rate of Interest (%)	7.04% - 9.50%	7.04% - 9.50%	7.04% - 9.50%	7.04% - 9.50%	7.04% - 9.50%	7.04% - 9.50%

**B) Long Term Borrowings – Unsecured**

During the current financial year, Corporate Term Loan facility of ₹2,500.00 lakhs was sanctioned by Shinhan Bank repayable over a period of 36 months and carrying interest rate of 9.25%. The loan is to be repaid in 10 equal quarterly instalments with moratorium period of 6 months. Interest is to be serviced on monthly basis. Loan is secured by the personal guarantee of Mr. Sushil Suri, Chairman and Managing Director of the company.

Particulars	Current Portion	Non - Current Portion		Total
		2025-26	2026-27	
Annual Repayment Amount (₹in Lakhs)	500.00	1000.00	1000.00	2500.00
Annual Rate of Interest (%)	9.25%	9.25%	9.25%	9.25%

**C) Short Term Borrowings - Bank Overdrafts and bill discounting facilities**

The Company had availed overdraft facility and bill discounting facility from ICICI Bank. This facility was secured by way of Term Deposits made by the company with the bank. Annual rate of interest chargeable on these facilities ranges upto 8.5%, 0.5% over and above deposit rate given by the bank. This facility will be closed as and when the financed bills falls due for payment.

**D) Short Term Borrowings - Cash Credit Limit and Working Capital Demand Loan**

During the year, Punjab National Bank has sanctioned a demand loan of ₹276.50 Lakhs. This demand loan is secured by way of Term Deposits in the name of the company held by the bank. Annual rate of interest chargeable on these facilities ranges upto 8.5%, 0.5% over and above deposit rate given by the bank. This facility will be closed as and when term deposits associated with facility gets matured.

During the year, Kotak Mahindra Bank has sanctioned working capital facilities of ₹9,900.00 lakhs (including cash credit (CC) limit of ₹2,000.00 lakhs and working capital demand loan (WC DL) of ₹7,900.00 lakhs) with tenor of 12 months for CC limit and 90 days for WC DL. The rate of interest is 11.00% per annum for both CC limit and WC DL.

The cash credit limit and working capital demand loan are secured by :-

- Primary Security :- First charge by way of hypothecation on all present and future current assets and fixed assets (both movable and immovable assets).



- Collateral Security :- Equitable/ Registered mortgage over one of the manufacturing facilities of the company.
- The cash credit limit and working capital demand loan is additionally secured by personal guarantee of Mr. Sushil Suri, Chairman and Managing Director of the company and corporate guarantee of M/s. Solitary Investments and Financial Services Private Limited and M/s. Square Investments and Financial Services Private Limited, entities promoted by promoters of the company and holding shares of the company.

#### 42. RIGHT OF USE OF ASSETS AND LEASE LIABILITIES

- a) In accordance with Ind AS-116, Leases, the company recognizes a Right-of-Use (RoU) asset at the commencement of the lease term, representing the right to use the underlying leased asset over the lease period. The RoU asset is initially measured at cost, which includes the initial amount of lease liability, any lease payments made at or before the commencement date, and any initial direct costs incurred by the Company. The RoU asset is subsequently amortized on a straight-line basis over the lease term or the useful life of the underlying asset, whichever is shorter, unless the lease transfers ownership of the asset at the end of the lease term. As at the reporting date, the Right of Use Assets are disclosed separately under Note No. 2. - Right of use of Assets.
- b) Lease liabilities are recognized at the present value of future lease payments at the commencement date of the lease. Interest expense of lease liabilities during the year was ₹152.91 Lakhs. The company does not face significant restrictions or covenants imposed by lease arrangements. The Company has recognized ₹493.26 lakhs as rent expense during the year which pertains to short term lease/ low value asset and rent charged by subsidiary Dr. Morepen Limited amounting to ₹231.98 Lacs, which was not recognized as part of asset. Total lease expense incurred during the year including short term lease/ low value asset was amounting to ₹1319.78 Lakhs. The table below provides details regarding contractual maturities of lease liabilities as at 31st March 2025 on an undiscounted basis:

Particulars	Amount
Less than 1 year	0.94
1 - 5 years	1594.04
More than 5 Years	59.44

The Company has provided refundable, non-interest bearing deposits amounting to ₹341.81 lakhs to lessors for various leased premises. These have been measured at amortized cost using an effective interest rate of 9.25%. The difference of ₹79.51 lakhs has been recorded as Right of Use of Assets and amortized over the term period of these leases.

- c) During the year, the company recognized a sum of ₹767.22 lakhs towards, annual depreciation and amortization expense on Right-of-Use (ROU) assets. In view of above, annual Rent/Other expenses are lower by ₹826.52 Lakhs. Further, during the year the company recognized annual interest expense of ₹152.91 lakhs, representing the interest component of lease liabilities calculated using the effective interest rate method. Notional interest income for the current year for ₹22.33 lakhs has been recognised during the year in accordance with Ind AS 109 – Financial Instruments. On account of above, profits after tax for the year, are down by ₹74.83 lakhs, representing netting of rent expenses, interest income, against amortisation charges, interest expenses and deferred tax asset.

#### 43. OTHER SIGNIFICANT DISCLOSURES

- a) In the opinion of directors, all assets except stated otherwise have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the books of accounts and the provision for depreciation and for all known liabilities is adequate and considered reasonable.
- b) Balances of Non-current liabilities, Current liabilities, Long terms loans and advances, Trade receivables, Short term loans and advances and banks are subject to confirmation.
- c) Assessments under indirect tax laws for earlier years are in progress. Demand, if any, shall be known & accounted for, on the completion of assessments.
- d) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

#### 44. Change in appointed date for transfer of ownership

Based on the recommendation of the Audit Committee and subsequent approvals by the Board of Directors and the shareholders of the Company on January 14, 2025, and February 10, 2025, respectively, the Company had approved

the transfer (hiving off) of its medical devices business, classified as an "undertaking" under Section 180(1)(a) of the Companies Act, 2013, to its subsidiary, Morepen Medipath Limited (formerly known as Morepen Medtech Limited).

In furtherance of the above, the Company executed a Business Transfer Agreement ("BTA") with Morepen Medipath Limited on March 18, 2025, specifying February 1, 2025, as the 'Appointed Date' for the transfer of ownership of the said undertaking. However, considering the time required for obtaining necessary statutory and regulatory approvals and addressing certain operational considerations, the Board of Directors at its meeting held on May 12, 2025, approved an amendment to the BTA, revising the 'Appointed Date' from February 1, 2025, to April 1, 2025.

45. Ratios	As at 31.03.2025	As at 31.03.2024	%age Change
<b>Current Ratio</b>	<b>2.51</b>	<b>2.39</b>	<b>4.84%</b>
- Numerator - Current Assets	110678.40	84290.64	
- Denominator - Current Liabilities	44163.41	35263.50	
<b>Inventory turnover Ratio</b>	<b>3.85</b>	<b>4.40</b>	<b>-12.54%</b>
- Numerator - Cost of Goods Sold	97563.37	95028.02	
- Denominator - Average Inventory	25327.02	21575.01	
<b>Trade receivables turnover Ratio (days)</b>	<b>71</b>	<b>67</b>	<b>5.32%</b>
- Numerator - Revenue	157025.49	155015.92	
- Denominator - Average Debtors	30531.72	28617.96	
<b>Trade payables turnover Ratio (days)</b>	<b>113</b>	<b>92</b>	<b>22.80%</b>
- Numerator - COGS	97563.37	95028.02	
- Denominator - Average Creditors	30291.99	24026.13	
<b>Debt-Equity Ratio</b>	<b>0.07</b>	<b>0.03</b>	<b>110.74%*</b>
- Numerator - Debt	7895.96	2819.24	
- Denominator			
Equity	10958.41	10222.71	
Reserves & Surplus	108062.88	79568.03	
Warrants	-	-	
OCI	(871.08)	(888.31)	
Total Equity	<u>118150.21</u>	<u>88902.43</u>	
*Change is due to loans and credit facilities availed during the year from financial institutions.			
<b>Debt Service Coverage Ratio</b>	<b>1621.33%</b>	<b>5135.15%</b>	<b>-68.43%*</b>
- Numerator - EBITDA	16913.06	17438.47	
- Denominator -Total Loan Liability	1043.16	339.53	
Interest on loans	326.58	205.84	
Principal loans	716.58	133.75	
*Change is due to loans and credit facilities availed during the year from financial institutions.			
<b>Net profit Ratio</b>	<b>6.47%</b>	<b>7.16%</b>	<b>-9.61%</b>
- Numerator - PAT	10157.52	11093.60	
- Denominator - Revenue	157025.49	155015.92	
<b>Return on Equity Ratio (RoE)</b>	<b>8.60%</b>	<b>12.48%</b>	<b>-31.10%</b>
- Numerator - PAT	10157.52	11093.60	
- Denominator -Total Equity	118150.21	88902.43	
<b>Net capital turnover Ratio</b>	<b>1.33</b>	<b>1.74</b>	<b>-23.78%</b>
- Numerator - Revenue	157025.49	155015.92	
- Denominator -Total Equity	118150.21	88902.43	
<b>Return on Capital employed (RoCE)</b>	<b>11.49%</b>	<b>16.46%</b>	<b>-30.20%</b>
- Numerator - EBIT (PBT+Interest)	14468.85	15248.49	
PBT	13758.56	14897.55	
Interest	710.29	350.94	
- Denominator			
Shareholder's wealth	118150.21	88902.43	
Non current borrowings	2575.81	336.40	
Non Current Liabilities	5238.87	3428.22	
Total capital employed	<u>125964.89</u>	<u>92667.05</u>	
<b>Return on investment</b>	<b>5.94%</b>	<b>8.67%</b>	<b>-31.50%</b>
- Numerator - PAT	10157.52	11093.60	
- Denominator - Total Assets	171000.39	127930.55	



## Independent Auditor's Report

To the Members of Morepen Laboratories Limited  
Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of Morepen Laboratories Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1	<p>In the Scheme of Arrangement &amp; Compromise under Section 391 of the Companies Act, 1956 as approved by the Hon'ble High Court of Himachal Pradesh vide its Order dated August 4, 2009, the Company allotted 9,24,90,413 Equity Shares to the fixed deposit holders in settlement of their dues. The Hon'ble NCLT vide its judgment dated 12th March 2018 dismissed the Company's petition seeking approval of the Scheme and stated that the order will not affect the allotment of the shares to the FD holders who have traded the shares to the third parties or transferred the allotted shares and to the balance FD holders (eligible FD holders), the company shall pay the outstanding amount as per the scheme approved by the Company Law Board (CLB). The appeal preferred by the company against the said order of NCLT, is dismissed by Hon'ble National Company Law Appellate Tribunal (NCLAT).</p> <p>Pursuant to implementation of Hon'ble National Company Law Tribunal (NCLT), Chandigarh Order dated 12.03.2018, out of 3,85,65,810 Equity Shares of ₹2/- each issued at a premium of ₹9.32 per share belonging to eligible FD holders, the company has paid Fixed Deposit dues in respect of 50,62,872 Equity Shares received for cancellation with the company till 31.03.2022.</p> <p>(Refer Note No. 13G to the consolidated financial statements)</p>	<p><b>Principal Audit Procedures</b></p> <p>We collected and analyzed the Scheme approved by the Company Law Board (CLB) dated 19.08.2003, Judgment of Hon'ble NCLT dated 12<sup>th</sup> March 2018, order of Hon'ble National Company Law Appellate Tribunal (NCLAT) dated 23.7.2019, Communication with ROC and Stock Exchanges in this regard and other relevant documents in this regard produced for our verification.</p> <p>Post reconciliation of equity shares surrendered by eligible Fixed Deposit (FD) holders, the number of equity shares identified for cancellation has increased to 50,62,872 instead of earlier 50,38,983 equity shares.</p> <p><b>The payment to pending eligible FD holders may impact financials of the company in the coming year/years.</b></p>

Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder.

The respective board of directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the

consolidated financial statements by the directors of the Holding Company as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the entities included in the Group are responsible for assessing the ability of the Group to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease the operations, or has no realistic alternative but to do so.

The respective board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transaction and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such entities included in the consolidated financial statements of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

We did not audit the financial statements of subsidiaries namely Morepen Devices Limited, Morepen Rx Limited, Total Care Ltd. (Indian Subsidiaries) and Morepen Bio Inc. [earlier Morepen Inc.] (foreign Subsidiary) included in consolidated financial statements. Financial statement of these four subsidiaries reflects total assets of ₹5603.62 lakhs as at March 31, 2025, total revenue of ₹25854.24 lakhs, total profit after tax of ₹436.70 lakhs and total comprehensive income of ₹447.39 lakhs for the year ended on that date, as considered in the consolidated financial statements. The aforesaid financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the auditors of such entities.

#### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of the Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the books of accounts.
- d) In our Opinion, the aforesaid consolidated financial

statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issues thereunder.

- e) On the basis of the written representations received from the directors of the Holding company and its Indian subsidiaries as on 31<sup>st</sup> March 2025 taken on record by the Board of Directors of the respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March 2025 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls is as per Annexure A.
- g) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company has disclosed the impact of pending litigations on the financial position of the group, in its consolidated financial statements;
- (ii) The Group has made provision in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;

- (iii) During the year, the Group was not liable to transfer any amount to the Investor Education and Protection Fund.
- (iv) The Gratuity liability accrued remains uncovered to the extent of being unfunded.
- (v) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose final statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) contain any material mis-statement. (Refer Note No. 40(e) to the consolidated financial statements)
- (vi) As stated in Note 35 to the accompanying standalone financial statements, the Board of Directors of the holding company have proposed final dividend for the year ended March 31, 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the act to extent it applies to declaration of dividend.
- (vii) Based on our examination, which includes the test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements are required to be audited under the act, the company, subsidiaries have used accounting software for maintaining its books of accounts for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tempered with.  
  
Additionally, the audit trail has been preserved by the company and above referred subsidiaries as per the statutory requirements for record retention.
- (viii) In respect of MSME vendors, there exists no overdue demand as on the date of audit report for the current financial year.

For S.P. Babuta & Associates  
Chartered Accountants  
F.No. 007657N

CA S.P. Babuta  
Managing Partner  
FCA, IP, DISA, CCA  
GST Cert, Forensic Auditor  
Membership No. 086348  
UDIN : 25086348BMIMBW7240

Date : 12<sup>th</sup> May, 2025  
Place : Gurugram, Haryana



## ANNEXRE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the consolidated financial statements of Morepen Laboratories Limited for the year ended 31<sup>st</sup> March 2025)

### Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of Morepen Laboratories Limited (hereinafter referred to as "the Holding Company") and its Indian subsidiaries, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of directors of the holding company and its subsidiaries which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting of the Holding company and its subsidiaries incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial

controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Holding company and its subsidiaries incorporated in India.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanation given to us, and based on the consideration of reports of other auditors, referred

to in the Other Matters paragraph, the Holding company and its subsidiaries incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note.

### Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting in so far as it relates to the financial statements of subsidiaries namely Morepen Devices Limited, Morepen Rx Ltd., Total Care Ltd. (Indian Subsidiaries) and Morepen Bio Inc. [earlier Morepen Inc.] (Foreign Subsidiary), is based solely on the reports of the auditors of such entities.

For S.P. Babuta & Associates  
Chartered Accountants  
F.No. 007657N

CA S.P. Babuta  
Managing Partner  
FCA, IP, DISA, CCA  
GST Cert, Forensic Auditor  
Membership No. 086348  
UDIN : 25086348BMIMBW7240

Date : 12<sup>th</sup> May, 2025  
Place : Gurugram, Haryana



## Consolidated Balance Sheet

As at 31<sup>st</sup> March, 2025

		(₹ in Lakhs)	
		As at	As at
		31.03.2025	31.03.2024
A ASSETS	Note No.		
<b>1. NON-CURRENT ASSETS</b>			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	2	31651.03	21320.41
Capital Work in Progress	2	2834.05	2445.18
Goodwill	2	7447.42	7447.42
Right of Use of Assets	2	2548.31	-
Other Intangible Assets	2	7204.29	1966.82
Financial Assets :			
Investments	3	717.42	130.10
Loans	4	14.32	3.59
Other Financial Assets	5	777.01	714.15
Other Non-Current Assets	6	8678.91	6388.44
		<u>61872.76</u>	<u>40416.11</u>
<b>2. CURRENT ASSETS</b>			
Inventories	7	29996.50	24859.42
Financial Assets :			
Investments	3	7780.68	-
Trade Receivables	8	32476.34	32493.81
Cash and Cash Equivalents	9	2738.12	1694.51
Bank Balances other than Cash and Cash Equivalents	10	2197.93	3517.15
Loans	4	47.96	22.43
Other Financial Assets	11	1125.63	1438.15
Other current assets	12	39574.01	24878.93
		<u>115937.17</u>	<u>88904.40</u>
<b>TOTAL</b>		<u>177809.93</u>	<u>129320.51</u>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
Equity Share Capital	13	10958.41	10222.71
Other Equity		104664.66	74499.91
		<u>115623.07</u>	<u>84722.62</u>
<b>2. MINORITY INTEREST</b>	14	3072.68	-
<b>3. NON - CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	15	2575.81	336.40
Lease Liabilities	16	1348.41	-
Other Financial liabilities	17	442.18	450.42
Deferred Tax Liabilities (Net)	34	697.66	224.95
Provisions	18	3984.76	3381.66
		<u>9048.82</u>	<u>4393.43</u>
<b>4. CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	15	5363.46	2563.52
Lease Liabilities	16	1221.84	-
Trade Payables	19	36330.31	29502.75
Other Financial liabilities	20	3028.60	5050.91
Other Current Liabilities	21	2161.35	585.78
Provisions	18	1959.80	2501.50
		<u>50065.36</u>	<u>40204.46</u>
<b>TOTAL</b>		<u>177809.93</u>	<u>129320.51</u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>		1	
<b>NOTES ON FINANCIAL STATEMENTS</b>		2-41	

As per our separate report of even date

For & on behalf of the Board of Directors of Morepen Laboratories Limited

**For S.P. Babuta & Associates**  
Chartered Accountants  
Firm Regn. No. 007657N

**(Sushil Suri)**  
Chairman & Managing Director  
DIN : 00012028

**(Praveen Kumar Dutt)**  
Director  
DIN : 06712574

**(CA S.P. Babuta)**  
Partner  
Membership No. 086348

**(Ajay Kumar Sharma)**  
Chief Financial Officer

**(Vipul Kumar Srivastava)**  
Company Secretary  
Membership No. F-12148

Place : Gurugram, Haryana  
Date : 12<sup>th</sup> May, 2025

## Consolidated Statement of Profit and Loss

For the Year Ended 31<sup>st</sup> March, 2025

		(₹ in Lakhs)	
		Year Ended	Year Ended
		31.03.2025	31.03.2024
REVENUE	Note No.		
<b>REVENUE</b>			
Revenue from operations (Net)	23	181157.58	169043.25
Other Income	24	1836.37	1397.08
<b>Total Income (I)</b>		<u>182993.95</u>	<u>170440.33</u>
<b>EXPENSES</b>			
Cost of Materials Consumed	25	99918.31	88330.68
Purchases of Stock-in-Trade		20724.66	17700.48
Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade		(4712.25)	211.33
Employee Benefits Expense	26	20891.39	18146.55
Finance Cost	27	834.29	371.02
Depreciation and Amortization Expense	2	2898.17	3346.95
Other Expenses	28	26928.44	28791.75
<b>Total Expenses (II)</b>		<u>167483.01</u>	<u>156898.76</u>
<b>Profit before Tax</b>		<u>15510.94</u>	<u>13541.57</u>
<b>Tax Expense</b>			
Current Tax		3236.69	3932.22
Earlier periods Tax		-	(9.03)
Deferred Tax	34	472.71	(43.65)
<b>Total Tax Expense</b>		<u>3709.40</u>	<u>3879.54</u>
<b>Profit for the Year (III)</b>		<u>11801.54</u>	<u>9662.03</u>
Share of minority interest in Profit/ (loss)		(0.50)	46.04
<b>Profit for the year available for majority shareholders</b>		<u>11802.04</u>	<u>9615.99</u>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit & Loss		25.05	(275.24)
Tax		5.80	(68.01)
Exchange differences on translation of foreign operations		6.12	23.05
<b>Other Comprehensive Income for the Year (Net of Tax) (IV)</b>		<u>25.37</u>	<u>(184.18)</u>
<b>Total Comprehensive Income for the Year (III+IV)</b>		<u>11827.41</u>	<u>9431.81</u>
Earning per equity share (Face Value of ₹2/- each)	32		
<b>Basic &amp; Diluted</b>		<u>2.20</u>	<u>1.88</u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>		1	
<b>NOTES ON FINANCIAL STATEMENTS</b>		2-41	

As per our separate report of even date

For & on behalf of the Board of Directors of Morepen Laboratories Limited

**For S.P. Babuta & Associates**  
Chartered Accountants  
Firm Regn. No. 007657N

**(Sushil Suri)**  
Chairman & Managing Director  
DIN : 00012028

**(Praveen Kumar Dutt)**  
Director  
DIN : 06712574

**(CA S.P. Babuta)**  
Partner  
Membership No. 086348

**(Ajay Kumar Sharma)**  
Chief Financial Officer

**(Vipul Kumar Srivastava)**  
Company Secretary  
Membership No. F-12148

Place : Gurugram, Haryana  
Date : 12<sup>th</sup> May, 2025



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31<sup>st</sup> March, 2025

### A. EQUITY SHARE CAPITAL

As at 31<sup>st</sup> March, 2025 (₹ in Lakhs)

Balance as at 1 <sup>st</sup> April, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Change in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2025
10222.71	–	10222.71	735.70	10958.41

Balance as at 1 <sup>st</sup> April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Change in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2024
10222.71	–	10222.71	–	10222.71

### B. OTHER EQUITY

As at 31<sup>st</sup> March, 2025

(₹ in Lakhs)

	RESERVES & SURPLUS				Other items of other comprehensive income	Exchange difference on translation of a foreign operation	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings			
Balance as at 1 <sup>st</sup> April, 2024	2145.40	7623.33	36978.86	28617.19	(887.92)	23.05	74499.91
Securities Premium received during the year *	–	–	19264.30	–	–	–	19264.30
Share issue expenses *	–	–	(926.96)	–	–	–	(926.96)
Profit for the year	–	–	–	11802.04	–	–	11802.04
Other comprehensive income/(loss) for the year	–	–	–	–	19.25	6.12	25.37
Balance as at 31 <sup>st</sup> March, 2025	2145.40	7623.33	55316.20	40419.23	(868.67)	29.17	104664.66

### OTHER EQUITY

As at 31<sup>st</sup> March, 2024

(₹ in Lakhs)

	RESERVES & SURPLUS				Other items of other comprehensive income	Exchange differences on translation of foreign operations	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings			
Balance as at 1 <sup>st</sup> April, 2023	2145.40	7623.33	36978.86	19001.20	(680.69)	–	65068.10
Profit for the year	–	–	–	9615.99	–	–	9615.99
Other comprehensive income/(loss) for the year	–	–	–	–	(207.23)	23.05	(184.18)
Balance as at 31 <sup>st</sup> March, 2024	2145.40	7623.33	36978.86	28617.19	(887.92)	23.05	74499.91

\* During the year, the company has issued and allotted 3,67,84,991 equity shares of ₹2/- each in Qualified Institutions Placement ('QIP') at an issue price of ₹54.37/- per share (including securities premium of ₹52.37/- per share) after a discount of 5% on the floor price of ₹57.23/- per share aggregating to ₹20,000.00 lakhs. The issue was made through QIP in terms of Securities and exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI Regulations) as amended, Sec 42, Sec 62 & other relevant provisions of Companies Act, 2013.

SIGNIFICANT ACCOUNTING POLICIES

1

NOTES ON FINANCIAL STATEMENTS

2-41

As per our separate report of even date

For & on behalf of the Board of Directors of Morepen Laboratories Limited

**For S.P. Babuta & Associates**  
Chartered Accountants  
Firm Regn. No. 007657N

**(Sushil Suri)**  
Chairman & Managing Director  
DIN : 00012028

**(Praveen Kumar Dutt)**  
Director  
DIN : 06712574

**(CA S.P. Babuta)**  
Partner  
Membership No. 086348

**(Ajay Kumar Sharma)**  
Chief Financial Officer

**(Vipul Kumar Srivastava)**  
Company Secretary  
Membership No. F-12148

Place : Gurugram, Haryana  
Date : 12<sup>th</sup> May, 2025



## Consolidated Cash Flow Statement

For the Year Ended 31<sup>st</sup> March, 2025

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
(₹ in Lakhs)			
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES :</b>			
Profit before Tax		15510.94	13541.57
Adjustments for :			
Depreciation & Amortisation	2	2898.17	3346.95
Provision for Employee benefit (OCI)		25.05	(275.24)
Loss on sale of Property, Plant & Equipments		15.17	-
Exchange differences on translation of a foreign operation		6.12	23.05
Finance Cost (Net)	27	834.29	371.02
Minority Interest	14	0.50	(46.04)
<b>Operating Profit before changes in Current Assets and Liabilities</b>		<b>19290.24</b>	<b>16961.31</b>
<b>Changes in Current Assets and Liabilities -</b>			
Trade Receivables	8	17.47	(6169.11)
Loans, Bank balance other than cash & Cash equivalent and other Current Assets	4,10,11,12	(13088.87)	(5620.10)
Inventories	7	(5137.08)	(1970.79)
Current Liabilities	18,19,20,21	5839.11	7947.68
<b>Cash generated from operations</b>		<b>6920.87</b>	<b>11148.99</b>
Income Tax (Net)		(3715.20)	(3811.53)
<b>NET CASHFLOW - OPERATING ACTIVITIES</b>		<b>3205.67</b>	<b>7337.46</b>
<b>B. CASH FLOWS - INVESTING ACTIVITIES:</b>			
Purchase of Property, Plant & Equipments	2	(12403.31)	(7138.08)
Purchase/Addition of Intangibles (Including Right of Use of Assets)	2	(9020.35)	(995.47)
Proceeds from Sale of Property, Plant & Equipments	2	5.06	5.32
Sales/(Purchase) of Investments (Net)	3	(8367.99)	(130.10)
Investment in Other Non-Current Assets	4,5,6	(2364.07)	(71.69)
<b>NET CASHFLOW - INVESTING ACTIVITIES</b>		<b>(32150.66)</b>	<b>(8330.02)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Finance Cost	27	(834.29)	(371.02)
Proceeds of Long Term Borrowings (Net)	15	2239.41	243.05
Proceeds of Short Term Borrowings (Net)	15	2799.94	140.46
Change in Lease Liabilities	16	2570.25	-
Proceeds from issue of shares under QIP (Net of Share Issue Expenses)		19073.04	-
Change in Minority Interest	14	3072.68	-
Change in Other Non- Current Liabilities & Provisions (Net)	17,18,34	1067.57	508.00
<b>NET CASHFLOW - FINANCING ACTIVITIES</b>		<b>29988.60</b>	<b>520.49</b>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		1043.61	(472.07)
Cash and Cash Equivalents as at Beginning of the Year		1694.51	2166.58
Cash and Cash Equivalents as at End of the Year		2738.12	1694.51
Bank Balances other than Cash and Cash Equivalents		2197.93	3517.15
<b>Components of cash and cash equivalents as on end of the period</b>			
Balance with Banks		2727.35	1677.54
Cash in hand		10.77	16.97
		<b>2738.12</b>	<b>1694.51</b>

- Notes : a) The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as Amended).  
b) Figures have been regrouped/reclassified wherever necessary.

### SIGNIFICANT ACCOUNTING POLICIES NOTES ON FINANCIAL STATEMENTS

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As per our separate report of even date	For & on behalf of the Board of Directors of Morepen Laboratories Limited	
<b>For S.P. Babuta &amp; Associates</b>	<b>(Sushil Suri)</b>	<b>(Praveen Kumar Dutt)</b>
Chartered Accountants	Chairman & Managing Director	Director
Firm Regn. No. 007657N	DIN : 00012028	DIN : 06712574
<b>(CA S.P. Babuta)</b>	<b>(Ajay Kumar Sharma)</b>	<b>(Vipul Kumar Srivastava)</b>
Partner	Chief Financial Officer	Company Secretary
Membership No. 086348		Membership No. F-12148
Place : Gurugram, Haryana		
Date : 12 <sup>th</sup> May, 2025		

## 1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

### Company Overview

Morepen Laboratories Limited ("the Company") is a Public limited company incorporated and domiciled in India and has its listing on the BSE Limited and National Stock Exchange of India Limited. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. The Company has its manufacturing locations situated in the state of Himachal Pradesh with trading and other incidental and related activities extending to both domestic and global markets. The Company is in the business of manufacturing, producing, developing, marketing and distribution of a wide range of Active Pharmaceutical Ingredients (APIs), branded and generic formulations, Over the Counter (OTC) products and the Home Health products.

### 1.1 Basis for preparation of financial statements

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements consist of financial statements of Morepen Laboratories Ltd. (parent company) and its seven subsidiaries namely Dr. Morepen Ltd., Total Care Ltd., Morepen Devices Ltd., Morepen Rx Ltd., Morepen Medipath Ltd. (formerly Morepen Medtech Ltd.), Quick Med Private Ltd. (Domestic Companies) and Morepen Bio Inc. [earlier Morepen Inc.] (Foreign Company). Financial statements of

foreign subsidiary have been recasted for the purpose of consolidation.

The names of subsidiary companies included in consolidation and parent company's holding therein are as under-

Subsidiary Company	Country of Incorporation	Percentage of Holding (%)
Morepen Bio Inc.	U.S.A.	100
Dr. Morepen Ltd.	India	80
Morepen Rx Ltd.	India	100
Morepen Medipath Ltd. (formerly Morepen Medtech Ltd.)	India	80
Morepen Devices Ltd.	India	100
Total Care Ltd.	India	76*

\*(The Company holds an effective interest of 76% in Total Care Ltd. through its 80% shareholding in Dr. Morepen Limited, which in turn holds 95% of the equity in Total Care Ltd.)

Quick Med Pvt. Ltd. India 64\*\*

(The Company holds an effective interest of 64% in Quick Med Private Ltd. through its 80% shareholding in Dr. Morepen Limited, which in turn holds 80% of the equity in Quick Med Private Ltd.)

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on May 12, 2025.

### Functional and Presentation Currency

Financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

### Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

### Operating Cycle

Based on the nature of products/activities of



the company and normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 1.2 Use of Estimates and Judgements

The presentation of financial statements in conformity with Ind AS requires the management of the company to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported balances of assets and liabilities, disclosures of contingent assets and liabilities as at the date of financial statements and the reported amount of revenues and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee benefits, provisions for income taxes, useful life of depreciable assets and provisions for impairments & others.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

### 1.3. Property, Plant and Equipment (PPE)

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

- a) Free hold land is carried at cost. All other items of Property, plant and equipment are stated at cost, less accumulated depreciation. The initial cost of PPE comprises its purchase price, including import duties and non-refundable

purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected significant costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

- b) Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.
- c) Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.
- d) The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

### 1.4 Intangible Assets and Amortisation

#### Internally generated Intangible Assets - Research and Development expenditure

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset and/or benefits are expected over more than one period, otherwise such expenditure is charged to the Statement of Profit and Loss.

Expenditure providing benefits for more than one period is amortised proportionately over the periods during which benefits are expected to occur.

#### Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

### 1.5 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

- a) Depreciation on fixed assets is provided on straight-line method at the rates prescribed by the schedule II of the Companies Act, 2013 and in the manner as prescribed by it except assets costing less than ₹5000/- on which depreciation is charged in full during the year.
- b) Intangible assets are amortized over their respective individual estimated useful life on straight line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, etc. The amortization method and useful lives are reviewed periodically at end of each financial year.

### 1.6. Valuation of inventories

Stocks of raw materials and other ingredients have been valued on First in First Out (FIFO) basis, at cost or net realizable value whichever is less, finished goods and stock-in-trade have been valued at lower of cost and net realizable value, work-in-progress is valued at raw material cost up to the stage of completion, as certified by the management on technical

basis. Goods in transit are carried at cost.

### 1.7. Foreign Currency Transactions / Translations

- i) Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or at rates that closely approximate the rate at the date of the transaction.
- ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- iii) Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- iv) Foreign exchange differences recorded as an adjustment to borrowing costs are presented in the statement of profit and loss, as a part of finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.
- v) In case of long term monetary items outstanding as at the end of year, exchange differences arising on settlement / restatement thereof are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary



items, whichever is earlier, and charged to the Statement of Profit and Loss.

### 1.8 Dividends

Dividends are recognized as liability in the financial statements in the period in which they are appropriately authorized and no longer at the discretion of the company. For interim dividends, this is typically the date of approval by the Board of Directors. For final dividends, liability is recognized upon approval by the shareholders at the Annual General Meeting.

Proposed dividends that are declared after the reporting date are not recognized as a liability at the end of the reporting period but are disclosed in the notes to the financial statements in accordance with Ind AS-10 'Events occurring after reporting period'

Dividends are distributed from retained earnings and are subject to the availability of sufficient distributable profits and liquidity. All dividend payments are made in compliance with applicable legal and regulatory requirements.

### 1.9 Right-of-use (RoU) of Asset and Lease liabilities

The company recognizes a right-of-use (RoU) asset and a corresponding lease liability at the commencement date of a lease. The commencement date is the date on which the underlying asset is available for use by the Company.

Right-of-use of assets are initially measured at cost, which comprises the amount of initial lease liability, any lease payments made at or before the commencement date, less any lease incentive received, any initial direct costs incurred and an estimate of the costs to dismantle or restore the asset.

Lease liabilities are initially measured at the present value of future lease payments over the lease term, discounted using the interest rate implicit in the lease, or if it cannot be readily determined, the Company's incremental borrowing rate. Lease liabilities

are subsequently measured at amortized cost using effective interest rate and are remeasured when there is a change in future lease payments arising from change in index or rate, a reassessment of options, or a modification of the lease.

The Company has elected not to recognize RoU assets and lease liabilities for leases with a lease term of 12 months or less (short-term leases) and for leases of low-value assets. Lease payment for such leases is recognized as an expense on a straight-line basis over the lease term.

### 2.0 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

#### i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss ("FVTPL"). Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### ii) Subsequent measurement

##### a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to

collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to the cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

##### d) Investments in subsidiaries, joint ventures and associates

The Company has adopted to measure investments in subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with Ind AS 101.

##### e) Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'

#### Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

#### Other Financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### iii) Derecognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

#### iv) Fair value measurement of financial instruments

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow



analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value

## 2.1 Impairment of Assets

### i) Financial Assets

In accordance with Ind AS 109, the company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

### ii) Non-Financial Assets

The carrying amounts of the Company's tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is

treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised

## 2.2 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

a) Revenue is recognised at the value of consideration received or receivable. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract. The amount disclosed as revenue is net of returns, trade discounts, Goods and Services Tax (GST).

Provisions for rebates, discount and return are estimated and provided for in the year of sales and recorded as reduction of revenue.

b) Dividend income is accounted for when the right to receive the income is established

## 2.3 Interest

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Income from interest is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the

financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

## 2.4 Income Taxes

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are

measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Pursuant to Taxation Laws (Amendment) Ordinance 2019, the company has opted to pay Income Tax as provided under Section 115BAA of the Income Tax Act, 1961.

## 2.5 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.6 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and,



where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised

## 2.7 Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed

converted as at beginning of the period, unless they have been issued at a later date.

## 2.8 Employee Retirement benefits

### i) Short term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

### ii) Post – employment benefits

#### Defined contribution plans –

Retirement benefits in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Defined benefit plans –

##### **Gratuity**

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity payment plan provides for a lump sum payment to the vested employees at retirement, death, incapacitation while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. Re-measurements comprising of actuarial gains and losses, are recognised in other comprehensive income which are not reclassified to profit or loss in the subsequent periods.

### iii) Long – term employee benefits

#### **Leave Encashment**

The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method

## 2.9 Segment Reporting

The company operates in one reportable business segment i.e. "Pharmaceuticals".

## 3.0 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2025

### 2. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS BLOCK		DEPRECIATION/AMORTIZATION		CARRYING VALUE	
	As at 01.04.2024	As at 31.03.2025	As at 01.04.2024	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
	As at 01.04.2024	As at 31.03.2025	As at 01.04.2024	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
TANGIBLE ASSETS						
Land	143.28	2183.60	-	-	2326.88	143.28
Buildings	9960.76	1265.32	-	-	6711.33	5670.40
Plant & Machinery	33312.21	7755.67	(100.92)*	(100.92)	20150.92	13421.78
Furnitures & Fixtures	1414.06	80.68	(2.38)*	(2.38)	827.23	862.33
Vehicles	1826.32	610.80	(113.20)	(97.76)	1421.50	1011.46
Office Equipments	803.99	118.37	(29.47)*	(29.47)	213.17	211.16
<b>Total</b>	<b>47460.62</b>	<b>12014.44</b>	<b>(245.97)</b>	<b>(230.53)</b>	<b>31651.03</b>	<b>21320.41</b>
Previous Year	49591.79	6394.27	(8525.44)	(8520.53)	21320.41	
<b>CAPITAL WORK IN PROGRESS</b>						
Buildings	415.30	1695.91	(415.30)	-	1695.91	415.30
Plant & Machinery	1935.21	970.31	(1935.21)	-	970.31	1935.21
Furniture & Fixture	1.24	-	(1.24)	-	-	1.24
Research & Development	52.12	-	-	-	52.12	52.12
Electrical Installation	41.31	115.71	(41.31)	-	115.71	41.31
<b>Total</b>	<b>2445.18</b>	<b>2781.93</b>	<b>(2393.06)</b>	-	<b>2834.05</b>	<b>2445.18</b>
Previous Year	1701.37	748.73	(4.92)	-	2445.18	
<b>GOODWILL</b>						
Goodwill	7447.42	-	-	-	7447.42	7447.42
<b>Total</b>	<b>7447.42</b>	-	-	-	<b>7447.42</b>	<b>7447.42</b>
Previous Year	7447.42	-	-	-	7447.42	
<b>RIGHT OF USE OF ASSETS</b>						
Right to use Assets	28.23	3708.11	(8.01)	(1180.02)	2548.31	28.23
<b>Total</b>	<b>28.23</b>	<b>3708.11</b>	<b>(8.01)</b>	<b>(1180.02)</b>	<b>2548.31</b>	<b>28.23</b>
Previous Year	-	-	-	-	-	-
<b>INTANGIBLE ASSETS</b>						
Computer Software	343.76	4.81	(13.12)	(8.33)	288.41	47.04
Customer Acquisition Cost	3386.88	3621.15	-	-	2474.70	4533.33
Dr. Morepen Sync	-	32.02	-	0.03	0.03	31.99
Product Development Cost	701.97	1662.28	-	0.17	2364.08	701.97
Patents & Trade Marks	2693.63	-	-	18.52	2465.78	227.85
<b>Total</b>	<b>7126.24</b>	<b>5320.26</b>	<b>(13.12)</b>	<b>(8.33)</b>	<b>5229.09</b>	<b>7204.29</b>
Previous Year	8585.28	995.47	(2427.76)	1578.10	1966.82	1938.59
<b>GRAND TOTAL</b>						
<b>Current Year</b>	<b>64507.69</b>	<b>23824.74</b>	<b>(2660.16)</b>	<b>(238.86)</b>	<b>33987.17</b>	<b>51685.10</b>
Previous Year	67325.86	8138.47	(10958.12)	(10946.40)	31327.86	33179.83

Notes - (1) Trade mark "Burnol" forming part of Patents & Trade Marks was given as a collateral security against inter-corporate deposit taken by the parent company. Legal case in respect of the above trade mark is pending final adjudication, (2) During earlier years, advance were made to land owners for acquisition of land at Baddi, Himachal Pradesh for expansion of manufacturing facilities of the company. Necessary documentation and statutory approvals for the transfer of land in the name of the company were awaited. During the current financial year necessary approvals were received from the state government and the land has been transferred in the name of the company. Therefore, during the year, a sum of ₹2060.00 Lakhs has been capitalized under the head 'Land'. In addition to this, a sum of ₹123.60 Lakhs has been paid on account of stamping and e-registration fees of land is also capitalized. (3) Customer acquisition cost represents amount invested for expansion of point of care & OTC business of the company. Deductions represents intangibles fully amortised and therefore derecognised during the year, (4) Product Development cost represents amount spent on development on formulation products, (5) \*Old machinery and other fixed assets no longer in use have been, written off, derecognised during the year.

### 3. INVESTMENTS

	Current Portion		Non -Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
A. Investment in Equity Instruments (Unquoted)				
ICB International Inc. (135000 shares of common stock)	-	-	576.59	-
	-	-	576.59	-
B. Investment in Mutual Funds (Quoted)				
Nil Units (Previous Year- 13164.448) ICICI Prudential Liquid Fund	-	-	-	45.00
259.588 Units (Previous Year- 657.861) HDFC Liquid Fund	-	-	12.70	30.00
1043.954 Units (Previous Year- Nil) HDFC Flexi Cap Fund - Growth	-	-	18.64	-
1319.809 Units (Previous Year- Nil) HDFC Balance Advantage Fund - Growth	-	-	6.32	-
Nil Units (Previous Year- 5507.283) HDFC Large and Midcap Fund	-	-	-	15.00
Nil Units (Previous Year- 63152.078) HDFC Multi Cap Fund	-	-	-	10.00
149992.50 Units (Previous Year- 149992.5) Motilal Oswal Large Cap Fund	-	-	15.00	15.00
149992.50 Units (Previous Year- 149992.50) Mirae Asset Multi Asset Allocation Fund	-	-	15.00	15.00
53290.124 Units (Previous Year- Nil) Invesco MF	1555.54	-	-	-
1017389.23 Units (Previous Year- Nil) ICICI Prudential Mutual Fund	3687.72	-	-	-
59152.058 Units (Previous Year- Nil) Kotak Money Market Scheme	2537.42	-	-	-
85.251 Units (Previous Year- Nil) Tata Mutual Fund - Regular Plan	-	-	3.39	-
13553.297 Units (Previous Year- Nil) Tata Digital India Fund Regular Plan - Growth	-	-	6.66	-
61.771 Units (Previous Year- Nil) Bandhan Mutual Fund- Regular Plan	-	-	1.88	-
3070.272 Units (Previous Year- Nil) Bandhan Core Equity Fund Regular Plan - Growth	-	-	3.64	-

(₹ in Lakhs)



(₹ in Lakhs)

	Current Portion		Non -Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
89.637 Units (Previous Year- Nil) Franklin Templeton Mutual Fund Liquid Super Plan	-	-	3.40	-
2949.415 Units (Previous Year- Nil) Franklin India Opportunities Fund - Growth	-	-	6.64	-
2587.470 Units (Previous Year- Nil) ICICI Prudential Multicap Fund -Growth	-	-	18.64	-
9797.444 Units (Previous Year- Nil) ICICI Prudential Dividend Yield Equity Fund - Growth	-	-	4.64	-
2114.059 Units (Previous Year- Nil) ICICI Prudential Value Discovery Fund Growth	-	-	9.00	-
13030.50 Units (Previous Year- 142.506) ICICI Prudential Money Market Fund	-	-	15.28	0.10
	<b>7780.68</b>	-	<b>140.83</b>	<b>130.10</b>
<b>Aggregate amount</b>	<b>7780.68</b>	-	<b>717.42</b>	<b>130.10</b>
<b>Market Value of Quoted Investments as on 31.03.2025</b>	<b>7986.86</b>	-	<b>150.28</b>	<b>134.26</b>

**4. LOANS**

(₹ in Lakhs)

**Secured**  
(Unsecured, considered good)  
Loans to Employees

	Current Portion		Non Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
	47.96	22.43	14.32	3.59
	<b>47.96</b>	<b>22.43</b>	<b>14.32</b>	<b>3.59</b>
			<b>As at</b>	<b>As at</b>
			<b>31.03.2025</b>	<b>31.03.2024</b>

**5. OTHER FINANCIAL ASSETS - NON CURRENT**

Security Deposits

	<b>777.01</b>	714.15
	<b>777.01</b>	<b>714.15</b>

**6. OTHER NON CURRENT ASSETS**

**Unsecured**

Capital Advances (Considered good) \*  
Leasehold Land Prepayments  
Prepaid (Deferred) Expenses for Employee Benefit

	<b>8656.17</b>	6364.16
	<b>19.45</b>	22.76
	<b>3.29</b>	1.52
	<b>8678.91</b>	<b>6388.44</b>

\*During the financial year 2020-21, the Company had paid a sum of ₹2596.38 Lakhs towards the acquisition of land for expansion of manufacturing facilities at Baddi, Himachal Pradesh. The necessary documentation for want of statutory approvals for the transfer of land in the name of the company was not completed till previous financial year. However, during the current financial year, the company has received all requisite approvals from the state government and legal ownership of the land now stand transferred in the name of the company. Accordingly, an amount of ₹2,060.00 Lakhs has been capitalized under the head 'Land' within Property, Plant and Equipment. In addition, an amount of ₹123.60 Lakhs incurred towards e-stamping and e-registration charges has also been capitalized alongwith value of acquired land.

Upon completion of final measurements and verification, the total payable amount for the land was confirmed at ₹2,060.00 lakhs. Therefore, a net amount of ₹536.38 lakhs was received by the company during the year, representing refund of excess payment of ₹701.18 lakhs and payment of outstanding dues of ₹164.80 lakhs.

**7. INVENTORIES**

Raw Materials	<b>15576.70</b>	14496.08
Work-in-progress	<b>5861.95</b>	3741.37
Finished goods	<b>5387.82</b>	3090.43
Stock -in-trade	<b>1636.68</b>	1435.70
Goods in transit	<b>974.59</b>	1728.84
Stores and spares	<b>558.76</b>	367.00
	<b>29996.50</b>	<b>24859.42</b>

The inventory of stocks, stores and spares has been taken, valued and certified by the management.



(₹ in Lakhs)

	As at 31.03.2025	As at 31.03.2024
<b>8. TRADE RECEIVABLES</b>		
<b>Unsecured -</b>		
Considered good	32255.37	32257.83
Considered doubtful	589.89	529.60
	<u>32845.26</u>	<u>32787.43</u>
Less: Allowance for bad & doubtful debts	368.92	293.62
	<u>32476.34</u>	<u>32493.81</u>

Ageing of Trade Receivables (2024-25)	< 6 months	6 months-1 year	1-2 years	2-3 years	3 years or more	Total
<b>Undisputed</b>						
- Considered good	31768.46	382.11	95.18	2.12	7.49	32255.36
- Having significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
<b>Disputed</b>						
- Considered good	-	-	-	-	-	-
- Having significant increase in credit risk	49.66	36.34	214.97	57.28	231.65	589.90
- Credit impaired	-	-	-	-	-	-
<b>Total Receivables</b>	<b>31818.12</b>	<b>418.45</b>	<b>310.15</b>	<b>59.40</b>	<b>239.14</b>	<b>32845.26</b>

Ageing of Trade Receivables (2023-24)	< than 6 months	6 months-1 year	1-2 years	2-3 years	3 years or more	Total
<b>Undisputed</b>						
- Considered good	31124.45	793.46	208.38	63.63	67.91	32257.83
- Having significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
<b>Disputed</b>						
- Considered good	-	-	-	-	-	-
- Having significant increase in credit risk	163.27	22.86	104.73	96.49	142.25	529.60
- Credit impaired	-	-	-	-	-	-
<b>Total Receivables</b>	<b>31287.72</b>	<b>816.32</b>	<b>313.11</b>	<b>160.12</b>	<b>210.16</b>	<b>32787.43</b>

**9. CASH AND CASH EQUIVALENTS**

	As at 31.03.2025	As at 31.03.2024
<b>Balances with banks</b>		
Current Accounts	2727.35	1677.54
Cash in hand	10.77	16.97
	<u>2738.12</u>	<u>1694.51</u>

(₹ in Lakhs)

	As at 31.03.2025	As at 31.03.2024
<b>10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
Term Deposit - Towards Margin Money & Security against Overdraft, Bills discounting and LC facilities	2169.24	3465.88
Guarantees	28.69	51.27
	<u>2197.93</u>	<u>3517.15</u>
<b>11. OTHER FINANCIAL ASSETS - CURRENT</b>		
Security Deposits	893.36	803.01
Interest accrued but not due	116.63	155.51
Export Incentives Receivable	115.64	479.63
	<u>1125.63</u>	<u>1438.15</u>

**12. OTHER CURRENT ASSETS**

	As at 31.03.2025	As at 31.03.2024
<b>Unsecured considered good, unless otherwise stated</b>		
Advances with Suppliers & Others *	25735.79	21413.43
Leasehold Land Prepayments	5.13	1.83
Balance with Government Authorities	6779.26	2277.25
Advances to Employees	140.58	179.38
Prepaid Expenses	6913.25	1007.07
	<u>39574.01</u>	<u>24878.96</u>

\* Includes Sum of ₹570.41 Lakhs paid to fixed deposit holders towards cancellation of 50,62,872 no. of Equity Shares. (Refer Note No. 13 G)

**13. SHARE CAPITAL**

**A. Equity Share Capital**

	As at 31.03.2025		As at 31.03.2024	
	Nos. of Shares	Amount (₹/Lakhs)	Nos. of Shares	Amount (₹/Lakhs)
<b>Authorised</b>				
Equity Shares of ₹2/- each	100000000	20000.00	100000000	20000.00
<b>Issued and Subscribed</b>				
Equity Shares of ₹2/- each	547953699	10959.07	511168708	10223.37
<b>Paid up</b>				
Equity Shares of ₹2/- each	547953699	10958.41	511168708	10222.71

(33000 Shares not paid up)

**Reconciliation of the numbers and amount of Equity shares -**

For the year ended	As at 31.03.2025		As at 31.03.2024	
	Nos. of Shares	Amount (₹/Lakhs)	Nos. of Shares	Amount (₹/Lakhs)
Outstanding at beginning of the year	511168708	10222.71	511168708	10222.71
Add : Shares issued during the year	36784991	735.70	-	-
Outstanding at the end of year	547953699	10958.41	511168708	10222.71



Shares held by promoters at the end of the year		As at 31.03.2025		As at 31.03.2024	
S. No.	Name of the promoter	No. of shares held	% of shareholding	No. of shares held	% of shareholding
1	KANTA SURI	1510	0.00%	1510	0.00%
2	RAJAS SURI (KB SURI SONS HUF)	972830	0.18%	972830	0.19%
3	SANJAY SURI (SANJAY SURI SONS HUF)	2100000	0.38%	2100000	0.41%
4	PRADUMAN LAL SURI HUF	2990	0.00%	2990	0.00%
5	SUSHIL SURI (SUSHIL SURI SONS HUF)	1201560	0.22%	1201560	0.24%
6	ANUBHAV SURI (ARUN SURI SONS HUF)	1500000	0.27%	1500000	0.29%
7	MAMTA SURI	3004000	0.55%	3004000	0.59%
8	SONIA SURI	3679718	0.67%	3679718	0.72%
9	SANJAY SURI	3417240	0.62%	3417240	0.67%
10	PL. SURI	400000	0.07%	400000	0.08%
11	ANJU SURI	5186369	0.95%	5186369	1.01%
12	SUSHIL SURI	5501510	1.00%	5501510	1.08%
13	SUNITA SURI	3192240	0.58%	3192240	0.62%
14	SHALU SURI	2052250	0.37%	2052250	0.40%
15	VARUN SURI	3052357	0.56%	3052357	0.60%
16	ANUBHAV SURI	782134	0.14%	782134	0.15%
17	SARA SURI	705000	0.13%	705000	0.14%
18	GULFY SURI	1150000	0.21%	1150000	0.22%
19	AANCHAL SURI	685922	0.13%	685922	0.14%
20	RAJAS SURI	155000	0.03%	155000	0.03%
21	MASTER ARJUN SURI	697060	0.13%	697060	0.14%
22	KANAK SURI	997060	0.18%	997060	0.20%
23	AANANDI SURI	750000	0.14%	750000	0.15%
24	AAKRITI SURI	55000	0.01%	55000	0.01%
25	BROOK INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15159252	2.77%	15159252	2.97%
26	CONCEPT CREDITS AND CONSULTANTS PRIVATE LTD.	15347724	2.80%	15347724	3.00%
27	EPITOME HOLDINGS PRIVATE LTD.	14500820	2.65%	14500820	2.84%
28	LIQUID HOLDINGS PRIVATE LTD.	5003000	0.91%	5003000	0.98%
29	MID MED FINANCIAL SERVICES AND INVESTMENTS PRIVATE LTD.	14973813	2.73%	14973813	2.93%
30	REACT INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	14942134	2.73%	14942134	2.92%
31	SOLITARY INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15114045	2.76%	15114045	2.96%
32	SQUARE INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	14102075	2.57%	14102075	2.76%
33	SOLACE INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15082790	2.75%	15082790	2.95%
34	SEED SECURITIES AND SERVICES P. LTD.	14328780	2.61%	14328780	2.80%
35	SCOPE CREDITS AND FINANCIAL SERVICES PRIVATE LTD.	15575405	2.84%	15575405	3.05%
	<b>TOTAL</b>	<b>195371588</b>	<b>35.65%</b>	<b>195371588</b>	<b>38.22%</b>

#### B. Shareholders holding more than 5% shares -

##### Equity Shares

Name of Shareholder	As at 31.03.2025		As at 31.03.2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Pinfold Overseas Ltd.	3,85,30,000	7.03%	3,85,30,000	7.54%

#### C. Rights, preferences and restrictions attached to each class of Shares and terms of redemption -

- The equity shares of the company are having a par value of ₹2/- each. Every member of the Company holding equity shares shall be entitled to vote on every resolution placed before the Company and his voting rights on any poll shall be in proportion to his share in the paid-up equity share capital of the company.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company as per preference prescribed under the Act. The distribution will be in the proportion of the number of equity shares held by each shareholder.

- D. During last 5 years immediately preceding the balance sheet date, no Equity Share has been issued pursuant to any contract without payment being received in cash.

#### E. Disclosure about unpaid calls -

(₹ in Lakhs)

Unpaid Calls	31.03.2025	31.03.2024
By Directors & Officers	-	-
By Others	0.66	0.66

- F. No shares have been forfeited by the company during the year.

- G. In terms of Hon'ble National Company Law Tribunal ('NCLT') order dated 12.03.2018, the company sent notices to all the eligible FD holders seeking, their bank account details and identification particulars, for transfer of Fixed Deposit (FD) dues in their respective bank accounts. In all 4953 no. of fixed deposit holders submitted their identification and bank account particulars and surrendered a total of 50,62,872 Equity Shares for cancellation, with the company. All these FD holders who provided their bank account details, identification particulars and other relevant details, were paid their entire FD dues as per Hon'ble NCLT order dated 12.03.2018. The necessary information in this regard to payment of FD dues were duly submitted to the jurisdictional Registrar of Companies.

Post reconciliation of equity shares surrendered by eligible Fixed Deposit (FD) holders, the number of equity shares identified for cancellation has increased to 50,62,872 instead of earlier 50,38,983 equity shares.

The company has approached BSE Limited (BSE) and National Stock Exchange of India (NSE) for cancellation of aforesaid shares, for which pay-out has been made by the company, in compliance with Hon'ble NCLT's order dated 12.03.2018. As soon as the Stock Exchanges give their go ahead for cancellation of said shares from total listed capital, the resultant reduction of share capital will be updated with the jurisdictional Registrar of Companies.

Necessary accounting entries for the cancellation of equity capital and reversal of reserves and surplus for ₹100.78 Lakhs and ₹469.63 Lakhs respectively, will be given effect on the receipt of guidance from stock exchanges and depositories. The total sum of ₹570.41 Lakhs, comprising of debit balance of share capital and reserves & surplus, is appearing under head - other current assets. Aforesaid entries has insignificant impact on EPS and current assets.

- H. During the year, the company has issued and allotted 3,67,84,991 equity shares of ₹2/- each in Qualified Institutions Placement ('QIP') at an issue price of ₹54.37/- per share (including securities premium of ₹52.37/- per share) after a discount of 5% on the floor price of ₹57.23 per share aggregating to ₹20,000.00 lakhs. The issue was made through QIP in terms of Securities and exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI Regulations) as amended, Sec 42, Sec 62 & other relevant provisions of Companies Act, 2013.

Pursuant to the allotment of equity shares in the QIP, the paid up equity share capital of the Company has increased from ₹10,222.71 lakhs comprising of 51,11,68,708 equity shares to ₹10,959.07 lakhs comprising of 54,79,53,699 equity shares.



The company has incurred expenses amounting to ₹926.96 lakhs towards issuance of equity shares which have been debited to securities premium account.

The QIP issue proceeds are utilised in accordance with the objects of the issue as stated in the placement document. Details of utilisation of QIP issue proceeds are given below :

Particulars	As at 31.03.2025	
<b>Sources of funds</b>		
Proceeds from issue		20,000.00
<b>Utilisation of funds</b>		
Payment towards issue expenses (inclusive of GST of ₹165.49 Lakhs)		1,092.45
Payment towards Capital Expenditures		4,941.49
Payment towards Working Capital requirements		6,464.87
Total utilisation of funds		12,498.81
<b>Unutilised Fund</b>		7,501.19
Income from investments (net of TDS/TCS)		293.38
The total unutilised funds as on March 31, 2025 amount to ₹7,780.68 lakhs, which have been temporarily invested in debt mutual funds. Additionally, ₹3.41 lakhs and ₹10.48 lakhs are lying in the Monitoring Account and Current Account, respectively.		7,794.57
		(₹ in Lakhs)
	As at 31.03.2025	As at 31.03.2024

**14. MINORITY INTEREST**

Share Capital	1039.19	46.66
Other Equity *	2033.99	-
Share in Profit/(Loss)	(0.50)	(46.66)
	<u>3072.68</u>	<u>-</u>

\* During the year, Dr. Morepen Limited, a subsidiary company issued and allotted 1,01,69,875 Equity Shares of ₹10/- each at a premium of ₹20/- per share pursuant to the exercise of rights attached to warrants by the warrant holders for conversion into equivalent equity shares.

Pursuant to the conversion of the warrants, the Company's shareholding in its subsidiary, Dr. Morepen Limited, decreased from 100% to 80%. As the change occurred at the close of the last day of the financial year, no minority interest was recognized in respect of profits earned by the subsidiary during the year.

**15. BORROWINGS\***

**Long Term**

	Current Portion		Non Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
<b>Secured</b>				
Term Loans - Vehicles	216.58	133.75	575.81	336.40
<b>Unsecured</b>				
Term Loans	500.00	-	2000.00	-
Other Loans	43.31	80.68	-	-
	<u>759.89</u>	<u>214.43</u>	<u>2575.81</u>	<u>336.40</u>
		(₹ in Lakhs)		
	As at 31.03.2025	As at 31.03.2024		

**Short Term**

**Secured**

Bank Overdraft and Bill Discounting facility against term deposit made by company	1274.59	2349.09
Cash Credit Limit, Working Capital Demand Loan & Demand Loan	3328.98	-
Current maturities of Long Term Borrowings - Secured Loans	259.89	133.75

**Unsecured**

Current maturities of Long Term Borrowings - Unsecured Loans	500.00	80.68
<b>Total</b>	<u>5363.46</u>	<u>2563.52</u>

\*For detailed terms and conditions of borrowings please refer note no. 38

**16. LEASE LIABILITIES**

	Current Portion		Non Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
Lease Liabilities	1221.84	-	1348.41	-
<b>Total</b>	<u>1221.84</u>	<u>-</u>	<u>1348.41</u>	<u>-</u>

\* For detailed terms and conditions of borrowings please refer note no. 39

(₹ in Lakhs)

As at  
31.03.2025

As at  
31.03.2024

**17. OTHER FINANCIAL LIABILITIES (NON-CURRENT)**

Security Deposits from Business Associates & Others	442.18	450.42
	<u>442.18</u>	<u>450.42</u>

**18. PROVISIONS**

	Current Portion		Non Current Portion	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
Gratuity	572.32	648.29	2989.66	2659.25
Leave Encashment	240.22	212.84	995.10	722.41
Income Tax (Net of Tax payments)	725.04	1318.35	-	-
Others	422.22	322.02	-	-
	<u>1959.80</u>	<u>2501.50</u>	<u>3984.76</u>	<u>3381.66</u>

(₹ in Lakhs)

As at  
31.03.2025

As at  
31.03.2024

**19. TRADE PAYABLES**

Total outstanding dues of micro small and medium enterprises	73.22	208.31
Total outstanding dues of creditors other than micro small and medium enterprises	36257.09	29294.44
	<u>36330.31</u>	<u>29502.75</u>

In respect of MSME vendors, there is no outstanding demand with respect to overdue payments

Ageing of Trade Payables (2024-25)	1 year	1-2 years	2-3 years	3 years or more	Total
(i) MSME	73.22	-	-	-	73.22
(ii) Others	35670.40	471.01	23.60	92.08	36257.09
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total Payables</b>	<u>35743.62</u>	<u>471.01</u>	<u>23.60</u>	<u>92.08</u>	<u>36330.31</u>

Ageing of Trade Payables (2023-24)	1 year	1-2 years	2-3 years	3 years or more	Total
(i) MSME	208.31	-	-	-	208.31
(ii) Others	28951.80	206.48	80.13	49.99	29288.40
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	6.04	6.04
<b>Total Payables</b>	<u>29160.11</u>	<u>206.48</u>	<u>80.13</u>	<u>56.03</u>	<u>29502.75</u>



	(₹ in Lakhs)	
	As at 31.03.2025	As at 31.03.2024
<b>20. OTHER FINANCIAL LIABILITIES -CURRENT</b>		
Accrued salaries and benefits	1958.24	2020.90
Expenses payable	1070.36	1970.01
Others	-	1060.00
	<u>3028.60</u>	<u>5050.91</u>
<b>21. OTHER CURRENT LIABILITIES</b>		
Advance Received from Customers	1675.07	153.76
Direct Taxes	287.64	341.64
Indirect Taxes	17.30	32.56
Others	181.34	57.82
	<u>2161.35</u>	<u>585.78</u>
<b>22. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)</b>		
<b>a) Contingent Liabilities</b>		
Claims against the Company not acknowledged as debts	104.18	136.00
Guarantees	904.84	334.78
Other money for which company is contingently liable	822.77	505.57
	<u>1831.79</u>	<u>976.35</u>
Trade Mark 'Burnol' given as collateral security to Poyssha Power Generation (P) Ltd. against Inter Corporate Deposit taken by the company. No amount is shown as contingent liability, legal case in respect of the above trade mark is pending adjudication. Refer note 2(1).		
<b>b) Other commitments</b>		
Capital commitments	1944.45	1294.52
	<u>3776.24</u>	<u>2270.87</u>
	<b>Year Ended 31.03.2025</b>	<b>Year Ended 31.03.2024</b>
<b>23. REVENUE FROM OPERATIONS</b>		
<u>Sale of Products</u>		
Domestic	109345.59	104254.24
Exports	71027.89	63959.19
	<u>180373.48</u>	<u>168213.43</u>
<u>Other Operating Revenues</u>		
Export Incentives	438.54	815.97
Others	345.56	13.85
	<u>784.10</u>	<u>829.82</u>
	<u>181157.58</u>	<u>169043.25</u>
<b>24. OTHER INCOME</b>		
Interest Income	447.23	250.41
Notional Interest on Security Deposit & Others	34.28	-
Exchange Fluctuation - Income	1029.45	969.68
Others	325.41	176.99
	<u>1836.37</u>	<u>1397.08</u>

	(₹ in Lakhs)	
	Year Ended 31.03.2025	Year Ended 31.03.2024
<b>25. COST OF MATERIALS CONSUMED</b>		
Raw Materials	95298.33	83775.12
Packing Materials	4619.98	4555.56
	<u>99918.31</u>	<u>88330.68</u>
<b>26. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	18924.44	16518.71
Contribution to provident fund/ ESI	540.72	493.87
Gratuity and Leave Encashment Expenses	899.95	650.71
Staff Welfare	526.28	483.26
	<u>20891.39</u>	<u>18146.55</u>
<b>27. FINANCE COST</b>		
Interest expense	363.98	225.92
Interest expense of lease liabilities	239.51	-
Processing Fees	55.75	-
Interest on delay in deposit of Advance Tax	175.05	145.10
	<u>834.29</u>	<u>371.02</u>
<b>28. OTHER EXPENSES</b>		
Consumption of Stores and spare parts	2636.65	2109.80
Power and Fuel	4062.30	3408.91
Repairs to buildings	240.25	255.99
Repairs to machinery	807.35	707.91
General Repairs	1559.55	1370.72
Research & Development	369.37	519.83
Quality Control & Testing Charges	1588.39	1426.39
Insurance	247.54	205.21
Rent	293.33	1208.12
Rates and taxes excluding taxes on income	117.52	164.17
Legal and Professional Expenses	1972.70	1528.36
Travelling Expenses	2526.30	2186.09
Selling and Distribution Expenses	7998.63	10997.89
Miscellaneous Expenses	2508.56	2702.36
	<u>26928.44</u>	<u>28791.75</u>
<b>29. PRIOR PERIOD ITEMS</b>		
Expenses include ₹35.97 Lakhs (Previous Year ₹87.72 Lakhs) as expenses (net) relating to earlier years.		
<b>30. SEGMENT REPORTING</b>		
In accordance with Ind AS-108, "Operating Segment" the Company's business activity falls within a single primary business segment viz. "Pharmaceuticals". The secondary business segment in terms of geographical markets have been recognised as India, USA and rest of world. The segment revenues for the year is as under-		
<b>Geographical Segment</b>	<b>Sales Revenues (₹/Lakhs)</b>	
	<b>2024-25</b>	<b>2023-24</b>
USA	12070.50	15742.19
Rest of World	58957.39	48217.00
India	109345.59	104254.24
<b>Total</b>	<u>180373.48</u>	<u>168213.43</u>



### 31. RELATED PARTY DISCLOSURES

Disclosure as required by Indian Accounting Standard "Related Party Disclosures" (Ind AS 24) as notified u/s 133 of Companies Act, 2013 are as under:

Related Parties	
<b>1. Subsidiary Companies -</b>	
Morepen Bio Inc., USA (Formerly Morepen Inc.)	Overseas Company
Dr. Morepen Limited	Domestic Company
Morepen Devices Limited	Domestic Company
Morepen Rx Limited	Domestic Company
Morepen Medipath Limited (Formerly Morepen Medtech Limited)	Domestic Company
Quick Med Private Limited	Domestic Company
Total Care Limited	Domestic Company
<b>2. Key Management Personnel</b>	<b>Morepen Laboratories Limited</b>
	Mr. Sushil Suri, Chairman & Managing Director, Mr. Sanjay Suri, Whole Time Director Mr. Ajay Kumar Sharma, Chief Financial Officer Mr. Vipul Kumar Srivastava, Company Secretary
	<b>Dr. Morepen Limited</b>
	Mr. Varun Suri, MD Mr. Ajay Sharma, Director & Chief Financial Officer Mr. Vipul Kumar, Company Secretary
	<b>Morepen Rx Limited</b>
	Mr. Varun Suri, Director
<b>3. Relatives of Key Management personnels with whom the company has any transaction during the year</b>	Mr. Anubhav Suri, Mr. Kushal Suri, Mrs. Sunita Suri, Mrs. Mamta Suri, Mrs. Shalu Suri, Mrs. Sakshi Suri, Mrs. Suhina Suri, Mrs. Bavleen Suri, Mr. Rajas Suri, Ms. Anandi Suri, Mrs. Amita Sharma, Ms. Sara Suri, Ms. Simmi Bhasin, Ms, Sonia Bajaj
<b>4. Entities over which key management personnel/ or Relatives of key management personnel are able to exercise significant influence with which the company has any transactions during the year</b>	Edit 25 Lifestyle Private Limited Mr. Naman Joshi (till September 5, 2024) Groom Town Pvt. Ltd. Happier Life Pvt. Ltd. Solace Investments & Financial Services Private Limited Square Investments & Financial Services Private Limited Concept Credits and Consultants Private Limited Medsin City Private Limited

#### Transactions with related parties -

Particulars	Nature of transaction	(₹ in Lakhs)
1. Subsidiary Companies	Subscription of Shares	88.00
	Share Application Money	0.80
2. Key Management Personnel	Remuneration	795.95
	Allotment of Shares	0.11
	Balance received against land payment	57.52
	Amount payable as on 31.03.25	74.37
	Maximum amount outstanding	264.71
3. Relatives of key Management personnels with whom the company has any transaction during the year	Remuneration	936.23
	Balance received against land payment	643.66
	Purchase of Baddi Land	164.80
	Allotment of Shares	0.22
	Amount payable as on 31.03.25	171.07
Maximum amount outstanding	207.29	

4. Entities over which key management personnel/ or Relatives of key management personnel are able to exercise significant influence with which the company has any transactions during the year	Subscription of Shares	0.12
	Goods & Services - Receipt	42.00
	Purchase of inventories	35.57
	Allotment of Share Capital	21.67
	Business Support Services - Sale	115.51
	Sale of Inventories	513.63
	Reimbursement of expenses	1.58
	Amount receivable as on 31.03.25	146.65
	Amount payable as on 31.03.25	8.06
	Maximum amount outstanding	764.37

Remuneration paid to employees of Morepen Laboratories Ltd. and its KMPs of the subsidiaries, is not included in the above details. The above details also do not include retail purchases from the company made by related parties.

### 32. EARNING PER SHARE (EPS)

Particulars	Year Ended	
	31.03.2025	31.03.2024
Profit/ (Loss) after Tax (₹ in Lakh)	11802.04	9615.99
Weighted average number of equity shares outstanding	535255319	511168708
Basic & Diluted EPS (₹) - (Face value ₹2/- per share)	2.20	1.88

### 33. IMPAIRMENT

It is the view of management that there are no impairment conditions that exist as on 31<sup>st</sup> March, 2025. Hence, no provision is required in the accounts for the year under review.

### 34. INCOME TAXES

#### A. Current Tax and Deferred Tax Expense

Income taxes recognised in the statement of profit and loss including Other Comprehensive Income (OCI)-

	(₹/ Lakhs)	
For the year ended	31.03.2025	31.03.2024
Current tax	3242.49	3864.21
Earlier Years taxes	-	(9.03)
Deferred tax expense	472.71	(43.65)
<b>Total income tax expenses</b>	<b>3715.20</b>	<b>3811.53</b>
<b>B. Deferred Tax Assets (Net)</b>		
Deferred Tax Liabilities	2261.88	1263.30
Deferred Tax Assets	1564.22	1038.35
<b>Deferred tax Liabilities/(Assets) (Net)</b>	<b>697.66</b>	<b>224.95</b>

Major Components of Deferred Tax Assets (Net) arising on account of temporary difference and movements thereof are given below -

<b>Deferred Tax Assets -</b>		
Retirement benefits & Leave Encashment	4423.03	4007.14
Provisions deductible for tax purposes in future periods	136.67	118.54
<b>Lease Liabilities</b>	<b>1655.42</b>	-
<b>Total</b>	<b>6215.12</b>	<b>4125.68</b>
Tax Rate	25.168%	25.168%
<b>Tax Amount</b>	<b>1564.22</b>	<b>1038.35</b>


**Deferred tax Liabilities -**

PP&E depreciation and intangible Amortiation	8987.13	5019.46
<b>Total</b>	<b>8987.13</b>	<b>5019.46</b>
Tax Rate	25.168%	25.168%
<b>Tax Amount</b>	<b>2261.88</b>	<b>1263.30</b>

**C. Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India:**

(₹in Lakhs)			
S.No.	Particulars	31.03.2025	31.03.2024
(1)	Profit before tax	15510.94	13541.57
(2)	Corporate tax rate as per Income tax Act, 1961	25.17%	25.17%
(3)	Tax on accounting profit (3)=(1)*(2)	3903.79	3408.14
(4) (i)	Tax on expenses not tax deductible		
	- A. CSR Expenses	56.66	58.98
	- B. Provisional Expenses (includes expenses disallowed u/s 43B, Gratuity and provision for doubtful debts and provision for interest on income tax)	177.51	246.53
	- C. Depreciation as provided in books of accounts	615.16	551.17
	- D. Disallowance of notional interest on lease liabilities	38.48	-
	- E. Expenses not deductible u/s 37	53.92	26.60
(ii)	Tax on deductible expenses		
	- A. Depreciation as per Income Tax Act, 1961	(983.88)	(652.05)
	- B. Other Comprehensive Income - Remeasurement of defined benefit obligations	(5.80)	(68.01)
	- C. Expenses allowable on payment basis (includes gratuity payments and payments made u/s 43B)	(67.04)	(124.00)
	- D. Tax effect on notional interest income	(5.62)	-
	- E. Expenses deductible towards actual lease payments.	(208.02)	-
(iii)	Effect of current tax related to earlier years	-	(9.03)
(iv)	Reversal of deferred tax liability on account of changes in timing differences and deductible temporary differences	472.71	(43.65)
(v)	Tax effect of losses of subsidiaries on which no deferred tax benefit is recognised	1.19	403.96
(vi)	Tax effect on account of carry forward losses of earlier years	(228.74)	-
(vii)	Tax effect on account of tax rates as per tax laws pertaining to foreign subsidiary	(50.20)	12.89
(viii)	Tax effect on account of other items	(54.94)	-
	Total effect of tax adjustments [(i) to (viii)]	<u>(188.59)</u>	<u>403.39</u>
(5)	Tax expense recognised during the year (5)=(3)+(4)	3715.20	3811.53
(6)	Effective tax rate (6)=(5)/(1)	23.95%	28.15%

The parent company and sum of its subsidiaries have opted to pay the tax under section 115BAA of the Income Tax Act, 1961. Accordingly the provision for current and deferred tax has been determined at the rate of 25.17%

**35. Dividend**

The Board of Directors at their meeting held on 12<sup>th</sup> May, 2025 recommended a final dividend of ₹0.20/- per share, for the financial year ending March 31, 2025. Final dividend proposed by the Board of Directors is recognized upon approval by the members shareholders, at the forthcoming Annual General Meeting, who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors.

No dividend shall be payable in respect of 50,62,872 equity shares that had been surrendered by members (erstwhile fixed deposit holders) to the Company for cancellation and had claimed refund of their fixed deposit dues in lieu thereof, in accordance with the order passed by the Hon'ble National Company Law Tribunal (NCLT), Chandigarh, dated March 12, 2018. These shares have been cancelled by the Board of Directors of the Company and are pending for cancellation by the Stock Exchanges.

**36. Corporate Social Responsibility (CSR)**

- During the financial year ended March 31, 2025, CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof was ₹225.11 Lakh (Previous year ₹210.00 Lakh).
- During the year the Company has made an expenditure of ₹225.51 Lakh (Previous year ₹220.36 Lakh) related to CSR.
- Details of CSR expenditure incurred during the year ended March 31, 2025 is as below :-

(₹/ Lakhs)		
	31.03.2025	31.03.2024
<b>CSR activity</b>		
- Promotion of Healthcare	79.00	54.07
- Social Infrastructure	34.21	47.46
- Education	105.30	115.04
- Sports	4.95	3.79
- Others	2.05	-
<b>Total</b>	<u>225.51</u>	<u>220.36</u>

**37. Change in appointed date for transfer of ownership**

Based on the recommendation of the Audit Committee and subsequent approvals by the Board of Directors and the shareholders of the Company on January 14, 2025 and February 10, 2025, respectively, the Company had approved the transfer (hiving off) of its medical devices business, classified as an "undertaking" under Section 180(1)(a) of the Companies Act, 2013, to its subsidiary, Morepen Medipath Limited (formerly known as Morepen Medtech Limited).

In furtherance of the above, the Company executed a Business Transfer Agreement ("BTA") with Morepen Medipath Limited on March 18, 2025, specifying February 1, 2025, as the 'Appointed Date' for the transfer of ownership of the said undertaking. However, considering the time required for obtaining necessary statutory and regulatory approvals and addressing certain operational considerations, the Board of Directors at its meeting held on May 12, 2025, approved an amendment to the BTA, revising the 'Appointed Date' from February 1, 2025 to April 1, 2025.



### 38. Terms and Conditions of borrowings

#### A) Long Term Borrowings – Vehicle Loans (Secured)

These loans are repayable on a monthly basis, secured by way of hypothecation of specific assets purchased under the hire purchase agreement.

(₹in Lakhs)

Particulars	Current Portion	Non - Current Portion				Total
		2025-26	2026-27	2027-28	2028-29	
Annual Repayment Amount (₹in Lakhs)	216.58	223.35	218.23	117.73	16.51	792.40
Annual Rate of Interest (%)	7.04% - 9.50%	7.04% - 9.50%	7.04% - 9.50%	7.04% - 9.50%	7.04% - 9.50%	7.04% - 9.50%

#### B) Long Term Borrowings – Unsecured

During the current financial year, Corporate Term Loan facility of ₹2,500.00 lakhs was sanctioned by Shinhan Bank repayable over a period of 36 months and carrying interest rate of 9.25%. The loan is to be repaid in 10 equal quarterly instalments with moratorium period of 6 months. Interest is to be serviced on monthly basis. Loan is secured by the personal guarantee of Mr. Sushil Suri, Chairman and Managing Director of the company.

(₹in Lakhs)

Particulars	Current Portion	Non - Current Portion		Total
		2025-26	2026-27	
Annual Repayment Amount (₹in Lakhs)	500.00	1000.00	1000.00	2500.00
Annual Rate of Interest (%)	9.25%	9.25%	9.25%	9.25%

#### C) Short Term Borrowings - Bank Overdrafts and bill discounting facilities

The Company had availed overdraft facility and bill discounting facility from ICICI Bank. This facility was secured by way of Term Deposits made by the company with the bank. Annual rate of interest chargeable on these facilities ranges upto 8.5%, 0.5% over and above deposit rate given by the bank. This facility will be closed as and when the financed bills falls due for payment.

#### D) Short Term Borrowings - Cash Credit Limit and Working Capital Demand Loan

During the year, Punjab National Bank has sanctioned a demand loan of ₹276.50 Lakhs. This demand loan is secured by way of Term Deposits in the name of the company held by the bank. Annual rate of interest chargeable on these facilities ranges upto 8.5%, 0.5% over and above deposit rate given by the bank. This facility will be closed as and when term deposits associated with facility gets matured.

During the year, Kotak Mahindra Bank has sanctioned working capital facilities of ₹9,900.00 lakhs (including cash credit (CC) limit of ₹2,000.00 lakhs and working capital demand loan (WC DL) of ₹7,900.00 lakhs) with tenor of 12 months for CC limit and 90 days for WC DL. The rate of interest is 11.00% per annum for both CC limit and WC DL.

The cash credit limit and working capital demand loan are secured by

- Primary Security :- First charge by way of hypothecation on all present and future current assets and fixed assets (both movable and immovable assets).

- Collateral Security :- Equitable/ Registered mortgage over one of the manufacturing facilities of the company.

- The cash credit limit and working capital demand loan is additionally secured by personal guarantee of Mr. Sushil Suri, Chairman and Managing Director of the company and corporate guarantee of M/s. Solitary Investments and Financial Services Private Limited and M/s. Square Investments and Financial Services Private Limited, entities promoted by promoters of the company and holding shares of the company

#### E) Short Term Borrowings - Other Loans - Fixed term loan and Business Loan (Unsecured)

During financial year ending March 2024, InCred Financial Services Limited had sanctioned a Fixed Term Loan facility of ₹100.00 Lakhs to the subsidiary company Dr. Morepen Limited. The loan proceeds shall be utilized solely for the purpose of direct revenue related expenses. The loan is repayable over a period of 15 months and carrying interest rate of 13.80% per annum.

In addition to above, Trillionloans Fintech Private Limited had also sanctioned a Business Loan facility of ₹120.00 Lakhs to the subsidiary company Dr. Morepen Limited. The loan was availed to meet working capital requirements. The loan was repayable over a period of 12 months and carrying annual percentage rate (Interest+other charges) of 20.00%.

### 39. RIGHT OF USE OF ASSETS AND LEASE LIABILITIES

a) In accordance with Ind AS-116, the Company recognizes a Right-of-Use (RoU) asset at the commencement of the lease term, representing the right to use the underlying leased asset over the lease period. The RoU asset is initially measured at cost, which includes the initial amount of lease liability, any lease payments made at or before the commencement date, and any initial direct costs incurred by the Company. The RoU asset is subsequently amortized on a straight-line basis over the lease term or the useful life of the underlying asset, whichever is shorter, unless the lease transfers ownership of the asset at the end of the lease term. As at the reporting date, the Right of Use Assets are disclosed separately under Note No. 2. - Right of use of Assets.

b) Lease liabilities are recognized at the present value of future lease payments at the commencement date of the lease. Interest expense of lease liabilities during the year was ₹239.51 Lakhs

The company does not face significant restrictions or covenants imposed by lease arrangements.

The Company has recognized ₹291.78 lakhs (net of inter company rent of ₹286.34 Lakhs) as rent expense during the year which pertains to short term lease/ low value asset which was not recognized as part of asset.

Total lease expense incurred during the year (including short term lease/ low value asset was amounting to ₹1852.35 Lakhs

The table below provides details regarding contractual maturities of lease liabilities as at 31<sup>st</sup> March 2025 on an undiscounted basis:

(₹in Lakhs)

Particulars	Amount
Less than 1 year	0.94
1 - 5 years	2480.37
More than 5 Years	59.44

c) During the year, the company recognized a sum of ₹1180.02 lakhs towards, annual depreciation and amortization expense on Right-of-Use (RoU) assets. In view of above, annual "Rent"/"Other expenses are lower by ₹1274.24 Lakhs. Further, during the year the company recognized annual interest expense of ₹239.51 lakhs, representing the interest component of lease liabilities calculated using the effective interest rate method. Notional interest income for the current year for ₹34.28 lakhs has been recognised during the year in accordance with Ind AS 109 – Financial Instruments.

On account of above, profits after tax for the year, are down by ₹114.57 lakhs, representing netting of rent expenses, interest income, against amortisation charges, interest expenses and deferred tax asset.

### 40. OTHERS SIGNIFICANT DISCLOSURES

a) In the opinion of directors, all assets except stated otherwise have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the books of accounts and the provision for depreciation and for all known liabilities is adequate and considered reasonable.

b) Balances of Non-current liabilities, Current liabilities, Long terms loans and advances, Trade receivables, Short term loans and advances and banks are subject to confirmation.

c) Assessments under Indirect Tax Laws for earlier years are in progress. Demand, if any, shall be known & accounted for, on the completion of assessments.

d) Previous year figures have been regrouped and rearranged wherever necessary to suit the present year layout.

e) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2025

	As at 31.03.2025	As 31.03.2024	%age Change
<b>41. Ratios</b>			
<b>Current Ratio</b>	<b>2.32</b>	2.21	<b>4.72%</b>
- Numerator - Current Assets	115937.17	88904.40	
- Denominator - Current Liabilities	50065.36	40204.46	
<b>Inventory turnover Ratio</b>	<b>4.23</b>	4.45	<b>-5.02%</b>
- Numerator - Cost of Goods Sold	115930.73	106242.49	
- Denominator - Average Inventory	27427.96	23874.02	
<b>Trade receivables turnover Ratio (days)</b>	<b>65</b>	63	<b>2.88%</b>
- Numerator - Revenue	182993.95	170440.33	
- Denominator - Average Debtors	32485.07	29409.25	
<b>Trade payables turnover Ratio (days)</b>	<b>104</b>	90	<b>15.60%</b>
- Numerator - COGS	115930.73	106242.49	
- Denominator - Average Creditors	32916.53	26095.34	
<b>Debt-Equity Ratio</b>	<b>0.07</b>	0.03	<b>100.61%*</b>
- Numerator - Debt	7939.27	2899.92	
- Denominator			
Equity	10958.41	10222.71	
Reserves & Surplus	105504.16	75364.78	
OCI	(839.50)	(864.87)	
Total Equity	<u>115623.08</u>	<u>84722.62</u>	

\*Change is due to loans and credit facilities availed during the year from financial institutions.

<b>Debt Service Coverage Ratio</b>	<b>1712.24%</b>	3919.50%	<b>-56.31%*</b>
- Numerator - EBITDA	19243.40	17259.54	
- Denominator -Total Loan Liability	1123.87	440.35	
Interest on loans	363.98	225.92	
Principal loans	759.89	214.43	

\*Change is due to loans and credit facilities availed during the year from financial institutions.

	As at 31.03.2025	As 31.03.2024	%age Change
<b>Net profit Ratio</b>	<b>6.45%</b>	5.64%	<b>14.31%</b>
- Numerator - PAT	11802.04	9615.99	
- Denominator - Revenue	182993.95	170440.33	
<b>Return on Equity Ratio (RoE)</b>	<b>10.21%</b>	11.35%	<b>-10.07%</b>
- Numerator - PAT	11802.04	9615.99	
- Denominator -Total Equity	115623.08	84722.62	
<b>Net Capital Turnover Ratio</b>	<b>1.58</b>	2.01	<b>-21.33%</b>
- Numerator - Revenue	182993.95	170440.33	
- Denominator -Total Equity	115623.08	84722.62	
<b>Return on Capital employed (RoCE)</b>	<b>13.11%</b>	15.61%	<b>-16.02%</b>
- Numerator - EBIT (PBT+Interest)	16345.23	13912.59	
- Denominator - Total Capital Employed	124671.90	89116.05	
Shareholder's Wealth	115623.08	84722.62	
Non current borrowings	2575.81	336.40	
Non Current Liabilities	6473.01	4057.03	
<b>Return on investment (RoI)</b>	<b>6.64%</b>	7.44%	<b>-10.74%</b>
- Numerator - PAT	11802.04	9615.99	
- Denominator - Total Assets	177809.93	129320.51	



The USFDA approved Plant at Masulkhanna



**MOREPEN**

*The Joy Of Growing Together*

**Morepen Laboratories Limited**

(CIN: L24231HP1984PLC006028)

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