



MOREPEN



Date: 04.09.2024

National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai- 400 051
Symbol: MOREPENLAB

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001
Scrip Code: 500288

Subject: Annual Report: 2023-24 along-with notice of 39th Annual General Meeting.

Dear Sir/ Madam,

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, *as amended*, please find enclosed Annual Report for the financial year 2023-2024 along-with notice of 39th Annual General Meeting scheduled to be held on **Saturday, 28th September 2024 at 1.00 p.m. (IST)** through Video Conferencing/ Other Audio Video Means.

The aforesaid documents are also available at the website of the company *i.e.*, www.morepen.com

Annual Report: 2023-24	https://www.morepen.com/investors/AnnualReport
Notice of AGM	https://www.morepen.com/investors/NoticeofAGM

Kindly take note of the same.

Thanking you,

Yours faithfully,

For Morepen Laboratories Limited

Vipul Kumar Srivastava
Company Secretary
Membership no. F 12148

Encl.: a/a.

Morepen Laboratories Limited

CIN NO. L24231 HP1984PLC006028

Corp. Off.: 2nd Floor, Tower C, DLF Cyber Park, Udyog Vihar-III, Sector-20, Gurugram, Haryana-122016, INDIA
TEL.: +91 124 4892000, E-mail: corporate@morepen.com, Website: www.morepen.com

Regd. Off.: Morepen Village, Malkumajra, Nalagarh Road, Baddi, Distt. Solan (H.P.) -173205, INDIA
Tel.: +91 1795 266401-03, 244590, Fax: +91 1795 244591, E-mail: plants@morepen.com



Connect with us



THE ALCHEMY OF
Excellence



Morepen Laboratories Limited
(CIN: L24231HP1984PLC006028)

Corp. Off.: 2nd Floor, Tower-C, DLF Cyber Park, Udyog Vihar-III, Sector-20, Gurugram, Haryana-122016
Tel.: 91-124-4892000; E-mail: investors@morepen.com; Website: www.morepen.com

PASSION . ACTION . INNOVATION .



Some journeys are remarkable. Some are transformative. Some others are timeless.

At Morepen Laboratories, our journey of 40 years has been all of that, and more.

From a humble beginning in the year 1984, Morepen has taken giant strides ahead and become a synonym for excellence, pan India and across the world. The rise in corporate stature is the result of a passionate quest for perfection. Today, we have three state-of-the-art manufacturing facilities in Himachal Pradesh to support the expanding scope of activities. And our workforce is the best in the business.

The standards we set have been validated worldwide. Several of our bulk drug formulations have received international certification from esteemed regulatory authorities such as USFDA, WHO GMP, and EU GMP. With a robust global footprint, we export to over 80 countries...and counting!

Relentless and painstaking research has led us to elevate every aspect of healthcare. Today, families and homes trust Morepen to deliver wellness and cheer to everyday lives. Our vast array of healthcare, grooming, and OTC products have been catering to the needs of over 100 million discerning consumers. The future of care looks brighter than ever, radiating happiness and productivity for the employees, customers and shareholders.

On the completion of 4 glorious decades, we uphold Excellence as our core value. Powered by Passion, Action and Innovation, we shall strive to redefine the very concept of excellence in everything we do.





EXCELLENCE AT THE CORE

Excellence is our singular goal. The desire to do better and go further reflects in our impeccable quality standards – be it in the manufacturing process, products, distribution channels or customer service. We observe, imbibe, inculcate and adopt the very tenets of excellence in everything we do. No shortcuts. No settling for less.

PASSION

Burning zeal and unfailing drive are the hallmarks of Team Morepen. From manufacturing to distribution, from research to administration - our collective commitment to excellence gives the company a cutting edge in terms of performance and productivity.

ACTION

The key to staying ahead is taking action and putting dreams into motion. We are defined by our agility and speed, making Morepen a dynamic and linear corporate entity. Great results are a consequence of logical action.

INNOVATION

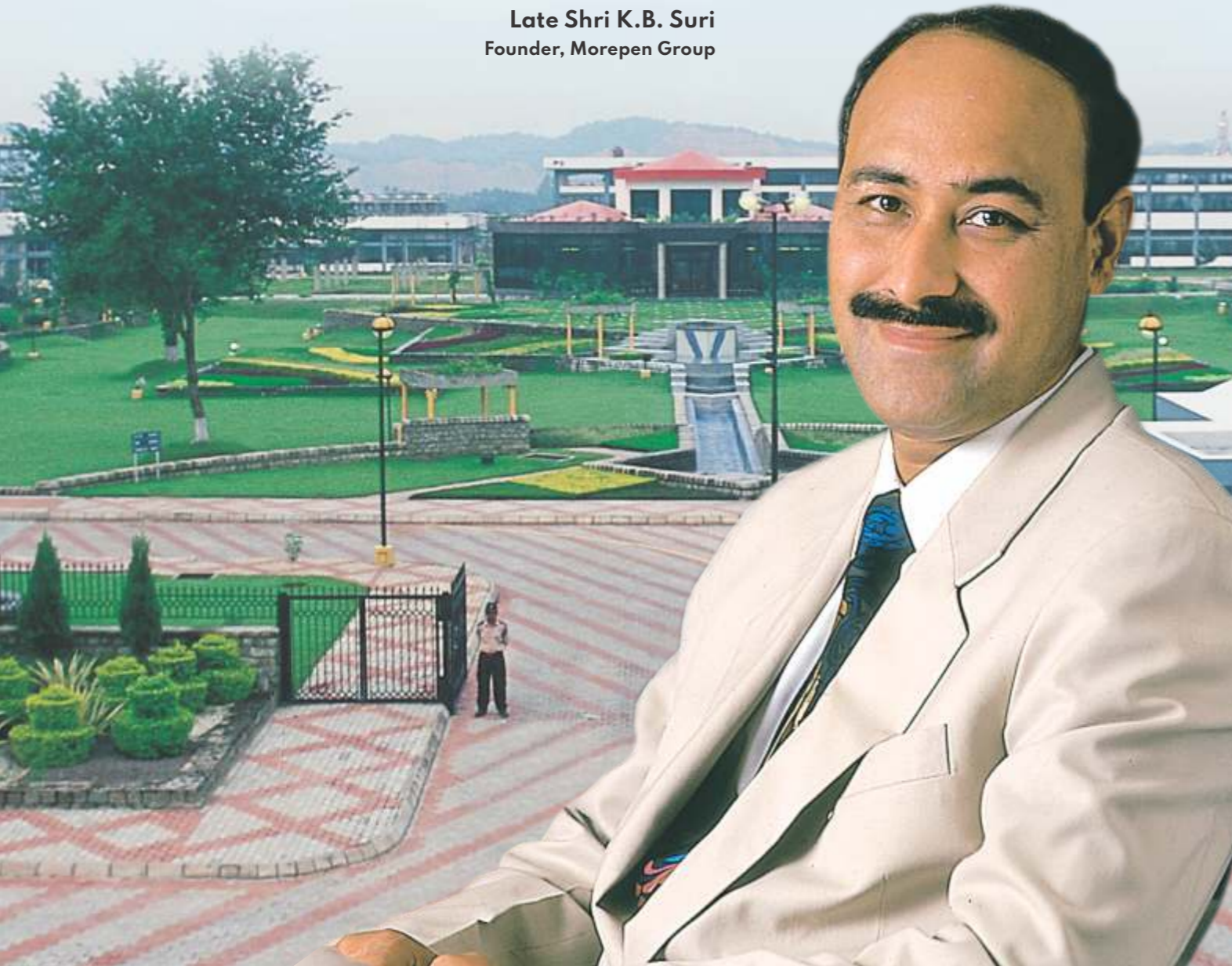
Doing new things in better ways by challenging preset notions is a core function of the pharma industry. Morepen is at the forefront of adopting technology to facilitate research and deliver innovative healthcare solutions.



“For Morepen, excellence is not just the destination, it is also the journey. I have always believed that success stems from the right beginning, and there is no substitute for hard work when it comes to achieving organizational goals. Right since inception, Morepen has become a beacon of excellence in the pharma industry because we have focussed on finding the right answers to difficult challenges along the way.

May the team grow and glow, and build a future of excellence in the realm of well being and joy. There is no Plan B when it comes to doing the right thing at the right time.”

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. Manoj Joshi
 Mr. Bhupender Raj Wadhwa
 Mr. Sukhcharan Singh
 Mr. Praveen Kumar Dutt
 Mrs. Savita
 Mr. Ranjit Khattar
 Mr. Sharad Jain

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

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

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

Secretarial Auditor
 Mr. Praveen Dua
 M/s. PD and Associates
 Company Secretaries

Registrar & Share Transfer Agent
 MAS Services Ltd.
 T-34, 2nd 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 Services (India) Ltd.

Corporate Office
 2nd Floor, Tower-C,
 DLF Cyber Park, Udyog Vihar-III,
 Sector-20, Gurugram, Haryana-122016

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From the desk of Chairman

When you choose "Excellence" as your corporate mission, everything else falls into place. The vision becomes clearer and the path ahead looks bright. And what better way to commemorate 40 years of growing together than by reinforcing the fundamentals of 'excellence'? Your company has adopted the adage of Passion, Action and Innovation to forge the way forward. I strongly believe that every individual can make a difference by working in unison towards the common goal.

Our robust performance is a direct consequence of our pursuit of excellence. In the year 2023-24 your company witnessed a growth of 19.72% in its total consolidated revenues while the consolidated net profit rose by 148.63 percent compared to the previous year.

Operationally, there was a buoyant revenue increase in the Medical Devices business followed by API business and Formulation business. The export revenue too grew by 13.41% across various markets of Americas, Europe and in the Middle East.

And if the results of the first quarter in the year 2024-25 are any indication, the company is poised to witness yet another year of all-round growth. So here's to the possibilities of the future. Here's to the power of passion, action and innovation. Here's to our glorious 40!

-Sushil Suri

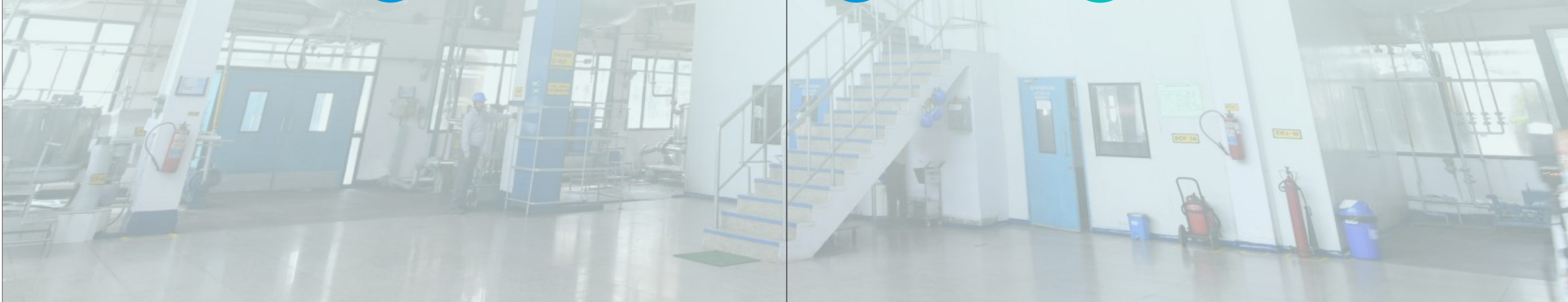
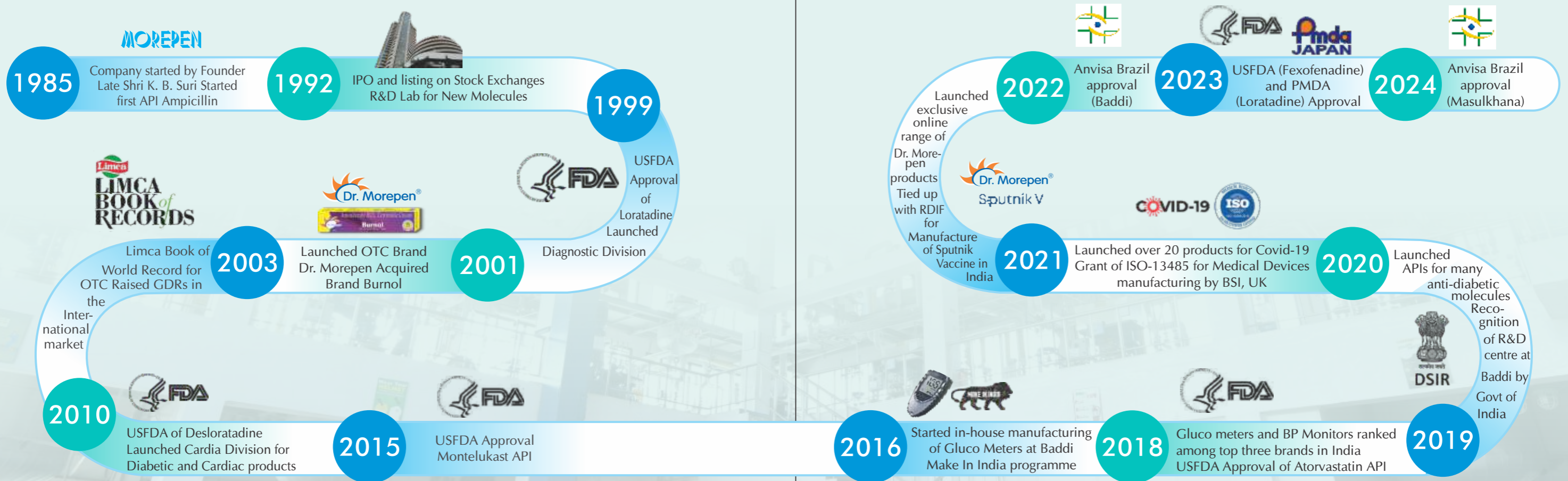




The Journey of Growing Together



Late Shri K.B. Suri
Founder, Morepen Group





PASSION





Global Generics

Making impact worldwide



Sanjay Suri
Whole-time Director

DEPARTMENT OF HEALTH & HUMAN SERVICES
US FDA
APPROVED FAC

Morepen Laboratories Limited ('the company'), is a renowned player in the domestic and international Active Pharmaceutical Ingredients ('API') markets.

The company is committed to provide quality products across geographical regions. The company continues to invest on new products by its focus on research and development activities with an eye on future.

Morepen is the largest supplier and manufacturer of Loratadine in terms of volume (kg) in FY24 with a 35% market share. The molecule is anticipated to demonstrate a growth CAGR of over 2% from FY24-28. Morepen is the largest supplier and manufacturer of Montelukast in terms of volume (kg) in FY24 with a 44% market share. Montelukast is expected to register a CAGR of over 10% from FY24-28. Morepen is the largest supplier and manufacturer of Desloratadine in terms of volume (kg) in FY24 with a 26% market share. Desloratadine is projected to achieve a CAGR of over 5% for FY18-28. Morepen is the 4th largest manufacturer of Atorvastatin globally in terms of volume (kg) in FY24 with an 11% market share. Morepen is the 4th largest manufacturer of Rosuvastatin in terms of volume (kg) in FY24 with a 9% market share globally. Demand for Rosuvastatin is expected to increase due to the rising incidence of hypercholesterolemia and cardiovascular illnesses. The market is expected to grow at a CAGR of 5.05% for FY24-28. Morepen is the 3rd largest manufacturer of Fexofenadine in terms of volume (kg) in FY24 with a 16% market share globally.

The company has also commercialized various new products such as Apixaban, Edoxaban, Rivaroxaban (Anti-coagulant), Vortioxetine Hydrobromide Route I & II (anti-depressant), Vonoprazan Fumarate (anti-ulcerative), Bempedoic Acid (anti-cholesterol), Ticagrelor (Anti-Platelet) and Brexpiprazole (anti-depressant). Various new products such as Tafamidis Meglumine (transthyretin stabilizer), Nintedanib Esylate (for chronic fibrosis), Bilastine (Anti-Histaminic), Tapentadol Hydrochloride (analgesic), Imeglimin Hydrochloride (Anti-Diabetic) & Trelagliptin succinate (anti-diabetic) have also been developed in the Morepen's R&D. During the year, the company is exploring new horizons with successful development of anti-arthritis drugs such as Tofacitinib & Baricitinib. Arthritis is one of the most dominant diseases in the world.



Morepen is looking forward this year with a few potential drug candidates such as Finerenone (for chronic kidney disease) & Resmetirom (for non-alcoholic steatohepatitis), Cariprazine (Anti-depressant), Vericiguat (Systolic heart failure), Vibegron (Treatment of overactive bladder), Upadacitinib (anti-arthritis) & Mavacamten (in Cardiovascular segment).

The DMFs of Dapagliflozin, Sitagliptin Phosphate Monohydrate, Fexofenadine were filed with South Korea. The CADIFA was filed for Atorvastatin from Baddi plant. The DMF/ASMF was filed with 23 European Countries (Austria, Belgium, Denmark, Finland, Ireland, Norway, Spain, Portugal, Sweden, Netherlands, Croatia, Cyprus, Czech Republic, Estonia, Greece, Latvia, Lithuania, Poland, Slovak Republic, Italy, Bulgaria, Slovenia & Romania), United Kingdom, and Australia for Linagliptin.

The DMF was filed with Health Canada and 10 EU countries (Hungary, Malta, Bulgaria, Czech Republic, Latvia, Poland, Romania, Slovakia, Austria & Croatia) for Edoxaban Tosylate Monohydrate. The DMF/ASMF of Vortioxetine HBr is filed with 05 European Countries (Denmark, Austria, Greece, Malta & Spain)

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, Palbociclib, Olaparib & Axitinib.

In the area of technological advancement, a record 13 patents were granted and 9 new patents were filed by the company details of which are given below:

- Indian patent application entitled “Novel processes for the preparation of amorphous Edoxaban Tosylate (Spray drying)” was granted by Indian Patent office as IN439892.
- Indian patent application entitled “Novel processes for the preparation and purification of Rivaroxaban and its intermediates” is granted by Indian Patent Office as IN450942.
- Indian patent divisional application entitled “Improved processes for Highly Pure Fexofenadine Hydrochloride and Its Intermediates” is granted by Indian Patent Office as IN453021 .
- Indian patent application entitled “Novel processes for the preparation of crystalline dapagliflozin propanediol monohydrate” is granted by Indian Patent Office as IN460549.
- Indian patent application entitled “Novel processes for the preparation of Amorphous Apixaban” is granted by Indian Patent Office as IN469623.
- Indian patent application entitled “Novel processes for the preparation of Amorphous Empagliflozin” is granted by Indian Patent Office as IN471557.





- Indian patent application entitled "Improved processes for the preparation of Edoxaban Tosylate and its Intermediates" is granted by Indian Patent Office as IN476779.
- Indian patent application entitled "Improved process for the preparation of Loratadine Intermediate "8-chloro-11-(1-methylpiperidin-4-ylidene)-6,11-dihydro-5H-benzo[5,6]cyclohepta[1,2-b]pyridine" for the removal of "8-chloro-11-(1-methylpiperidin-4-yl)-6,11-dihydro-5Hbenzo[5,6]cyclohepta[1,2-b]pyridin-11-ol" is granted by Indian Patent Office as IN482819.
- Indian patent application entitled "Novel processes for the preparation of Amorphous Linagliptin" is granted by Indian Patent Office as IN487700.
- Indian patent application entitled "Processes for preparation of Crystalline Empagliflozin" is granted by Indian Patent Office as IN487996.
- Indian patent application entitled "Improved process for the preparation of Ertugliflozin L-Pyroglytamate and its Intermediates" is granted by Indian Patent Office as IN489250.
- Indian patent application entitled "Novel processes for the preparation of Crystalline Empagliflozin" is granted by Indian Patent Office as IN499745.
- Indian patent application entitled "New Polymorphic form M1, M2, M3 of Linagliptin and novel processes thereof and form XXII & Form C" is granted by Indian Patent Office as IN501589.
- Indian patent application entitled "Novel processes for the preparation of Crystalline Empagliflozin" is granted by Indian Patent Office as IN514584.
- Indian patent application entitled "Novel Amine Salts and Amide Derivatives of Various Active Pharmaceutical Ingredients" is granted by Indian Patent Office as IN523318.
- Indian patent application titled "Improved process for the preparation of Vortioxetine Hydrobromide" was filed as 202311041014.
- Indian patent application titled "Process for the purification of Nintedanib" was filed as 202311046895.
- Indian patent application titled "Process for the preparation of Rivaroxaban Intermediate" was filed as 202311056361.
- Indian patent application titled "Improved process for the preparation of Vortioxetine Hydrobromide form" was filed as 202311088731.

- Indian patent application titled "Process for the purification of Bilastine" was filed as 202411006039.
- Indian patent application titled "Process for the purification of Ticagrelor" was filed as 202411011176.
- Indian patent application titled "Process for the purification of substituted Pyridazinone intermediate" was filed as 202411014900.
- Indian patent application titled "Process for the purification of substituted Pyridazinone compound" was filed as 202411018116.
- Indian patent application titled "Process for the preparation and purification of Crystalline compound" was filed as 202411025945.

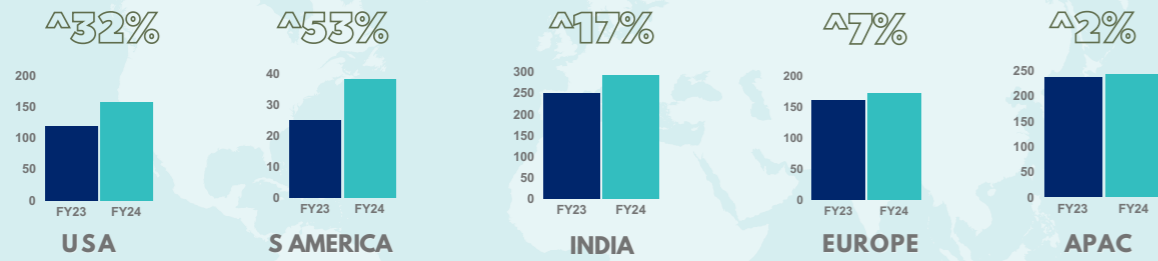




api business

Rs. in crores
FY24

CONTINENT WISE GROWTH



1200+ customers

Over 60% repeat customers with more than 10 years of long relationship

API Business

SELECTIVE PORTFOLIO



LIFESTYLE PRODUCTS FOR CHRONIC USE

API Business

SELECTIVE PORTFOLIO

LORATADINE anti-allergy	DESLOXATADINE anti-allergy	MONTELUKAST anti-asthmatic	ATORVASTATIN cholesterol reducer
FEXOFENADINE anti-allergy	ROSUVASTATIN cholesterol reducer	OLMESARTAN anti-hypertensive	VONOPRAZAN anti-ulcerative
SITAGLIPTIN anti-diabetic	SAXAGLITIN anti-diabetic	LINAGLIPTIN anti-diabetic	DAPAGLIFLOZIN anti-diabetic
EMPAGLIFLOZIN anti-diabetic	ERTUGLIFLOZIN anti-diabetic	VORTIOXETINE anti-depressant	APIXABAN anti-coagulant
EDOXABAN anti-coagulant	RIVAROXABAN anti-coagulant	BREXPIRAZOLE anti-depressant	TICAGRELOR anti-platelet

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



Kushal Suri
Director - API Sales
& Marketing





Global Generics

REGULATORY STATUS

1997

Loratadine DMF

1998

 USFDA Inspection
Masulkhana Plant

2003

 USFDA Inspection
Masulkhana Plant

2007

 USDMFLoratadine
(HF/BF3 ruote)

2009

- COS(EDQM)
Loratadine (HF/BF3 ruote)
- Atorvastatin DMF approved in Russia
- Fexofenadine EDMF in Slovenia & Czech Republic
- Montelukast Sodium (IDL) in China

2010

- Atorvastatin DMF approved in Korea
- Rosuvastatin launched

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.

2008

Pioglitazone registration in Iran

2011

- Desloratadine USFDA regulatory inspection-facility approved.
- Desloratadine USDMF approved.
- Montelukast COS, Atorvastatin COS

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

2017

- Fexofenadine COS (EDQM) approved.
- Rosuvastatin TDMF in Taiwan approved.
- Rosuvastatin COS (EDQM) approved.

2019

- MFDS Inspections in Korea
- Recognition of Morepen, Baddi R&D Centre by Government of India.

2016

EUGMP CDSCO inspections in Masulkhana Plant

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

2020

- Sitagliptin CEP (EDQM) Approved
- Dapagliflozin Registered in USA
- 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





State-of-the-art Pharma Complex at Baddi



INNOVATION





Finished Formulations

For four decades, Morepen has been a symbol of excellence and innovation in the healthcare industry. Our guiding principle, "The Joy of Growing Together," reflects our unwavering commitment to making a tangible difference in the lives we impact. Morepen is still at the forefront of healthcare innovation and quality, with the goal of significantly improving people's lives. And we have a vision, passion, and innovation for this, and we will continue to grow and work toward our purpose of greatness because we believe in, "The Joy of Growing Together".



In the prescription business, we are steadily gaining prominence in domestic markets by offering high-quality products to meet the needs of local consumers. We have cemented our position in various therapeutic areas, including cardiac, diabetic, nutritional, antibiotic, vitamin, and gastrointestinal categories.

Our foothold in the probiotics industry in India has been strengthened, with the introduction of "Intebact," a probiotic product line featuring four patented technology products suitable for all age groups. Furthermore, our innovative offerings, including 'Rythmix DHA', 'Pregamust', and 'Krimega', have been successfully gained traction in domestic markets.

Over the past twelve years, our distinct business vertical "Cardia" has been dedicated to offering diabetes and heart medications, boasting a portfolio of over fifty SKUs, including unique items such as Compact-DM Biorhythm krileed.





We are developing effective marketing plans and implementing a number of campaigns to increase the Brand visibility of our product. We are currently promoting our exclusive probiotic brand, Intebact, through the "I Love Intebact" campaign, that has reached a significant milestone. Another campaign we've run is 'Bachpan ki Yaadein,' creating an emotional connection with doctors also 'Morepen Rx Prescription League' campaign, designed to powerfully engage our product teams with their doctors. No. of continuous medical education, round table meetings, Diabetes detection /HbA1c camps are already going on every month. Moreover, We have done various public awareness activity like 'FM activity for menstrual hygiene day' also produced various awareness raising videos, such as those for 'World Health Day and Menstrual Hygiene Day'.





INNOVATION



Home Diagnostics

Backward integration in manufacturing

With the manufacture of Glucometer, Glucometer Strips, Stethoscope, Thermometer, Pulse Oximeter, Blood Pressure Monitors, Pregnancy Testing Kits and Weighing Scales, the diagnostics devices business has been on the path of backward integration for past many years. The company plans to manufacture Nebulisers and the orthopedic products in near future. The Company has brought down the product cost through backward integration in manufacture of major products i.e. Glucometer and Blood Pressure Monitors by manufacturing in house major raw materials i.e. plastic parts and mounting of bare PCB, which is a significant achievement.



Anubhav Suri
Head - Medipath Division

The company has cumulatively sold 1.54 billion Gluco Strips and Gluco Monitors installations have crossed 11.74 million during the current financial year.

The company is relentlessly working towards new milestones of success.





Dr. Morepen OTC Business 'Health in your Hands'

Varun Suri
CEO (Consumer Business)



'Dr. Morepen' brand, is promoting the consumer business of the company through over the counter ('OTC') products.

The combined sales revenues, during the year for two prominent brands comprising of Burnol (Burn Cream) and Lemolate (Cough & Cold) has gone up. OTC Business has introduced 4 leading brands in the fiscal year i.e., Exygra Condom, Active Smile Mouth Ulcer Gel, Dr. Morepen Y Sugar and Dr. Morepen D3 Mouth Dissolving Sachets.

OTC Business has performed well in direct distribution of products from 80K outlets to 1.10K of outlets. Business has performed well in distribution from 22 states to 28 States in the current fiscal year. Business has started participating in government tenders and adding pharmacies chains having multiple outlets.

OTC Range products and online business sales revenue have reported decline. The brand sharing revenues have reported a revenue growth of 28% for the current year.







NEW ONLINE RANGE





DIRECTORS' REPORT

Dear Shareholders,

Your directors have pleasure in presenting the 39th Annual Report on business, operations, and achievements of the company together with the audited financial statements for the financial year ended 31st March 2024.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2023-24	2022-23	2023-24	2022-23
Sales	168213.43	141395.48	152943.38	133547.91
Other Operating Income	829.82	357.52	815.97	340.42
Other Income	1397.08	613.34	1256.57	575.88
Total Income	170440.33	142366.34	155015.92	134464.21
EBITDA	17259.54	8566.65	17438.47	8302.86
Finance cost	371.02	198.08	350.94	198.08
Cash Surplus	16888.52	8368.57	17087.53	8104.78
Non-Cash Items:				
Depreciation & Amortisation	3346.95	2793.04	2189.98	1800.57
Profit before Tax	13541.57	5575.53	14897.55	6304.21
Tax - Current Year	3932.22	1681.78	3856.64	1659.99
Tax - Earlier Years	(9.03)	5.86	(9.04)	(0.41)
Deferred Tax	(43.65)	20.34	(43.65)	20.34
Profit after Tax before non-controlling interest	9662.03	3867.55	11093.60	4624.29
Less: Non - controlling interest	46.04	0.03	-	-
Profit after Tax and non-controlling interest	9615.99	3867.52	11093.60	4624.29
Other Comprehensive Income (Net of Tax)	(184.18)	(148.03)	(202.59)	(144.78)
Total Comprehensive Income	9431.81	3719.49	10891.01	4479.51
EPS (Basic) & Diluted	1.88	0.77	2.17	0.92

Note : Figures in brackets represent negative numbers.

REVIEW OF PERFORMANCE

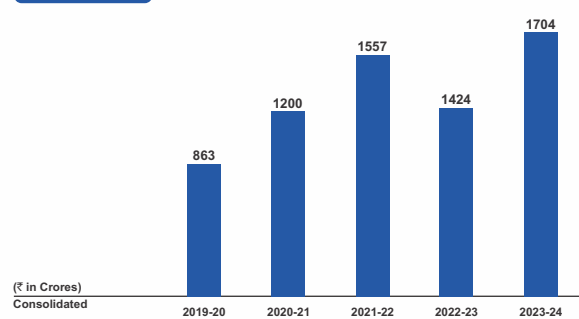
The consolidated revenues for the current year at ₹1,70,440.33 Lakhs are up by 19.72 percent against previous year revenues of ₹1,42,366.34 Lakhs on the strength of buoyant revenue increase in medical devices business followed by Active Pharmaceutical Ingredients (API) business and Formulation business.

The current year export revenue at ₹64,775.16 Lakhs grew by 14.21 percent against previous year revenues of ₹56,714.88 Lakhs. The continents comprising of Americas, Europe and middle east contributed significantly for the growth of export revenue. The domestic business also registered a healthy growth of 22.61 percent during the year.

The dip in revenues experienced during the previous year have been compensated by copious growth recorded during the current year, across the major business segments i.e. Medical Devices, API and the Formulation business.

During the year, the medical devices business recorded a

TOTAL INCOME



huge revenue growth of 35.36 percent in its annual revenues. The API (Active Pharmaceutical Ingredient) business recorded revenue growth of 15.46 percent whereas formulation business grew up by 19.79 percent on strength of better market covered during the current year ending 31st March, 2024. The Over the Counter (OTC) business carried under wholly owned subsidiary, Dr. Morepen Limited, registered a decline of 5.07 percent in its annual revenue for the current year.

With current year annual revenues of ₹44,271.59 Lakhs, the share of medical devices business in total revenue of the company, has increased to 26.19 percent against 23.07 percent in the last year. The share of API business, with current year annual revenues of ₹94,440.75 Lakhs has come down to 55.87 percent from 57.70 percent in preceding financial year. The share of formulation business with current year revenues of ₹21,483.12 Lakhs has improved marginally to 12.71 percent from 12.65 percent in last financial year. The share of OTC business, with annual revenues of ₹8,847.78 Lakhs has come down to 5.23 percent from 6.57 percent recorded in preceding financial year.

API business with largest revenue share of sales revenue at 55.87 percent is growing up consistently on the strength of 17.69 percent growth in domestic business and 14.44 percent growth in exports portfolio. On the strength of huge growth in Fexofenadine (anti-histamine) revenues followed by handsome increase in Rosuvastatin (anti-coagulant) revenues, API business recorded a revenue growth of 15.46 percent revenue growth during the year, despite drop in Loratadine (anti-histamine) revenues. The API business has grown up by compounded annual growth rate (CAGR) of 18.81 percent during past five years ending 31st March 2024.

With current year revenue of ₹44,271.59 Lakhs, the medical devices business has registered annual revenue increase of 35.36 percent during the current year. Blood gluco measuring business, with annual revenue of ₹34214.84 Lakhs grew up by 34.65 percent, registering fabulous compound annual growth rate (CAGR) of 30.07 percent during five year period ending 31st March, 2024. The second important product line, Blood Pressure Monitors, business grew by 36.31 percent and having

remarkable CAGR of 28.59 percent. The medical devices business has registered CAGR of 27.34 percent during five year period ending 31st March, 2024.

The formulation business with its current year revenues of ₹21483.12 Lakhs has registered a outstanding growth of 19.79 percent against previous year revenues of ₹17933.71 Lakhs. The growth in business of institutional supplies by 129.43 percent and brand sharing generics business by 37.15 percent paved the way for such fantastic growth. The current year generics business at ₹8564.85 Lakhs, branded Rx (prescription) business at ₹4376.86 Lakhs, the institutional supplies business at ₹4324.39 Lakhs and contract manufacturing business at ₹4216.30 Lakhs helped the formulation business to register fantastic revenue growth.

The Over the Counter (OTC) business at ₹8843.78 Lakhs recorded a decline of 5.07 percent in its current year revenues. The revenues from burns ointment brand 'Burnol' and multiple products promoted under the brand sharing category has gone up during the year. The revenue from cold relief range of products, promoted under the brand 'Lemolate' and other OTC products have come down.

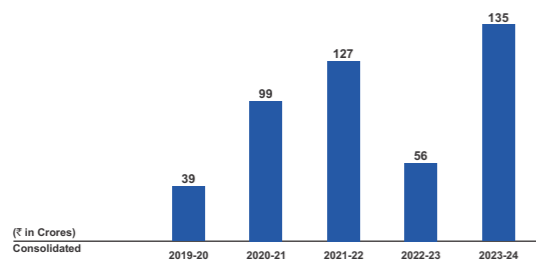
On the strength of 19.25% increase in revenues for the year under review and better product margins, Earning before Interest, Depreciation & Amortisation and Tax (EBIDTA) improved by 101.47 percent to ₹17259.54 from ₹8566.65 Lakhs in last financial year. All the business segments except formulation business generated surplus leading to improved performance of the company for the year under review. The company is working to improve the performance of all business segments and expects formulation business to generate surplus, leading to overall improvement in the performance of the company.



Senior Management Team



PROFIT BEFORE TAX



On a standalone basis, for the current year ended 31st March, 2024, the company recorded annual sales revenues of ₹152943.38 Lakhs, registering a handsome growth of 14.52 percent against previous year revenues of ₹133547.91 Lakhs.

Financial Performance

Sales

The consolidated sales revenues for the year under review at ₹168213.43 Lakhs, are up by 18.97 percent against previous year revenues of ₹141395.48 Lakhs. Total Income for the current year at ₹170440.33 Lakhs against ₹142366.34 Lakhs in the preceding year, an increase of 19.72 percent. The growth in domestic sales revenues at ₹104268.09 Lakhs is outstanding at 22.61 percent followed by handsome growth in export sales revenue of 14.21 percent, at ₹64775.16 Lakhs.

Material Cost

The material cost, as a percentage of total income at 62.33 percent, against 67.13 percent in last year, a drop of 480 basis points. The fall in input prices and better price realisation has helped the company to improve its profit margins.

Employee Cost

The current year employee cost at ₹18,146.55 Lakhs is up by 17.32 percent against previous year cost of ₹15468.05 Lakhs, on account of increase in manpower strength by 24.78 percent and the periodic wage increase. However, manpower cost as percentage of total Income has come down to 10.65 percent against 10.86 percent in preceding year because of increase in current year income by 19.25 percent. The company continues to pay merit based employee compensation to retain best available talent.

Other Expenses

The consolidated expenditure on manufacturing, sales & marketing and the administrative activities at 16.89 percent of total Income, is at higher levels, against 15.98 percent recorded in the preceding financial year due to increased spend on manufacturing & related activities by 37.28

percent and 66.20 percent on selling & distribution network. However, administrative expenses reduced by 11.19 percent.

Finance Cost & Depreciation

Finance cost at ₹371.02 Lakhs, represents interest on working capital facilities backed by fixed deposit made by the company, interest pay outs on car loans and interest payment on delayed payment of advance income tax. Annual consolidated depreciation & amortisation charge are up by 19.83 percent at ₹3346.95 Lakhs against ₹2793.04 Lakhs in the previous year, on account of increase in amortisation and depreciation charges during the year.

Other Operating Income & Other Income

The consolidated other operating income represents export incentives and others. The export incentives for the current year at ₹815.97 Lakhs are up by 159.74 percent against last year amounting to ₹314.15 Lakhs.

Consolidated other income representing currency fluctuations, interest income and others is up by 127.78 percent at ₹1397.08 Lakhs, against previous year of ₹613.34 Lakhs.

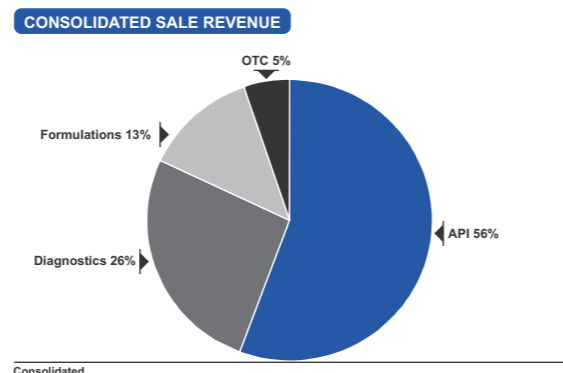
Profit after Tax

The consolidated profit before interest, depreciation and tax is up by 101.47 percent at ₹17259.54 Lakhs against ₹8566.65 Lakhs recorded in the previous financial year. Net profit after tax but before share of profit from non-controlling interest is up by 149.82 percent at ₹9662.03 Lakhs against ₹3867.55 Lakhs in last financial year. The consolidated net profit, net of minority share, at ₹9615.99 Lakhs is up by 148.63 percent over last years' profit of ₹3867.52 Lakhs. Total Comprehensive Income for the current year at ₹9431.81 Lakhs, has made huge jump of 153.58 percent against preceding year income of ₹3719.49 Lakhs.

Business wise Performance:

Active Pharmaceutical Ingredients (API)

API business has been the backbone of the company since



its inception and has always maintained its position as largest revenue driver. It has been consistently exporting to both regulated and non-regulated markets for past many years and has made a unique position for itself in global API markets on strength of supply of quality API's across the globe.

It has recorded a growth of 15.46 percent in its annual revenues for the current year at ₹94440.75 Lakhs on the strength of 17.69 percent growth in domestic revenues and 14.44 percent growth in export revenues. API revenue share in consolidated revenue of the company stands at 55.87 percent against last year share of 57.70 percent. The customer base was expanded with addition of 184 new customers. The company's share in total exports from India for Loratadine and Montelukast has remained healthy at 65 percent and 43 percent respectively during year ending December 31, 2023. For Atorvastatin, the company's export share, from India has improved sustainably to 16 percent in calendar year ended December 31, 2023, from 10 percent in last financial year ending 31st March, 2023. The company's share in total exports from India for Desloratadine, Fexofenadine and Rosuvastatin for 12 months ending December 31, 2023 is at , 47 percent, 18 percent and 8 percent respectively.

Exports to North and South American markets has registered a revenue growth of 36.04 percent, followed by 7.09 percent and 2.38 percent growth in Europe and Asia, respectively.

The share of Loratadine and Montelukast revenue, in total API revenues with a combined revenue of ₹47045.97 Lakhs, is at 49.82 percent against 61.02 percent in the preceding financial year. The share of Fexofenadine in API total revenue, with sales revenue of ₹13314.12 Lakhs jumped to 14.10 percent from 4.02 percent recorded in last fiscal ending 31st March, 2023.

The combined revenue share of Atorvastatin and Rosuvastatin at ₹25877.41 Lakhs moved to 27.40 percent against 23.51 percent in last financial year. The sales revenue of some of the new products comprising of Olmesartan, Rivaroxaban, Vonoprazan, Empagliflozin, Vortioxetine and Apixaban, have move up during the year. The sales revenue of some of the other new products like Sitagliptin, Dapagliflozin, Linagliptin and Edoxaban have come down on account of steep price registered during the year.

Home Diagnostics - Point of care Device Business

With astounding growth of 35.36 percent, the current year revenues have risen to peak of ₹44271.59 Lakhs. The current year revenue have surpassed the top revenue



generated during Covid pandemic on account of extra ordinary demand generated by it. The annual growth in revenues have been fantastic, with a CAGR (compounded annual growth rate) of 27.34 percent recorded during past five years.

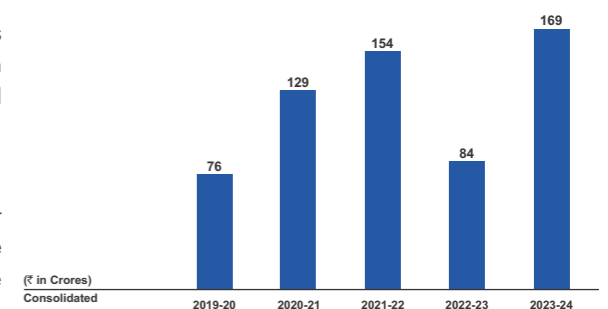
Blood Gluco business with annual revenues of ₹34214.84 Lakhs has regained growth its momentum and registered a growth of 34.65 percent in its annual revenues. The five year CAGR for the Blood Gluco business have been outstanding at 30.07 percent.

The growth in BP monitor revenue has also been magnificent at ₹7944.39 Lakhs, a growth 36.31 percent against previous year revenues of ₹5828.23 Lakhs. The five year CAGR for the Blood Gluco business have been outstanding at 28.59 percent.

The revenue contribution by other products including Thermometers, Oxygen Concentrator, stethoscope, vaporizer, Digital weighing scale, Pregnancy testing kit & others are at ₹2112.41 Lakhs against ₹1467.85 Lakhs, a growth of 43.91 percent. The company continues to expand on marketing activities to improve the visibility of its product range across all the geographies, the company is spending.

During the year process of in house mounting of bare Printed Circuit Board (PCB) was started which is a significant

PRE-TAX CASH SURPLUS





achievement. Injection Moulding capacity was enhanced with installation of more new machines. The production of more raw materials of Glucometer and Blood Pressure Monitors was started in house through backward integration.

Finished Formulations

The finished dosages business is making steady growth over the years and has recorded a net sales revenue of ₹21483.12 Lakhs during the year against last year revenue of ₹17933.71 Lakhs, a growth of 19.79 percent.

The institutional supplies business, at current year revenues at ₹4324.39 Lakhs, registered a revenue growth of 129.43 percent, a huge boost for the formulation business of the company. The generics business at ₹8564.85 Lakhs have recorded a growth of 37.15 percent. At ₹4376.86 Lakhs, current year branded formulation business posted a small growth of 1.20 percent over the last year revenues of ₹4324.91 Lakhs. The contract manufacturing business at ₹4216.30 Lakhs has come down, on account of utilisation of capacities for institutional business. Under the Branded Prescription (Rx) product category, the top three therapeutic categories namely Antibiotics, Gastroenteritis and Vitamins collectively registered a growth of 16.13 percent. In the current year, their annual revenues amounted to Rs. 4148.34 Lakhs, whereas in the previous financial year, sales revenue for these categories was ₹3572.02 Lakhs.

During the year new capacities were built for manufacture of tablets wherein tablet manufacture capacity were increased to 162.00 units from 92.40 units in last financial year. The capacities for capsule, oral liquid, sachet and dry syrup has also be enhanced. It will help build revenue growth in the coming financial years.

DIVIDEND

Due to the increasing resource requirements for the company's business expansion, the directors have decided not to recommend any dividend 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 ₹11093.60 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

The company continues to fund its growth through its internal accruals without relying on any outside funding support. The company continues to avail credit facilities backed by fully paid fixed deposit provided by the company. The company also availed car loan facilities during the year.

To fund capital expenditures, working capital requirements and others, the Board of Directors and members of the company have approved raising up-to ₹350,00,00,000 (Rupees Three Hundred Fifty Crore Only) through one or more qualified institutions placement ('QIP').

SHARE CAPITAL

In respect of 50,62,872 Equity Shares surrendered with the company for the cancellation, in compliance with Hon'ble NCLT order dated 12.03.2018, in response to the company's application before Stock Exchanges for the cancellation of these equity shares from its total listed capital, the stock exchanges informed the company that they will not be in a position to further proceed with the application (i.e., processing for cancellation of shares) as the company had not been able to comply with the order of the National Company Law Tribunal, Chandigarh in its entirety.

On 5th August 2024, the company has issued and allotted 3,67,84,991 Equity Shares of ₹2/- each at a price of ₹54.37/- each to 14 allottees; through a qualified institutions placement.

The Equity Shares issued by the company are listed at following Stock Exchanges as on 31st March 2024:

1. National Stock Exchange of India Limited (NSE)
2. BSE Limited (BSE)

Annual listing fee for the financial year 2024-25 has been paid to both the Stock Exchanges. The Equity Shares continue to be listed on NSE and BSE.

SUBSIDIARIES / JOINT VENTURES / ASSOCIATES

As on 31st March 2024, the company has five (5) subsidiaries, namely:

1. Dr. Morepen Limited
2. Morepen Devices Limited
3. Morepen Rx Limited





4. Total Care Limited (subsidiary of Dr. Morepen Ltd.)
5. Morepen Bio Inc., USA (Formerly Morepen Inc.)

There has been no material change in the nature of business of the subsidiaries. There are no associates or joint venture companies within the meaning of Section 2(6) of the Act. Pursuant to provisions of the Act, a statement containing salient features of the subsidiaries of the company in prescribed format (AOC-1) is attached with this report.

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/investors>.

Dr. Morepen Limited

The current year sales revenues at ₹8843.78 Lakhs, for the over the counter (OTC) business has recorded revenue a drop of around 5.07 percent, against last year revenues of ₹9319.29 Lakhs. The revenues from burns ointment brand 'Burnol' and other range of products promoted under the brand sharing category has gone up during the year. The revenue from cold relief range of products, promoted under the brand 'Lemolate' and other OTC products have come down.

The combined sales revenues, during the year for two prominent brands comprising of Burnol (Burn Cream) and Lemolate (Cough & Cold) at ₹1816.16 Lakhs has gone up by 6.95 percent against previous year revenues of ₹1698.12 Lakhs.

OTC range, which refers to a range of other over-the-counter products, has experienced a decline in annual revenues. The revenue for OTC range is at ₹2131.48 Lakhs, a dip of 10.17 percent against last year revenues of ₹2372.88 Lakhs. The brand sharing revenues have increased to ₹3859.63 Lakhs, representing a growth of 28.38 percent compared to last year revenues of ₹3006.50 Lakhs.

The grooming trading business, with its annual revenues of ₹1031.73 Lakhs have recorded a decline of 54.65 percent in its annual revenues.

The revenue from online channels have come down by 40.08 percent to ₹589.35 Lakhs against ₹983.49 Lakhs recorded in the last financial year.

Morepen Devices Limited & Morepen Rx Limited

No operating activities have been carried out during the year.

Total Care Limited

The company is dealing in OTC & Health Care products.

The revenue during the year has been modest at ₹4.00 Lakhs.

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 intends to use its presence in US markets for Bio similar and other pharmaceutical 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 ₹14601.40 Lakhs (\$17,513,975) as against ₹2698.08 Lakhs (\$3,281,931) of previous year. The company has recorded 54.36 percent growth in post-tax profit at ₹173.49 Lakhs during the year against profit of ₹112.39 Lakhs recorded in the last financial year ending 31st March, 2023.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31st March 2024 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 and for the previous year ended 31st March 2023.

In accordance with the Companies Act, 2013 and Indian Accounting Standards (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 31st March 2024, the company has seven (7) directors with an optimum combination of Executive and Non-Executive Directors including one woman director. The Board comprises 5 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 31st March 2024.

Changes in Directors & Key Managerial Personnel

During the year under review, the Members approved the

following appointment and re-appointment of Directors.

1. The members in their 38th Annual General Meeting ('AGM') held on 28th September 2023, approved the appointment of Mr. Sanjay Suri (DIN: 00041590), who retired by rotation at said annual general meeting and being eligible, offered himself for re-appointment.
2. Pursuant to approval of members at 38th AGM, the term of Mr. Sushil Suri (DIN: 00012028) as a Chairman & Managing Director has been re-appointed for a period of 3 years commencing from 20th October 2023 till 19th October 2026.

Mr. Praveen Kumar Dutt (DIN: 06712574), Non-Executive Independent Director of the company, appointed on 13th August 2019, for a term of 5 consecutive years i.e., till 12th August 2024. Keeping in view of the completion of his term of appointment, the Nomination and Remuneration committee and Board of Directors has recommended and approved, respectively, the appointment of Mr. Praveen Kumar Dutt for second term, for 5 consecutive years, subject to approval of the members at the forthcoming 39th Annual General Meeting.

On account of completion of their 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, shall be vacated on 18th September 2024. In compliance with SEBI LODR Regulations and the Companies Act, 2013, as amended, Pursuant to recommendation of the Nomination and Remuneration Committee, the Board of Directors of the company have appointed Mr. Ranjit Khattar and Mr. Sharad Jain, as Non-Executive Independent Directors of the Company, for a term of 5 consecutive years on 12th August 2024 and 27th August 2024, respectively (i.e., till 11th August 2029 and 26th August 2029 respectively), subject to approval of the members at the forthcoming 39th Annual General Meeting.

Mr. Sanjay Suri (DIN: 00041590), is 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 reappointment of Mr. Sanjay Suri at ensuing AGM. The Board of Directors is seeking consent of members for reappointment of Mr. Sanjay Suri at 39th AGM.

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 Securities





and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the company.

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 31st January 2024, 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 timelines 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. 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.

- (c) 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, as required to be given under the aforesaid provisions, is given in the 'Corporate Governance Report'.

VIGIL MECHANISM

The company has established a Whistle Blower Policy/ Vigil Mechanism through which its Directors, Employees and Stakeholders can report their genuine concern about unethical behaviours, actual or suspected fraud or violation of the company's Code of Conduct or Policy. The said policy provides for adequate safeguard against victimization and

direct access to the higher level of superiors including Chairman of the Audit Committee in exceptional cases. The same is reviewed by the Audit Committee from time to time.

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.

The company has formulated and adopted Risk Management Policy to prescribe risk assessment, management, reporting and disclosure requirements of the company.

The company have a Risk Management Committee of the Board of Directors for monitoring and reviewing of the risk and its management thereof.

NOMINATION AND REMUNERATION COMMITTEE

Your company has a Nomination and Remuneration Committee in compliance with the provisions of Section 178 the Act and Regulation 18 of Listing Regulations. The complete details with respect to the salient features of Nomination and Remuneration Committee, as required to be given under the aforesaid provisions, 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 Section 178 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, Key Managerial Personnel, Senior Management and other employees.

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 37th AGM held on 27th 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 37th AGM till the conclusion of 42nd 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 2023-24. The Secretarial Audit Report is annexed and forms part of this report as ANNEXURE 'C'.

Pursuant to the compliance of the Listing Regulations Secretarial Audit Report of Dr. Morepen Ltd., is annexed herewith as ANNEXURE 'C - 1'. Dr. Morepen Ltd. was a material unlisted subsidiary company in the financial year 2020-2021 but has not qualified the criteria of material unlisted subsidiary from the financial year 2021-2022 onwards. The company is mandated by law to obtain Secretarial Audit Report up-to three financial years from the financial year from which the Dr. Morepen Ltd. ceased to be a material subsidiary, in accordance with second proviso of Regulation 15 (2) (a) of the Listing Regulations.

The annexed Secretarial Audit Report of Dr. Morepen Limited is in respect of the third and last financial year, out of total three succeeding financial years from the financial year in which the status of Dr. Morepen Limited has been changed from the material subsidiary company to subsidiary company.

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' report does not contain any qualification, reservation, adverse remark or disclaimer.

The observations made in point no. (g) i.e., cancellation of equity shares surrendered by FD holders, the company has filed application with the Stock Exchanges to take effect of such cancellation of equity shares from total listed capital of the company and awaiting their response, although said shares were cancelled by the Board of Directors. Further, in point no. (h) i.e., appointment of Central Government Nominee Directors, the requisite explanations are already given in point (i) of 'Legal and Corporate Matters', in this report.

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

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 devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

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 31st March 2025, 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.

Based on the internal audit report, process owners undertake corrective action in their respective areas and thereby strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The internal auditor carries out extensive audits throughout the year across all functional areas and submits its reports from time to time to the Audit Committee of the Board of Directors.

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. The composition of the CSR Committee, CSR Policy and Projects approved have been placed on the website of the company. 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 Report on CSR Activities with details of the composition of CSR Committee, CSR initiatives and activities during the year is annexed and forms part of this report as ANNEXURE 'E'. The CSR Policy is available on the company's website at <https://www.morepen.com>.

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

The company has in place 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 has set guidelines on the redressal and enquiry process that is to be followed by complainants and the ICC, while dealing with issues related to sexual harassment at the workplace. All women employees whether permanent, temporary, contractual and trainees are covered under this policy. No complaint has been received by the company, during the year.

LEGAL & CORPORATE MATTERS

(i) In the matter of appointment of government directors on the board of the company under section 408 of erstwhile Companies Act, 1956, the company's appeal, against Hon'ble National Company Law Tribunal ('NCLT') order dated 06th October 2021, confirming appointment of two government directors on the board of the company for a period of 3 years, filed before Hon'ble National Company Law Appellate Tribunal ('NCLAT'), was dismissed vide its order dated 25th April 2023.

However, 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 vide its order dated 29th May 2023, granted stay on the contempt proceeding and also issued notice to the central government. The central government has filed a counter affidavit during the year. The matter is under adjudication.

(ii) In the matter of prosecutions launched 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 and its directors both past and present, against the said prosecutions pending before the Court. Out of the 27 matters filed against the company and its directors, 13 have been compounded and 14 matters are pending adjudication. In all the outstanding matters, the company has filed an application for a single trial of various matters arising out of the same transaction under Section 220 read with Section 219 of the Criminal Procedure Code.

(iii) The Securities and Exchange Board of India (SEBI)'s application dated 20th July, 2021, filed before the Hon'ble Supreme Court of India, against order dated 15th April 2021, passed by Hon'ble Securities Appellate Tribunal (SAT), Mumbai, setting aside SEBI, Whole-Time Member (WTM), order dated 24th September 2019, prohibiting the company from accessing the securities market for one year, is pending adjudication.

ANNUAL RETURN

The Annual Return is available at the website of the company 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.

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.

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'.

HUMAN RESOURCES

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

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'.

ACKNOWLEDGMENTS

The Directors wish to express their sincere gratitude to all stakeholders for their cooperation, continuous support, and confidence in the company's management. We extend our heartfelt thanks to the shareholders, customers, online trade partners, dealers, suppliers, bankers, governments, and all other business associates for their invaluable contributions to the company's success. Your support has been instrumental in driving our growth and achievements.

For and on behalf of Board of Directors

Sushil Suri
(Chairman & Managing Director)
DIN: 00012028

Place: Gurugram, Haryana
Date: 27th August 2024





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 ¹	Total Care Limited ²	Morepen Bio Inc. ³	Morepen Devices Ltd.	Morepen Rx Ltd.
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2023 to 31-03-2024	01-04-2023 to 31-03-2024	01-04-2023 to 31-03-2024	01-04-2023 to 31-03-2024	01-04-2023 to 31-03-2024
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	-	-	US\$/₹ 83.37 (As on 31.03.2024)	-	-
Share Capital	4,067.95 (4,06,79,500 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)
Reserves & Surplus	(416.28)	(1,852.97)	597.65	(3.82)	(569.63)
Total Assets	6444.45	7.40	4453.51	6.33	2780.33
Total Liabilities	2792.78	926.98	3833.63	0.15	2641.72
Investments	1171.00	-	-	-	-
Turnover	9425.89	4.01	14601.40	-	8383.45
Profit/(Loss) before taxation	(854.05)	1.14	249.06	(0.68)	(572.96)
Provision for taxation	-	0.01	75.58	-	-
Profit after taxation	(854.05)	1.13	173.49	(0.68)	(572.96)
Proposed Dividend	-	-	-	-	-
Percentage of Shareholding	100%	95%	100%	100%	100%

¹ 1,01,69,875 warrants of ₹30/- each, allotted to Blue Heaven Marketing (P) Ltd. and Vignet Trading (P) Ltd., entitling them equivalent no. of equity shares.

² Direct Subsidiary of Dr. Morepen Limited.

³ Formerly Morepen Inc., share split from \$0.01 per share to \$0.001 per share

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

For and on behalf of Board of Directors

Sushil Suri
(Chairman & Managing Director)
DIN: 00012028

Place: Gurugram, Haryana
Date: 27th August, 2024

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	92.06
Mr. Sanjay Suri	Whole-Time Director	51.30

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 2023-24
Mr. Sushil Suri	Chairman & Managing Director	(18.03)
Mr. Sanjay Suri	Whole-Time Director	20.32
Mr. Ajay Kumar Sharma	Chief Financial Officer	10.58
Mr. Vipul Kumar Srivastava	Company Secretary	37.33

B. The percentage increase in the median remuneration of employees in the financial year 2023-24 was 7.26%.

C. The number of permanent employees on the rolls of the company as on 31st March 2024, were 1623.

D. The average percentile increases in the salaries of the employees other than the managerial personnel in the financial year 2023-24 was 15.18% while increase in managerial remuneration was (3.18%).

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

Sushil Suri
(Chairman & Managing Director)
DIN: 00012028

Place: Gurugram, Haryana
Date: 27th August, 2024



ANNEXURE 'C'

(Form No. MR-3)
SECRETARIAL AUDIT REPORT
(FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024)

[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 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 March 31, 2024 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 March 31, 2024 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) 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: -
 - a) Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules 1945;
 - b) Drugs (Price Control) Order, 2013;
 - c) 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 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 increase in remuneration, are in the ordinary course of business and at arm's length;

(f) The Register of Members is not updated after cancellation of 50,62,872 shares to comply with the order of Hon. NCLT, Chandigarh

In the matter of Scheme of Arrangement and Compromise ('the Scheme') U/s. 391 of the erstwhile Companies Act, 1956, the Hon'ble NCLT, Chandigarh, vide its order dated 12th March 2018 set aside the Scheme in respect of fixed deposit ('FD') holders who were still holding equity shares allotted as per the Scheme, however, the operation of aforesaid order was stayed by Hon'ble NCLAT vide its order dated 27th April 2018. On 23rd July 2019, the Hon'ble NCLAT upheld the order passed by Hon'ble NCLT, Chandigarh, inter-alia, cancelling the equity shares allotted to FD holders (except those who had traded/ transferred) and refund of FD dues as per the CLB Scheme dated 19th August 2003.

The company sought surrender of aforesaid equity shares by way of individual notices to each eligible FD holders and issued 'Public Notice' in the newspapers i.e., 'Financial Express' - English and 'Jansatta' in the Hindi both published on 15th August 2019, before such cancellation.

The company has cancelled all shares surrendered for such cancellations as per the order of Hon'ble



NCLT Chandigarh, there being no further surrender of shares the company has declared the completion of cancellation of shares and had published a notice on 28th July 2021 in the newspapers for information of all the concerned persons.

Though the company had cancelled 50,62,872 shares which were surrendered for cancellations, Register of Members continues to carry the name of these shareholders (the shares are blocked for any right whatsoever), for the disposal of the application of cancellation of these shares filed with Stock Exchanges. The matter is still pending.

g)i) The company convened its 38th Annual General Meeting ('AGM') on 28th September 2023 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) Approval of remuneration paid/ payable to Mr. Sushil Suri (DIN: 00012028) as the Chairman & Managing Director from 1st April 2023 to 19th October 2023, and c) Re-appointment of Mr. Sushil Suri (DIN: 00012028) as the Chairman & Managing Director.

ii) The company also convened an Extra Ordinary General Meeting ('EGM') on 18th March 2024, at 11.30 a.m. through video conferencing and sought consent of members to issue equity shares of ₹2 each, at a premium based on the price calculated as per SEBI (ICDR) Regulations, 2018, as amended, aggregating to up-to ₹350,00,00,000/-.

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 were 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.

- 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 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: F003573F001047165
PR UIN-11994DE052200

Place: New Delhi
Date: 27th August, 2024

For PD and Associates
Company Secretaries

Praveen Dua
Proprietor
FCS : 3573; CP -2139,
UDIN: F003573F001047165
PR UIN-11994DE052200

Place: New Delhi
Date: 27th August, 2024



ANNEXURE 'C-1'

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amended time to time]

To,
The Members,
Dr. Morepen Limited

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

Based on our verification of the company' books, papers, minutes 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 the Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended 31st March, 2024, 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 hereafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended 31st March, 2024, according to the provisions of:

- i. Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder **(Not applicable during the period under review)**;
- iii. The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder
- 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

(Not applicable during the period under review);

- 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; **(Not applicable during the period under review)**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; **(Not applicable during the period under review)**

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; **(Not applicable during the period under review)**

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable during the period under review)**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021, as amended; **(Not applicable during the period under review)**

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; and **(Not applicable during the period under review)**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended; **(Not applicable during the period under review)**;

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

- i. Secretarial Standards with regard to the Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered by the Company **(Not applicable during the period under review)**.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with the 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.
- Adequate notice is given to all the Directors to schedule the Board Meeting, agenda and

detailed notes to agenda were sent seven days in advance 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.

- All the decisions have been carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

We further report that 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.

We further report that during the audit period the company has-

Convened an Extra-Ordinary General Meeting on 5th March, 2024 to take the consent of members of the Company for extension of warrant exercise period for subscription of 1,01,69,875 (One Crore One Lakh Sixty Nine Thousand Eight Hundred Seventy Five) fully convertible warrants of ₹30/- each to be converted into one equity shares of ₹10/- each, on preferential basis.

For Ajay. K. & Associates
Company Secretaries
Firm Registration No. I2013DE1069100

Ajay Kumar
Proprietor
FCS: 11019; C.P. No.12344
Peer Review Certificate No. 1936/2022
UDIN : F011019F001056481

Place: New Delhi
Date: 27th August, 2024



ANNEXURE 'D'

To,
The Members,
Dr. Morepen Limited

Our Secretarial Audit Report of even date, for the Financial Year 2023-2024 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and

procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Disclaimer

4. 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.
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For Ajay. K. & Associates
Company Secretaries
Firm Registration No. I2013DE1069100

Ajay Kumar
Proprietor
FCS: 11019, C.P. No. 12344
Peer Review Certificate No. 1936/2022
UDIN: F011019F001056481

Place: New Delhi
Date: 27th August, 2024

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 nd 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	-	01/04/2023 - 31/03/2024
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	-	₹102,22,71,416 INR
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	-	Standalone basis
14	Name of assurance provider	-	Not Applicable
15	Type of assurance 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 and marketing of pharmaceutical products	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 products	210	100%

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#	6
International	0	1*	1

#corporate office at Gurugram and registered office at Baddi, Himachal Pradesh.

*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?

41.47%

c. A brief on types of customers

The company serves customers on both a business-to-business (B2B) and business-to-consumer (B2C) basis.

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)
EMPLOYEES						
1.	Permanent(D)	1087	974	89.60%	113	10.40%
2.	Other than Permanent(E)	34	25	73.53%	9	26.47%
3.	Total employees (D+E)	1121	999	89.12%	122	10.88%
WORKERS						
4.	Permanent(F)	536	499	93.10%	37	6.90%
5.	Other than Permanent(G)	942	847	89.92%	95	10.08%
6.	Total workers (F+G)	1478	1346	91.07%	132	8.93%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No.(C)	%(C/A)
Differently Abled Employees						
1.	Permanent(D)	0	0	0	0	0
2.	Other than Permanent(E)	0	0	0	0	0
3.	Total Differently abled employees (D+E)	0	0	0	0	0
Differently Abled Workers						
4.	Permanent(F)	0	0	0%	0	0
5.	Other than Permanent(G)	1	1	100%	0	0
6.	Total Differently abled workers (F+G)	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	7	1	14.29%
Key Management Personnel	4	-	-

22. Turnover rate for permanent employees and workers

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.84%	11.41%	12.71%	32.50%	23.50%	31.67%	26.00%	9.70%	24.40%
Permanent Workers	1.35%	0.00%	1.22%	3.10%	0.00%	2.84%	2.20%	5.60%	2.50%

(During the year, 242 employees have been moved from Morepen Laboratories Limited to Morepen Rx Limited due to hiving off of formulation business of Morepen Laboratories Limited to Morepen Rx Limited, a Wholly Owned Subsidiary of Morepen Laboratories Limited, was not taken into consideration while calculating the turnover rate.)

V. Holding, Subsidiary and Associate Companies (including joint ventures)
23. (a) 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? (Yes/No)
1.	Dr. Morepen Limited	Wholly Owned Subsidiary	100	All Policies / practices to the extent relevant are also applicable in conformity with the applicable laws
2.	Morepen Devices Limited	Wholly Owned Subsidiary	100	No
3.	Morepen Rx Limited	Wholly Owned Subsidiary	100	No
4.	Morepen Bio Inc.	Wholly Owned Subsidiary	100	No
5.	Total Care Limited	Subsidiary	95	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) : Yes
 (ii) Turnover (in ₹) - INR 15,29,43,38,000
 (iii) Net worth (in ₹) - INR 889,02,43,000

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)	2023-24			2022-23		
			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	www.morepen.com	-	-	-	-	-	-
Investors (other than shareholders)	Yes	www.morepen.com	-	-	-	-	-	-
Shareholders	Yes	www.morepen.com	-	-	-	-	-	-
Employees and workers	Yes	www.morepen.com	-	-	-	-	-	-
Customers	Yes	www.morepen.com	-	-	-	-	-	-
Value Chain partners	Yes	www.morepen.com	-	-	-	-	-	-
Other (please specify)	Yes	www.morepen.com	-	-	-	-	-	-



26. Overview of the entity's material responsible business conduct issues

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)
Environmental					
1.	Climate Change (GHG Emissions)	Risk	<p>Non-compliance with stricter environmental regulations could lead to significant fines and operational shutdowns.</p> <p>Extreme weather events, such as floods and heatwaves, can disrupt supply chains and damage infrastructure.</p> <p>Variability in temperature can affect the storage and transportation of temperature-sensitive pharmaceutical products, leading to higher energy consumption and costs.</p> <p>Water scarcity, exacerbated by climate change, can impact water-intensive manufacturing processes, causing production disruptions and increased costs for sourcing alternative water supplies.</p> <p>Disruptions in energy supply due to climate impacts on energy infrastructure can lead to power outages affecting manufacturing operations.</p> <p>Overall operating costs may increase due to the need for compliance with stricter environmental regulations, investment in cleaner technologies, and adaptation measures.</p>	<p>To address climate change risks, Morepen will be adhering to environmental regulations through robust compliance programs and management systems, investing in climate-resilient infrastructure, and diversifying supply chains.</p> <p>For temperature-sensitive products, advanced cooling systems and real-time monitoring are crucial and would be implemented by Morepen.</p> <p>Adoption of Water-efficient technologies and renewable energy sources would help mitigate water scarcity and energy disruptions. Finally, investing in cleaner technologies and exploring incentives ensure cost management</p> <p>Adoption of Biofuels for Utilities in the manufacturing process, cleaner fuels for mobility, carbon offsets, Sustainable Supply Chain</p>	Negative
2.	Waste Management & Sustainable Packaging	Opportunity	<p>Environmental Impact Reduction: Implementing waste management strategies minimizes pollution and reduces the environmental footprint of pharmaceutical manufacturing</p> <p>Consumer Perception and Social Responsibility: Adopting sustainable practices enhances brand reputation and appeals to</p>	Not Applicable	Positive

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)
			<p>socially conscious consumers.</p> <p>Cost Savings and Efficiency: While initial investment may be needed, long-term cost savings and efficiencies can result from reduced material usage and waste disposal costs</p> <p>Promoting Circular Economy in products & services - Use of recycled packaging for products, Packaging designed for efficient recycling, Reduce the plastic packaging in the products can result in reduction of waste generation and Environmental footprints of Morepen</p>		
3.	Energy Management	Opportunity	<p>Cost Savings and Efficiency: Implementing effective energy management practices & can result in significant cost savings through reduced energy consumption and optimized processes</p> <p>Environmental Responsibility: Embracing sustainable energy practices demonstrates the company's commitment to environmental stewardship, aligning with consumer preferences and regulatory standards.</p> <p>Resilience and Risk Mitigation: Diversifying energy sources and improving energy efficiency enhances the company's resilience to energy supply disruptions and price fluctuations, reducing operational risks.</p>	Not Applicable	Positive
4.	Water management	Opportunity	<p>Resource Efficiency: Implementing water management strategies allows companies to optimize water usage, reducing waste and conserving this valuable resource. This efficiency can</p>	Not Applicable	Positive



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)
			<p>lead to cost savings and improved operational performance.</p> <p>Resource Conservation: Creation of water recharge structures (RWH) & Water storage structure thereby reducing the load on the ground water for fresh water consumption. Rejuvenation of Ponds/ Lakes by adopting them under the CSR program will overall improve the reputation of the organization & Compliance to CSR program.</p> <p>Risk Mitigation: Effective water management helps mitigate the risks associated with water scarcity, quality issues, and regulatory compliance. By identifying and addressing potential risks, companies can ensure uninterrupted operations and safeguard their reputation.</p> <p>Environmental Stewardship: Demonstrating a commitment to responsible water management enhances the company's environmental reputation and social license to operate. It aligns with stakeholder expectations and contributes to broader sustainability goals.</p> <p>Resilience to Climate Change: Climate change poses significant challenges to water availability and quality. Companies that proactively manage water resources are better positioned to adapt to climate-related disruptions, ensuring long-term resilience and business continuity.</p>		
5.	Sustainable Supply Chain	Opportunity	<p>Cost Reduction: Implementing sustainable practices in the supply chain can lead to cost reductions through improved efficiency, waste reduction, and resource optimization.</p>	Not Applicable	Positive

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)
			<p>Risk Management: Building a sustainable supply chain enhances resilience by reducing vulnerability to disruptions such as resource scarcity, natural disasters, and regulatory changes. Diversifying suppliers and implementing robust risk management strategies can mitigate these risks and ensure business continuity.</p> <p>A sustainable supply chain can enhance brand reputation and customer loyalty.</p>		
Social					
1.	Health, safety and the well-being of employees	Opportunity	<p>Increased Productivity: By investing in workplace health and safety measures, companies can reduce absenteeism, presenteeism, Insurance costs and turnover, leading to improved overall productivity and performance.</p> <p>Enhanced Reputation and Employer Brand: Prioritizing employee health, safety, and well-being demonstrates a commitment to corporate social responsibility and ethical business practices. This can enhance the company's reputation as an employer of choice, attracting top talent and improving employee retention.</p> <p>Reduced Healthcare Costs: Promoting employee health and well-being can lead to lower healthcare costs for both the employer and the employees. By providing access to preventive care, wellness programs, and ergonomic workspaces, companies can reduce the incidence of workplace injuries and illnesses, as well as chronic health conditions.</p> <p>Improved Employee Engagement and Morale: By</p>	Not Applicable	Positive



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)
			<p>fostering a culture of health and well-being, companies can boost employee morale, motivation, and loyalty, leading to higher levels of engagement and job satisfaction.</p> <p>Legal Compliance and Risk Mitigation: Ensuring compliance with health and safety regulations not only protects employees from harm but also mitigates legal and financial risks for the company. By implementing robust safety protocols, training programs, and emergency response plans, companies can reduce the likelihood of workplace accidents, injuries, and lawsuits.</p>		
2.	Community Engagement	Opportunity	<p>Enhanced Reputation and Trust: Engaging with local communities demonstrates corporate social responsibility and a commitment to making a positive impact beyond business operations.</p> <p>Access to Talent and Markets: Building strong relationships with local communities can provide access to a pool of talent for recruitment and partnerships.</p> <p>Risk Mitigation: By proactively addressing community issues and building mutually beneficial relationships, companies can mitigate risks related to regulatory compliance, reputation, and social license to operate.</p> <p>Long-Term Sustainability: Investing in community engagement builds resilient and sustainable communities, which are essential for long-term business success.</p> <p>Benefit of the community – where CSR project is being executed</p>	Not Applicable	Positive

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)
3.	Product Quality and Safety	Risk	<p>Reputation Damage: Negative publicity and loss of consumer trust can lead to decreased sales, market share, and investor confidence, impacting the company's bottom line and long-term viability.</p> <p>Legal and Regulatory Compliance: Failure to meet quality and safety standards can result in legal action, fines, and penalties. Non-compliance with regulations can lead to costly litigation, regulatory investigations, and damage to the company's credibility with regulators and stakeholders</p> <p>Health and Safety Risks: Products that do not meet quality or safety standards pose risks to consumer health and safety. Incidents of product-related injuries or illnesses can have serious consequences for both consumers and the company, including lawsuits, damage to brand reputation, and regulatory scrutiny.</p>	<p>Morepen would be investing in customer feedback mechanisms, employee training, and collaboration with regulatory authorities to mitigate reputation damage, financial losses, and legal liabilities associated with product recalls and safety incidents.</p> <p>Prioritizing consumer health and safety in product design and manufacturing processes, strengthening supplier relationships, and diversifying supply chain sources further enhances resilience against disruptions.</p> <p>Differentiating products through a focus on quality, safety, and sustainability, coupled with ongoing innovation and stakeholder engagement, helps maintain market competitiveness while promoting long-term viability and sustainability.</p>	Negative
4.	Social Regulatory Compliances	Risk	<p>Legal and Financial Penalties: Non-compliance with social regulations can lead to legal action, fines, penalties, and settlements.</p> <p>Reputational Damage: Violations of social regulations can damage the company's reputation and brand image. Negative publicity, consumer backlash, and social media scrutiny can erode trust and loyalty among customers, investors, and other stakeholders, leading to long-term reputational harm.</p> <p>Loss of Market Access: Non-compliance with social regulations may result in restrictions or bans on product sales, market access, or</p>	<p>Implementing robust compliance programs, engaging stakeholders transparently, and proactively managing risks. This includes conducting regular audits, risk assessments, and employee training to ensure adherence to regulations.</p> <p>Open communication and transparency with stakeholders build trust, while proactive risk management identifies and addresses compliance issues promptly.</p> <p>Investing in social responsibility initiatives and seeking legal counsel further strengthen compliance efforts.</p>	Negative



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)
			government contracts. This can limit the company's growth opportunities and competitive advantage.		
Governance					
1.	Corporate Governance and Business Ethics	Risk	<p>Financial Mismanagement: Weak corporate governance structures or unethical behaviour can lead to financial mismanagement, fraud, and corruption within the organization. This can result in financial losses, misallocation of resources, and decreased shareholder value, undermining investor confidence and credibility.</p> <p>Conflicts of Interest: Inadequate governance practices may give rise to conflicts of interest among company directors, executives, and stakeholders. Conflicts of interest can compromise decision-making processes, hinder transparency, and create risks of favouritism, nepotism, or insider trading, harming the company's integrity and fairness.</p>	<p>Establish robust governance frameworks, including clear roles and oversight mechanisms, to ensure transparency and accountability.</p> <p>Comprehensive ethics training and a culture of integrity are essential to raise awareness and promote ethical behaviour among employees</p> <p>Implementing stringent financial controls, conflict-of-interest policies, and independent board oversight helps prevent mismanagement, fraud, and conflicts of interest.</p> <p>Additionally, whistleblower protection mechanisms encourage reporting of unethical behavior without fear of retaliation, fostering a culture of transparency and accountability within the organization.</p>	Negative
2.	Regulatory Compliances	Opportunity	<p>Market Access and Expansion: Complying with regulations allows companies to access new markets and expand their operations globally</p> <p>Risk Management and Stability: Compliance with regulations helps companies mitigate legal, financial, and operational risks. By proactively identifying and addressing regulatory requirements, companies can avoid penalties, lawsuits, and reputational damage, ensuring business continuity and stability.</p> <p>Access to Capital and</p>	Not Applicable	Negative

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)
			Investment: Investors and lenders often prioritize companies with strong regulatory compliance records and ethical business practices.		
3.	Cyber-security/ Data Privacy & Security	Risk	<p>Data Breaches: Cyberattacks and data breaches can compromise sensitive information, including customer data, financial records, and intellectual property. Unauthorized access to data can result in financial losses, reputational damage, and legal liabilities, undermining customer trust and confidence in the company.</p> <p>Regulatory Non-Compliance: Failure to comply with data protection regulations such as GDPR (General Data Protection Regulation) or CCPA (California Consumer Privacy Act) can result in fines, penalties, and legal consequences. Non-compliance with regulatory requirements not only poses financial risks but also damages the company's reputation and credibility.</p> <p>Business Disruption: Cybersecurity incidents, such as ransomware attacks or denial-of-service (DoS) attacks, can disrupt business operations, leading to downtime, productivity losses, and revenue interruptions.</p>	<p>Robust cybersecurity measures, including firewalls, encryption, and intrusion detection systems, must be established to safeguard sensitive information.</p> <p>Regular security assessments and employee training on cybersecurity best practices are essential to prevent data breaches resulting from human error.</p> <p>Developing incident response plans and testing business continuity and disaster recovery strategies help minimize the impact of cybersecurity incidents on business operations.</p> <p>Collaborating with cybersecurity experts and law enforcement agencies enhances threat intelligence sharing and incident response capabilities, bolstering overall cybersecurity resilience.</p>	Positive
4.	Intellectual Property and Innovation	Opportunity	<p>Market Differentiation: Intellectual property protection allows companies to differentiate their products and services in the market, creating barriers to entry for competitors. Patents, trademarks, and copyrights can help companies establish a unique identity, build brand recognition, and attract customers.</p>	Not Applicable	Negative



5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We have streamlined the data requirements for each principle in the fiscal year 23-24 and we will share the targets in next year report
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We have streamlined the data requirements for each principle in the fiscal year 23-24 and we will share the performance against the targets in next year report 24-25.
Governance, leadership and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Our company is committed to making healthcare accessible globally by producing, researching, and distributing affordable generic medicines. Our core values-integrity, excellence, participative decision-making, societal and environmental concern, fairness, and transparency-reflect our dedication to sustainability. We pledge to reduce our carbon footprint, promoting circular economy through the prudent use of natural resources and renewable energy, recycling and reuse of the resources positively impacting the environment. We have streamlined our reporting data in this year's report and are setting targets to be reported on from FY 24-25 onwards, extending sustainable practices to our value chain.
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.	Mr. Sanjay Suri, Whole-Time Director, has been entrusted with the authority to oversee all aspects of BRSR (Business Responsibility and Sustainability Reporting). He is responsible for ensuring the formulation and execution of policies, setting targets against BRSR principles, reviewing performance, and managing the company's environmental impact, social responsibility, and governance practices. His role ensures that the company upholds its commitment to sustainability and ethical practices in these areas.

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
	No	No	No	No	No	No	No	No	No
The independent assessment is not applicable to us, but we internally review the working of the above policies.									

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)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

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	P1 to P9	100.00
Key Managerial Personnel	6	During the FY 2023-24, the KMPs underwent various trainings and reviews on integrity, ethics, environment, POSH, business strategy, human rights, community development covering P1 to P9	100.00
Employees other than BoD and KMPs	118	During FY 2023-24 employees other than BODs and KMPs were given training on ethics, POSH, business responsibility, community development, safety, employee benefits etc. covering P1 to P9	66.67
Workers	37	Workers were given training on safety, employee benefits, time management etc. covering P3 & P8	100.00



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	-	-
Settlement	NIL	NA	NIL	-	-
Compounding fee	NIL	NA	NIL	-	-

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	-	-
Punishment	NIL	NA	-	-

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.

Company upholds the highest standards of integrity and ethical conduct, with a zero-tolerance policy towards corruption and bribery. This policy applies to all employees, officers, directors, and associated individuals, prohibiting any bribes or inducements to gain an unfair advantage. Compliance with anti-corruption laws, including FERA, Anti Money Laundering, FCPA, and Bribery Act, is mandatory. Employees must report any potential violations without fear of retaliation, and violations may result in severe disciplinary action or legal consequences. The policy has been provided to all employees and is also available for viewing at <https://www.morepen.com/investors>.

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 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of conflict of interest of the KMPs	0	0	0	0

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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	103	86

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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases (INR Lakhs)	16497.31	15470.16
	b. Number of trading houses where purchases are made from	94	64
	c. Purchases from top 10 trading houses as % of total purchases from trading houses (INR Lakhs)	9772.65	10249.77
Concentration of Sales	a. Sales to dealers / distributors as % of total sales (INR Lakhs)	87871.43	63297.08
	b. Number of dealers / distributors to whom sales are made	1612	1278
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors (INR Lakhs)	50600.99	38107.41
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases) (INR Lakhs)	99.69	122.74
	b. Sales (Sales to related parties / Total Sales) (INR Lakhs)	16455.62	4153.01
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	d. Investments (Investments in related parties / Total Investments made) (INR Lakhs)	703.24	5.00

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
NIL		

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, our code of conduct refrains our Board Members and Senior Management to be involved in any activities where conflicts of interest arise or may arise, that includes disclosing any material financial transactions involving personal interests to the competent authority. They must not attend meetings discussing related party contracts and anticipated conflicts should be disclosed in writing to the Board of Directors or Chairman & Managing Director for further directions.



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 2023-24 (Current Financial year)	FY 2022-23 (Previous Financial year)	Details of improvements in environmental and social impacts
R&D	-	-	-
CAPEX	-	-	-

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

b. If yes, what percentage of inputs were sourced sustainably?
100%

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.

Since, the company is engaged in pharmaceutical sector, we do not reclaim products for reusing, recycling and disposing them at the end of their life However, we have waste management systems in place at all our facilities.

Plastics	100% equivalent amount of plastic waste is collected through waste management agency and coprocessed, recycled and/or converted to energy.
E-Waste	100% e-waste is sold to authorized vendors.
Hazardous waste	We channelized 84% of hazardous waste for recycling and co-processing.
Others	Non-hazardous waste such as glass, MS scrap, wood waste, boiler ash etc. is sent to authorized recyclers or to brick manufacturers.

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, our plastic waste collection plan is in line with the (EPR) targets allocated to us by Central Pollution Control Board (CPCB) and the activities related to compliance with the targets are ongoing. We also file annual returns to update on the achievement.

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?

We have not yet conducted Life Cycle Assessments (LCA) for our products, but we are committed to implementing this important process in subsequent years. Our goal is to enhance sustainability and environmental responsibility through comprehensive life cycle study of our products.

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 we have not yet conducted Life Cycle Assessments (LCA) for our products, we are aware of significant social and environmental concerns associated with our production and disposal processes through other assessment methods. To address these concerns, we have implemented measures such as reducing waste, enhancing recycling efforts, and minimizing emissions. We are committed to further identifying and mitigating these risks through LCA initiatives in the coming years to ensure a more sustainable and responsible approach.

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	
	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Solvents	70.11%	65.29%

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

	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	29.00	57.00	0	0	15.00
E-waste	0	0	0.04	0	0	0.17
Hazardous waste	0	2564.03	571.57	0	1290.71	229.29
Other waste	0	0	0	0	0	0

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
Since the Company is engaged in pharmaceutical sector, we do not reclaim products for reusing. We dispose the waste generated for recycling through authorized recyclers of CPCB/ SPCB.	

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)
Permanent employees											
Male	974	377	38.71%	915	93.94%	0	0%	24	2.46%	0	0%
Female	113	59	52.21%	111	98.23%	11	10%	0	0%	0	0%
Total	1087	436	40.11%	1026	94.39%	11	1%	24	2.21%	0	0%
Other than permanent employees											
Male	25	25	100.00%	25	100.00%	0	0%	0	0%	0	0%
Female	9	9	100.00%	9	100.00%	0	0%	0	0%	0	0%
Total	34	34	100.00%	34	100.00%	0	0%	0	0%	0	0%

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

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)
Permanent workers											
Male	499	172	34.47%	499	100.00%	0	0%	8	1.60%	0	0%
Female	37	3	8.11%	37	100.00%	0	0%	0	0.00%	0	0%
Total	536	175	32.65%	536	100.00%	0	0%	8	1.49%	0	0%
Other than permanent workers											
Male	847	800	94.45%	378	44.63%	0	0%	0	0%	0	0%
Female	95	87	91.58%	85	89.47%	0	0%	0	0%	0	0%
Total	942	887	94.16%	463	49.15%	0	0%	0	0%	0	0%



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

	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.34%	0.33%

2. Details of retirement benefits, for current FY and previous financial year

Benefits	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	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	98.57%	100.00%	Y	96.37%	80.56%	Y
Gratuity	99.73%	100.00%	Y	80.15%	57.81%	Y
ESI	16.93%	67.69%	Y	41.66%	30.20%	Y
Leave Encashment	20.77%	39.51%	Y	0.00%	0.00%	Y

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, we are driven by our "Equal Employment Opportunity for Persons with Disabilities Policy" and all our manufacturing facilities and the corporate offices of the company are equipped with rails, ramps, wheelchairs and elevators to enable easy movement. Our offices feature elevators and infrastructure designed to accommodate differently abled individuals. Similarly, the manufacturing processes in our plants are located either on the ground floor or are accessible via lifts for differently abled individuals. Additionally, wheelchair-accessible restrooms are available at our 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, our HR policies are in line with the Rights of Persons with Disabilities Act, 2016 that promotes equal opportunities. We strive to ensure all facilities, technologies, information, and privileges are accessible to employees with disabilities and encourage them to apply. Employment decisions, career progression, training, and benefits are based on merit, with inclusive evaluations and accommodations provided; employees who acquire a disability can return to work at the same rank or be reskilled for another position at the same or higher rank. The policy is accessible at <https://www.morepen.com/investors>.

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	100.00%	100.00%	100.00%	100.00%
Female	87.50%	83.33%	0.00%	-
Total	96.88%	96.00%	80.00%	100.00%

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, if an employee or worker issue is observed, it is first reported verbally to the immediate supervisor who will attempt

to resolve it. If serious, the matter is escalated to the Manager of Operations, recorded, and sent to the SPT for root cause analysis and action, with records maintained and reviewed by management, ensuring transparency and accountability.

	Grievance mechanism available?	If yes, provide details
Permanent Workers	Yes	Refer to Grievance Redressal Policy available at: www.morepen.com/investors
Other than Permanent Workers	Yes	Refer to Grievance Redressal Policy available at: www.morepen.com/investors
Permanent Employees	Yes	Refer to Grievance Redressal Policy available at: www.morepen.com/investors
Other than Permanent Employees	Yes	Refer to Grievance Redressal Policy available at: www.morepen.com/investors

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

Category	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	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)
Total Permanent Employees	1087	0	0%	713	0	0%
Male	974	0	0%	645	0	0%
Female	113	0	0%	68	0	0%
Total Permanent Workers	536	0	0%	464	0	0%
Male	499	0	0%	429	0	0%
Female	37	0	0%	35	0	0%

8. Details of training given to employees and workers:

Category	2023-24 (Current Financial Year)				2022-23 (Previous Financial Year)					
	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. I	% (C/A)		No. I	% (E/A)	No. (F)	% (F/A)
Employees										
Male	999	999	100%	999	100%	645	645	100%	645	100%
Female	122	122	100%	122	100%	68	68	100%	68	100%
Total	1,121	1,121	100%	1,121	100%	713	713	100%	713	100%
Workers										
Male	1,346	1,346	100%	1,346	100%	429	429	100%	429	100%
Female	132	132	100%	132	100%	35	35	100%	35	100%
Total	1,478	1,478	100%	1,478	100%	464	464	100%	464	100%



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

Category	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	999	999	100%	1,074	1,074	100%
Female	122	122	100%	111	111	100%
Total	1,121	1,121	100%	1,185	1,185	100%
Workers						
Male	1,346	1,346	100%	429	429	100%
Female	132	132	100%	35	35	100%
Total	1,478	1,478	100%	464	464	100%

10. Health & Safety Management System

- 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. It includes regular safety audits, emergency preparedness plans, incident reporting, and continuous improvement measures to promote a safe and healthy work environment. We shall also seek to implement ISO 45001 in all our manufacturing facility in the subsequent years.
- 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 engaging in hazard reporting systems help in identifying and mitigating risks for both routine and non-routine tasks.
- Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks**
Yes, workers can report work-related hazards through formal channels such as hazard reporting systems or safety suggestion boxes. Workers are trained to recognize, and report risks immediately to their supervisors or safety officers. If facing immediate danger, workers have the right to remove themselves from the hazardous situation and seek guidance from their safety team for resolution.
- 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:

Safety Incident/Number	Category	2023-24	2022-23
		(Current Financial Year)	(Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	1.40	0
Total recordable work-related injuries	Employees	0	0
	Workers	8	0
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.

A safe and healthy workplace is one where entity support and promote health and safety at work. We have a EHS policy that continually strives towards EHS excellence and emphasize strongly to create a safe and healthy workplace for its employees and protect the environment. We comply with all local regulations and conducts regular safety trainings for employees and workers that promotes the safety culture in our company.

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

	FY 2023-24			FY 2022-23		
	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	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessments for the year:

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

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.

We have a well-established strategy and procedure for ensuring health & safety of our employees and workers are being maintained at the highest level. Our actions are driven by our Environment, Health & Safety (EHS) policy where an assessment is conducted before undertaking any project and provide comprehensive trainings. There were no significant risks/concerns identified from the health and safety assessments undertaken during the year.

Leadership Indicators

- 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, company provides life insurance or a compensatory package to employees to ensure financial support for their families in the event of death. Similarly, it extends similar benefits to workers, reflecting a commitment to their well-being and security both on and off the job.
- 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 implemented rigorous monitoring and auditing processes to ensure that statutory dues are accurately deducted and deposited by value chain partners. This includes requiring regular compliance reports and conducting periodic reviews to verify adherence to legal and regulatory requirements.
- 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	
	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

- 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, company provides transition assistance programs to support continued employability and manage career endings due to retirement or termination, including career counseling, job placement services, and retirement planning.

5. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0
Working conditions	0



Currently we do not have a mechanism to assess the value chain partners but we are developing assessment mechanism for our value chain partners that assess them on different aspects of Environment, Social and Governance (ESG).

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.

We did not encounter any significant concerns arising from assessments of health and safety practices and working conditions of value chain partners. We would be taking up independent assessments of our value chain partners in coming years which will also include health & safety and working conditions of our 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.

To identify key stakeholder groups, the company has processes such as stakeholder mapping to categorize and prioritize stakeholders based on their impact and interest. Conducting surveys and interviews helps gather insights on stakeholders' concerns and expectations. Additionally, analyzing internal and external environments identifies relevant groups and their influence on the entity's operations. Regularly reviewing and updating stakeholder lists ensures ongoing relevance and engagement.

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	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	No	<ul style="list-style-type: none"> Email Website E-commerce Platforms 	On-going	Gathering feedback on products and services, address concerns, and provide updates on new developments. The key areas of interest are- <ul style="list-style-type: none"> Product satisfaction & safety concerns Product responsibility Cost competitiveness
2	Consumers, i.e. B2C	No	<ul style="list-style-type: none"> Email Website In-person meetings Virtual meetings 	On-going	Ensuring Quality services. The key areas of interest are- <ul style="list-style-type: none"> Product quality Cost competitiveness Product reach
3	Shareholders/ Investors	No	<ul style="list-style-type: none"> Email Website Investor presentations Annual Quarterly Reports, Earning calls 	Quarterly/ Event based	Providing financial performance updates, strategic direction and address share-holder queries. The key areas of interest are- <ul style="list-style-type: none"> Company financial performance Business strategy Corporate Governance Regulatory disclosures

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
4	Government authorities	No	<ul style="list-style-type: none"> Email In-person meetings Submissions 	Event based	Ensuring compliance and prevent any potential non-compliance. The key areas of interest are- <ul style="list-style-type: none"> Timely disclosures Regulatory compliance
5	Local Community	Yes	<ul style="list-style-type: none"> Community meetings Website Through NGO 	On-going	Addressing concerns, provide information on environmental impact, and promote community health initiatives through CSR projects. The key areas of interest are- <ul style="list-style-type: none"> Community development programs Upliftment of vulnerable and marginalized group
6	Employees	No	<ul style="list-style-type: none"> Email Town Hall 	On-going	Providing company updates, address employee concerns, and gather feedback. The key areas of interest are- <ul style="list-style-type: none"> Work conditions Career development Company policies & benefits
7	Supplier/Vendor	No	<ul style="list-style-type: none"> Email In-person meetings Virtual meetings 	On-going	Understanding business requirements quality standards, and address vendor concerns. The key areas of interest are- <ul style="list-style-type: none"> Payment terms Product quality Supply chain collaboration



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 ensures transparent communication with their stakeholders as they are the key driving force towards strengthening our relationship. We ensure access to relevant information about our decisions without hindering the confidentiality of the information. We continuously engage with our stakeholders through different mechanism as described above and these communications are driven by our senior management. We are planning to set up a process for regular consultations between stakeholders and the Board on economic, environmental, and social topics, with structured feedback mechanisms ensuring stakeholder inputs are reviewed and addressed by the Board. If consultations are delegated, a comprehensive summary of feedback will be provided to the Board for informed decision-making.

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.

We are planning to set up a sustainability committee in FY 24-25, whose responsibility will be to address ESG issues. Stakeholder consultation is a key component in identifying and managing environmental and social topics. For instance, inputs from stakeholders have led to the incorporation of more stringent waste management practices and the implementation of energy-efficient technologies in our operations. This ongoing dialogue ensures that our policies and activities align with stakeholder expectations and contribute to our sustainability goals.

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

We have recognized our community members as a vulnerable and marginalized stakeholder group and Corporate Social Responsibility (CSR) policy and initiatives help us to engage with our communities and understand their concerns. We regularly conduct need assessments to identify and prioritize focus areas for the community development. As part of its commitment, the company has undertaken diverse CSR initiatives encompassing healthcare, rural development projects, women empowerment, environmental conservation, sanitation, and drinking water projects.

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 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (c)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	1087	0	0%	1073	0	0%
Other than permanent	34	0	0%	0	0	0%
Total Employees	1121	0	0%	1073	0	0%
Workers						
Permanent	536	0	0%	576	0	0%
Other than permanent	942	0	0%	829	0	0%
Total Employees	1478	0	0%	1405	0	0%

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

Category	FY 2023-24 (Current Financial Year)				FY 2022-23 (Previous Financial Year)					
	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)
Employees										
Permanent	1087	304	27.97%	784	72.13%	713	0	0%	713	100%
Male	974	260	26.69%	714	73.31%	645	0	0%	645	100%
Female	113	43	38.05%	70	61.95%	68	0	0%	68	100%
Other than Permanent	34	9	26.47%	25	73.53%	75	0	0%	75	100%
Male	25	7	28.00%	18	72.00%	70	0	0%	70	100%
Female	9	2	22.22%	7	77.78%	5	0	0%	5	100%

Workers										
Permanent	536	0	0%	536	100.00%	464	0	0%	464	100%
Male	499	0	0%	499	100.00%	429	0	0%	429	100%
Female	37	0	0%	37	100.00%	35	0	0%	35	100%
Other than Permanent	942	301	31.95%	641	68.05%	829	0	0%	829	100%
Male	847	300	35.42%	547	64.58%	745	0	0%	745	100%
Female	95	1	1.05%	94	98.95%	84	0	0%	84	100%

3. Details of remuneration/salary/wages:

a. Median remuneration/ wages:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	2	3,04,55,004	0	0
Key Managerial Personnel	2	1,73,35,311	0	0
Employees other than Board of Directors and KMP	970	4,56,315	113	4,60,840
Workers	499	3,21,417	37	4,94,251

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

	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	10.96%	10.67%

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)

Human Rights department is responsible for addressing human rights impacts and issues caused or contributed to by the business. Human Rights department ensures that human rights concerns are systematically identified, evaluated, and managed. It oversees the implementation of relevant policies, facilitate stakeholder consultations, and ensure that any human rights issues are addressed transparently and effectively. Regular reports and updates are provided to senior management and the board to ensure accountability and continuous improvement.

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

Human Rights department addresses human rights grievances, this includes a clear and confidential reporting process accessible to all stakeholders. These mechanisms ensure timely and fair investigation of complaints, with outcomes communicated transparently. Regular training and awareness programs are conducted to inform employees and stakeholders about their rights and the grievance procedures. Additionally, there is a system for monitoring and evaluating the effectiveness of grievance redressal processes to ensure continuous improvement.

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

	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	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	Nil	1	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour/Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil



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

	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as a % of female employees/ workers	0	0.68%
Complaints on POSH upheld	0	1

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

In accordance with the company's Vigil Mechanism / Whistle Blower Policy, mechanism to prevent adverse consequences for complainants in discrimination and harassment cases include confidential reporting channels, thorough and impartial investigations, and immediate corrective actions to address issues. The company ensures that complainants are protected from retaliation or any negative impact on their employment status, with support services such as counseling and legal advice available. Regular training is provided to staff to foster a respectful workplace culture and reinforce these protections.

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

No, we will add the above clause in the agreements in the subsequent financial years.

10. Assessments for the year:

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

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

We are in the process of conducting assessment on the above topics and would report on the significant risks and concerns arising in the reports of upcoming years.

Leadership Indicators

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

In response to addressing human rights grievances and complaints, we have modified our business processes to include comprehensive training on human rights for all employees, established a confidential reporting system for grievances, and implemented stricter oversight and audit mechanisms. These changes ensure that human rights are respected and protected throughout our operations.

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

While the company did not undertake any formal Human Rights due diligence during the reporting period, we remain committed to upholding human rights across all our operations. Plans are underway to implement a comprehensive due-diligence process in the near future. Our ongoing efforts include internal assessments and stakeholder consultations to identify and address potential human rights concerns.

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, the premises and offices of the entity are accessible to differently abled visitors, in compliance with the Rights of Persons with Disabilities Act, 2016. We have implemented necessary modifications such as ramps, elevators, and accessible restrooms to ensure ease of access. Our commitment is to create an inclusive environment for all visitors. Regular audits are conducted to ensure ongoing compliance and accessibility.

4. Details on assessment of value chain partners:

While we have not yet conducted a formal assessment of our value chain partners on issues such as Sexual Harassment, Discrimination at the Workplace, Child Labour, Forced or Involuntary Labour, and Wages, we are committed to upholding high ethical standards. We plan to implement comprehensive assessments in the future to ensure compliance and address any concerns in these areas. Our aim is to foster a responsible and ethical value chain.

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

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

Not Applicable

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 2023-24 (GJ)	FY 2022-23 (GJ)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	1747.08
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	1747.08
From non-renewable sources		
Total electricity consumption (D)	83,218.06	65,554.72
Total fuel consumption (E)	28,1306.19	1,74,247.21
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	3,64,524.25	2,39,801.93
Total energy consumed (A+B+C+D+E+F)	3,64,524.25	2,41,549.01
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) KJ / L INR	2.38	1.81
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) KJ / L INR	54.53	41.38
Energy intensity in terms of physical output*	-	-

*Due to the complexity of our products, we are not disclosing the intensity as per production volume as a single unit for this financial year. We have initiated processes to capture this information and will disclose it in FY 2024-25.

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.

None of our sites/facilities comes under PAT scheme as Designated Consumers.


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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	94,209	91,232
(iii) Third party water	12,729.5	9,146.5
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,06,938.5	1,00,378.5
Total volume of water consumption (in kilolitres)	61,139.05	53,506.85
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) KL / L INR	0.3998	0.4007
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) KL / L INR	9.146	9.167
Water intensity in terms of physical output	-	-

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.

4. Provide the following details related to water discharged:

Parameter	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment - please specify level of treatment	45,656.000	46,820.000
(v) Others		
- No treatment	-	-
- With treatment - please specify level of treatment	143.450	51.650
Total water discharged (in kilolitres)	45,799.450	46,871.650

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

Yes, all our manufacturing facility are Zero Liquid Discharge (ZLD). The company has adopted reduce, reuse, recycle and recharge strategy to conserve water. Process and domestic wastewater is treated in a full flashed ETP plant consisting of primary (Stripping, MEE & ATFD), secondary and tertiary treatment with two stage R.O with polisher system. Treated process wastewater is recycled in utilities as cooling towers. Domestic waste water is treated and used for gardening.

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

Parameter	Please specify unit	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
NOx	Metric Tonnes	54,73,139.02	7141793.94
Sox	Metric Tonnes	2977479.54	2433825.23
Particulate matter (PM)	Metric Tonnes	6673570.52	14490459.44
Persistent organic pollutants (POP)	Metric Tonnes	0.00	0.00
Volatile organic compounds (VOC)	Metric Tonnes	0.00	0.00
Hazardous air pollutants (HAP)	Metric Tonnes	0.00	0.00

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

Parameter	Unit	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	31,403.01	17,576.05
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	16,412.46	12,928.85
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	T CO ₂ e / L INR	0.31	0.23
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)	T CO ₂ e / L INR	6.86	5.02
Total Scope 1 and Scope 2 emission intensity in terms of physical output*		-	-

*Due to the complexity of our products, we are not disclosing the intensity as per production volume as a single unit for this financial year. We have initiated processes to capture this information and will disclose it in FY 2024-25.

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

Yes, we have replaced 3 X 36 Watt CFL lamps with 36 Watt LED Lights at our Labs (Total Qty. 50 Nos.), thus getting saving of 15768 KWH Units per year and less CO₂ GHG Gas emission of qty 11.20 Ton/Year.



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

Parameter	2023-24 (Current Financial year)	2022-23 (Previous Financial year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1.144	1.162
E-waste(B)	0.047	0.170
Bio-medical waste (C)	0.038	0.072
Construction and demolition waste (D)	-	-
Battery waste (E)	-	0.648
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	3,506.460	3,159.293
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Total (A + B + C + D + E + F + G + H)	3,507.689	3161.345
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations) kg / L INR	22.930	23.670
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	524.740	541.620
Waste intensity in terms of physical output	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	231.540	2.170
(iii) Other disposal operations	583.940	379.600
Total	815.480	381.770

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.

- We are recycling the 50 Ltrs THF in each batch of LN8 after distillation in SRP.
- We are recycling the 400 Ltrs Toluene in each batch of LG02N after distillation in SRP.
- We are recycling the 140 Ltrs RM 807 in each batch of LG03N after distillation in SRP.
- We are recycling the 400 Ltrs Acetone in each batch of OL05 after distillation in SRP.
- Our plant has consistently scaled up its waste management practices by reducing generated quantities and directing waste to authorized Treatment , Storage and Disposal Facilities (TSDF). We have dedicated storage area for different type of waste. Spent solvent generated during the manufacturing of APIs are either recovered and used locally or transferred to registered recyclers. Promoting process improvement to improve the yield of the product and in turn reducing the waste generated.

- All types of waste are labelled , stored and disposed as per applicable rules.
- Promoting process improvement to improve the yield of the product and in turn reducing the waste generated.
- Waste management process is handled by BMS team and DLF have an authorized vendor - Green Motive Facilities

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:

We do not carry out any operations in ecologically sensitive areas. Additionally, we do not have any offices or plants located in those areas.

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:

Yes, the company is compliant with all applicable environmental law/regulations/guidelines in India. There have no cases of non-compliances with environmental laws during the reporting year.

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): Not Applicable, none of our sites are in water stress areas.

For each facility / plant located in areas of water stress, provide the following information: Not Applicable

- (i) Name of the area : Not Applicable
- (ii) Nature of operations : Not Applicable
- (iii) Water withdrawal, consumption and discharge in the following format: Not Applicable

Parameter	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (Optional)-the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)	-	-



(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	-	-
Total water discharged (in kilolitres)	-	-

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

Parameter	Unit	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	We would be calculating our scope 3 emissions in the upcoming years	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emissions intensity (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.

Not Applicable, none of our manufacturing facilities are in ecologically sensitive areas.

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
-	-	While the company not yet undertaken specific initiatives or employed innovative technologies to improve resource efficiency or reduce the impact of emissions, effluent discharge, or waste generation, we are committed to exploring and implementing such solutions in the future. Our focus will be on identifying effective strategies and technologies that align with our sustainability goals. We are dedicated to enhancing our environmental performance and will provide updates on any future initiatives and their outcomes.	-

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

Company has formulated business continuity and disaster management plan to ensure uninterrupted operations and safeguard stakeholders. The plan includes comprehensive risk assessment to identify potential threats, such as natural disasters, pandemics, and supply chain disruptions. Company has established protocols for crisis communication, ensuring timely and accurate information dissemination to employees, partners and customers.

Our strategy encompasses the development of contingency plans for critical functions, including production, distribution, and IT systems. We have designated a crisis management team responsible for coordinating response efforts and maintaining operational resilience. Regular training and simulation exercises are conducted to prepare employees for emergency situations.

Additionally, we maintain strategic stockpiles of essential raw materials and finished products to mitigate supply chain risks. Our facilities are equipped with advanced safety systems and backup power supplies to ensure operational continuity. Continuous monitoring and review of our plan ensure it remains effective and up-to-date, aligned with industry best practices and regulatory requirements.

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.

We would be assessing our value chain partners in the upcoming years.

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

While the company has not yet conducted a formal assessment of our value chain partners for environmental impacts, we are committed to implementing this important process in the future. Our aim is to ensure that our value chain aligns with our environmental sustainability goals, and we plan to establish comprehensive assessment protocols to achieve this.

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.

Four

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	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	PHD Chamber of Commerce and Industry	National
3	Confederation of Indian Industry	National
4	Delhi Chamber of Commerce	State

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.

NIL, we have not received any adverse orders from regulatory authorities on any issues related to anti- competitive conduct.

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Not Applicable					


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.

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					

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

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						

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

We have established a Grievance Redressal Mechanism for the local community and panchayats. The mechanism to receive and redress community grievances include establishing accessible and transparent reporting channels, such as hotlines, online platforms, or community liaison officers. The entity conducts prompt and impartial investigations into grievances and ensures timely and effective resolution. Regular community meetings and feedback sessions are held to engage with stakeholders and address their concerns. The process includes documenting and tracking grievances to monitor trends and improve practices continuously.

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

Category	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	1.83%	1.81%
Directly from within India	39.79%	45.03%

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	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Rural	25.72%	23.03%
Semi-Urban	40.89%	44.17%
Urban	7.48%	8.90%
Metropolitan	25.91%	23.91%

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):

Not Applicable, as we have not conducted any Social Impact Assessment in the reporting Financial Year.

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

In the reporting period, the company did not undertake any CSR projects in the designated aspirational district.

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

No, but we work with marginalized or vulnerable groups.

- (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
	-	-	-	-

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	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
A Promoting healthcare including preventive healthcare			
1	Healthcare facility to community, aid to dispensary, and running charitable dispensary	2020	Vulnerable- 28% Marginalized- 15%
2	Help to Needy facing health issues	2	Vulnerable- 100% Marginalized- 0%
3	Construction of Toilets in the school	45	Vulnerable- 5% Marginalized- 10%
4	Providing dustbins	412	
B Promoting education			
1	Skill development / apprenticeship training	650	Vulnerable- 3% Marginalized- 25%
2	Infrastructure to schools	1230	Vulnerable- 17% Marginalized- 22%
3	Financial Aid to Children	6	Vulnerable- 100% Marginalized- 0%
4	Financial support to engage teaching staff	215	Vulnerable- 15% Marginalized- 25%
5	Drinking Water Facility in School	330	Vulnerable- 30 % Marginalized- 10%
C Rural Transformation			
1	Installation of Solar streetlights	505	Vulnerable- 30% Marginalized- 25%
2	Construction of community hall	300	Vulnerable- 10% Marginalized- 15%
D Conservation of natural resources maintaining quality			
1	Waste management & environment awareness	575	Vulnerable- 30% Marginalized- 20%
2	Promoting environment awareness	40	Vulnerable- 5% Marginalized- 5%
3	Social Forestry & Tree plantation	Various	NA
E Promoting Rural Sports			
1	Infrastructure development, equipment for sports training and promoting rural sports	250	Vulnerable- 12 % Marginalized- 5%
F Others			
1	Musical Instrument to Mahila Mandal	60	Vulnerable- 37% Marginalized- 20%
2	Financial Aid to Widows	11	Vulnerable- 50 % Marginalized- 50%


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.

The company has developed a robust mechanism and customer complaint procedures to receive the consumer complaints and feedback and thereafter resolve the grievances. We have a dedicated marketing department that looks into all the grievances from the consumers and do their best to promptly resolve in an efficient manner. The complaint is received at the registration unit and then prioritized based on severity of the complaint. The next step is to acknowledge the complaint, and a formal response is shared containing an expectation of when they will receive a response, and the person dealing with it. The Turn-around-Time (TAT) for all the complaints is 72 hours for urgent and 3 weeks for non-urgent and a final resolution is communicated to the customer within the stipulated time.

We are also in the process of obtaining ISO 9001 across the locations that requires companies to develop an effective consumer grievance redressal mechanism and there under that we would be developing a more robust system for the consumer grievances.

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

Category	As a percentage of total turnover
Environmental and social parameters relevant to the product	0
Safe and responsible usage	100
Recycling and/or safe disposal	0

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

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	37771	0	Product quality related complaints	34672	0	Product quality related complaints

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

Category	Number	Reasons for recall
Voluntary recalls	-	NA
Forced recalls	-	NA

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, our company has a policy that refers to the cyber security and risks related to data privacy. The policy can be accessed from the website of the company i.e. www.morepen.com/investors

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 applicable

7. Provide the following information relating to data breaches:

- Number of instances of data breaches - 0
- Percentage of data breaches involving personally identifiable information of customers - 0%
- 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>

Diagnostic division <https://www.morepen.com/homehealth>

Finished formulations <https://www.morepen.com/formulations>

In addition to the above, diagnostic division products are also available at various e-commerce platforms, Flipkart and Amazon.

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

The company guarantees that every product is equipped with a label containing crucial information about its use. This label provides users with essential instructions, guidelines, and precautions. It generally includes the product name, ingredient list, usage directions, recommended dosage or application, storage guidelines, safety measures, and any relevant warnings or disclaimers. Such detailed labeling is vital for consumers to use the product correctly, maximize its benefits, and prevent any potential risks or misuse.

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

The company abide by the relevant laws/regulations, it will inform to the consumers about any risk of disruption/ discontinuation of essential services.

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)

All the information which are required to be provided as per applicable laws are mentioned. We have not carried out any survey with regards to consumer satisfaction.



ANNEXURE 'E'

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company

The CSR policy of the company is designed to actively contribute to the socio-economic development of the communities in which it operates, emphasizing ethical and sustainable business practices. The primary focus areas include healthcare initiatives, such as preventive healthcare programs and medical camps. Education is another key area, with efforts directed towards providing scholarships, improving school infrastructure, and offering adult education and skill development programs. Environmental sustainability is prioritized through conservation of natural resources, waste management, and reducing carbon footprints. Rural development is supported via agricultural programs, infrastructure projects, and livelihood enhancement initiatives.

The company is committed to maintaining ecological balance by protecting biodiversity, and conserving water and soil. Implementation of these activities is overseen by a dedicated CSR committee. Regular monitoring and evaluation of projects ensure transparency and effectiveness, with an annual CSR report detailing activities, expenditures, and impacts. A specific budget allocation from the company's profits is dedicated to CSR. The CSR policy reflects the company's long-term vision for sustained community and environmental 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)	3	3
2	Mr. Bhupender Raj Wadhwa	Independent Director (Member)	3	3
3	Mr. Praveen Kumar Dutt	Independent Director (Member)	3	3

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/pdf/AnnualActionPlan-23-24.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) : ₹10,432.47 Lakh

(b) Two percent of average net profit of the Company as per section 135(5): ₹208.65 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: ₹6.01 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 2023-24]

(e) Total CSR obligation for the financial year [(5(b) + 5(c) - 7(d))]: ₹202.64 Lakh

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹220.36 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)] : ₹220.36 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
220.36	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)	208.65
(ii)	Total amount spent for the Financial Year	220.36
(iii)	Excess amount spent for the Financial Year[(ii)-(i)]	11.71
(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)]	11.71

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 : 27th August, 2024



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 31st March 2024]

A. CONSERVATION OF ENERGY

1) Energy Conservation measures taken:

- Installation of New 83 TR VFD Controlled Brine Chiller and hence replaced 3 X 30 TR reciprocating type Chillers (Saving of approx. 438000 Units / Year).
- Installed Efficient UPS (2 X 10 KVA, getting 94% loading capacity) in place of Old inefficient UPS (2 X 5 KVA) (loading factor is less i.e. 80% only) (Saving of approx. 12200 Units / Year).
- Installed new automated Hot Water Generator System and hence get steam condensate recovery at Boiler and thus getting less fuel consumption (Reduction of approx. 2% fuel per Year).
- Installed New 36-Watt LED Lights (50 Nos.) in place CFL Lights (3 X 36-Watt fittings) from ARD & Other Labs (Saving of approx. 15700 Units / Year).
- Power factor improvement more than 0.996 in comparison with power factor 0.985 of previous years.
- Step wise Replacement of IE2 motors with IE3 motors continued during the year.
- Continued the automation of condensate recycling process to maintain feed water tank temperature.
- Continued the replacement of Worm reduction gearboxes with Helical Gearboxes.

2) Impact of measures taken:

15.38 percent consumption reduction in Units/Kg. production against previous year ending March 31, 2023.

3) Steps taken for utilizing alternate source of energy:

- Installation underway of LPG fuel Boiler to replace LSHS fuel Boiler at Masulkhana site.
- Installed biomass fuel (renewable and sustainable) fired boiler to replace old pet coke fired boiler.

- Installed new MEE & ATFD for the treatment of effluent and thus recycling 60 percent to 70 percent of wastewater. Around 50KL wastewater is recycled per day, and the same used at Cooling towers.
- Evaluation of Solar power plant for Baddi Plant.

4) Reduction in Green House Gases emission:

- After completion of the above Energy Conservation projects, we will reduce Green House Gas (GHG) emission of approx. 400 Ton CO₂ per year.
- After completion of the LPG Boiler Project at API manufacturing location, Masulkhana, CO₂ GHG emission will get reduced.

5) Capital investment on energy conservation equipment:

The Capital investment in energy conservation equipment made during the year is at ₹350.00 Lakhs.

B. TECHNOLOGY ABSORPTION (R&D)

1) Efforts made towards technology absorption:

The modernization and upgradation of its machines and the processes has been a continuous journey for any industry and your company is doing its best in the available resources across all business segments. It is increasingly building up its Research and Development (R&D) capabilities to speed up its growth trajectory and produce world class products. The continuous efforts put in by company have helped the company to register its presence in delivery of Formulations products and capture more products and territories in API markets and also deliver good quality medical devices at affordable cost. The key areas and efforts undertaken for development/improvements of technologies of various APIs are as under:

- Development of Nintedanib Esylate in pulmonary fibrosis category, cost effective

Vortioxetine Hydrobromide Route- II in Anti-psychotic category were completed.

- Development of Technology for Trelagliptin Succinate in anti-diabetic category was completed.
- Development of Technology for Tafamidis Form I in transthyretin amyloid cardiomyopathy category was completed.
- Development of technology for Resmetirom New polymorph in Nonalcoholic Steatohepatitis (NASH) category was completed.
- Development of technology for Ticagrelor in anti-platelet category was completed.
- Development of technology for Bilastine in anti-histaminic category was completed.
- Development of technology for Imeigliin Hydrochloride in Anti-diabetic category was completed.
- Development of technology for Tapentadol Hydrochloride in Opioid Analgesic category was completed.
- Scaling up of technology for anti-diabetic category drugs, Dapagliflozin and Sitagliptin Phosphate Monohydrate, Anti-Ulcer category drug Vonoprazan Fumarate, Antihistaminic Drug Fexofenadine its KDMF was filed with South Korea.
- The CADIFA was filed for anti-lipemic category, Atorvastatin in Baddi plant.
- CADIFA Certificate of Montelukast Sodium is granted by ANVISA
- The DMF was filed with 23 European Countries (Austria, Belgium, Denmark, Finland, Ireland, Norway, Spain, Portugal, Sweden, Netherlands, Croatia, Cyprus, Czech Republic, Estonia, Greece, Latvia, Lithuania, Poland, Slovak Republic, Italy, Bulgaria, Slovenia & Romania), United Kingdom, and Australia for anti-diabetic drugs, Linagliptin.
- The DMF was filed with health Canada and 10 EU countries (Hungary, Malta, Bulgaria, Czech Republic, Latvia, Poland, Romania, Slovakia, Austria & Croatia) for anti-coagulant drug, Edoxaban Tosylate Monohydrate.
- The Anti-coagulant drugs ASMF, Apixaban is

approved in 10 EU countries, (Denmark, Austria, Germany, Greece, Hungary, Malta, Poland, Portugal, Spain and France).

- The Active substance master file (ASMF) was got Active status for Anti-diabetic, Sitagliptin phosphate monohydrate from CDE China.
 - Vortioxetine HBr Active Substance Master File (ASMF) is filed with 05 European Countries (Denmark, Austria, Greece, Malta & Spain)
 - Cost-effective enzymatic processes using green chemistry explored for Sitagliptin and USDMF is updated with Enzymatic route.
 - Development of Technology for Resmetirom in NASH category was completed.
 - Development and Transfer of Technology for Bilastine, in Antihistaminic category and Brexpiprazole in Anti-Depressant category were completed. Process validation of Ticagrelor in Antiplatelet Category, was completed. Their DMF filing is planned for the current year.
- ##### 2) New Formulations Developed and commercialized in different therapeutic categories.
- Commercialized Anticoagulant, Ticagrelor 90mg Film coated tablet.
 - Commercialized Anticoagulants, Rivaroxaban Tablets 10 mg & 20 mg
 - Commercialized Antihistamine, Montelukast 10 and Bilastine 20 mg Tablets.
 - Commercialized Antigastric, Omeprazole 20mg & 40 mg Capsules.
 - Commercialized antidiabetic tablets, Linagliptin 5 mg Tablets.
 - Commercialized antidiabetic tablets, Linagliptin 2.5 mg and Metformin 1000 mg Tablets.
 - Commercialized NSAID tablets, Paracetamol 325 mg, Diclofenac Sodium 50 mg and Caffeine anhydrous 15 mg Tablets.
 - Commercialized NSAID tablets, Paracetamol 500, Diclofenac Sodium 50 mg, Chlorpheniramine Maleate 4 mg and Magnesium Trisilicate 100 mg Tablets.
 - Commercialized antidiabetic tablets,



Ursodeoxycholic acid 300 mg Tablets (Uncoated Tablets).

3) New Formulations Developed in different therapeutic categories (Domestic market).

- Citicoline 500mg and Piracetam 800mg Tablets
- Linagliptin Tablets 5 mg
- Ticagrelor 90mg film coated tablets
- Rivaroxaban 10mg, 15mg & 20mg film coated tablets.
- Montelukast 10mg and Bilastin 20mg film coated tablets
- Sodium bicarbonate tablets USP 1000 mg
- Silodosin capsules 4mg & 8mg
- Pregabalin & Nortriptyline tablets (75mg & 10mg)
- Gabapentin & Nortriptyline 400mg & 10mg Tablets
- Milk of magnesia+ Liquid paraffin suspension (11.25mg & 3.75mg/15 ml)
- Milk of magnesia+ Liquid paraffin + Sodium picosulfate suspension (3.75 + 1.25 & 3.33mg/5ml)
- Oxcarbazepine Tablets USP 150mg, 300mg & 600mg
- Bisacodyl GR Tablet 5mg
- Bilastin Tablet 20mg
- Enalapril Maleate Tablet 2.5mg
- Resmetirom Tablets- 60mg, 80mg & 100mg (Under Stability)
- Vortioxetine Tablet 5mg, 10mg & 20mg (Under Stability)

4) New Formulations Developed in different therapeutic categories (US market).

- Montelukast film coated Tablets USP 10mg.
- Atorvastatin film coated Tablets USP 80mg.
- Dimenhydrinate taste masked granules.
- Product under stability (US Market)
- Sitagliptin film coated tablets 25mg, 50mg & 100mg
- Linagliptin film coated tablets 5mg

- Atorvastatin film coated tablets USP 80mg, 40mg, 20mg & 10mg

5) Product under stability (US Market)

- Sitagliptin film coated tablets 25mg, 50mg & 100mg
- Linagliptin film coated tablets 5mg
- Atorvastatin film coated tablets USP 80mg, 40mg, 20mg & 10mg

6) Development under progress

- Potassium chloride ER capsules 8Meq & 10Meq.
- Potassium chloride ER Tablets 10Meq, 15Meq & 20 Meq.
- Edoxaban tablets 15mg, 30mg & 60mg.
- Divalproex Sodium ER tablet 500 mg
- Rosuvastatin, Valsartan and Metformin HCl (ER) Tablets- 10+80+750mg, 20+80+750mg, 10+160+750mg and 20+160+750mg.
- Dapagliflozin, Linagliptin and Metformin HCl (ER) Tablets- 5+5+500mg, 5+5+1000mg, 10+5+500mg and 10+5+1000mg.

7) Product under stability (ROW Market)

- Rosuvastatin Tablets USP 5mg, 10mg, 20mg & 40mg
- Montelukast tablets 10mg
- Desloratadine tablets 5mg
- Atorvastatin Tablets USP 80mg, 40mg, 20mg & 10mg
- Vildagliptin film coated tablets 50mg
- Vildagliptin and Metformin Tablets 50mg & 500mg
- Rivaroxaban tablets 10mg, 15mg & 20mg

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

The company is growing across all business segments by offering world class products at the competitive prices for its API range of products across the globe, in domestic markets for medical devices, formulation and OTC business. By working on latest machines and processes on the strength of its R&D capabilities, operations of the company is getting more remunerative

helping company to strengthen its position to deliver better products at competitive prices. It has contributed to the company's competitive advantage and also reinforces its reputation as a reliable and innovative supplier in the pharmaceutical industry.

By virtue of its consistent focus on quality delivery, the company has maintained its competitive edge and has built up its image as reliable supplier of quality drugs. It is bound by its philosophy of investment in R&D activities in its areas of operations comprising of API business, finished dosages business and OTC business.

The benefits brought out by aforesaid efforts including new product development, product improvement, cost reduction, greener technologies and import substitution etc. are detailed hereunder:

- Indian patent application entitled "Novel processes for the preparation of amorphous Edoxaban Tosylate (Spray drying)" was granted by Indian Patent office as IN439892.
- Indian patent application entitled "Novel processes for the preparation and purification of Rivaroxaban and its Intermediates" is granted by Indian Patent office as IN450942.
- Indian patent divisional application entitled "Improved processes for highly pure Fexofenadine Hydrochloride and its Intermediates" is granted by Indian Patent office as IN453021.
- Indian patent application entitled "Novel processes for the preparation of Crystalline Dapagliflozin Propanediol Monohydrate" is granted by Indian Patent office as IN460549.
- Indian patent application entitled "Novel processes for the preparation of Amorphous Apixaban" is granted by Indian Patent office as IN469623.
- Indian patent application entitled "Novel processes for the preparation of Amorphous Empagliflozin" is granted by Indian Patent office as IN471557.
- Indian patent application entitled "Improved processes for the preparation of Edoxaban Tosylate and its Intermediates" is granted by Indian Patent office as IN476779.

- Indian patent application entitled "Improved Process for the preparation of Loratadine Intermediate "8-chloro-11-(1-methylpiperidin-4-ylidene)-6, 11-dihydro-5H-benzo[5,6] cyclohepta [1,2-b] pyridine" for the removal of "8-chloro-11-(1-methylpiperidin-4-yl)-6, 11-dihydro-5H-benzo[5,6]cyclohepta[1,2-b]pyridin-11-ol" is granted by Indian Patent office as IN482819.
- Indian patent application entitled "Novel processes for the preparation of Amorphous Linagliptin" is granted by Indian Patent office as IN487700.
- Indian patent application entitled "Processes for preparation of Crystalline Empagliflozin" is granted by Indian Patent office as IN487996.
- Indian patent application entitled "Improved process for the preparation of Ertugliflozin L-Pyroglutamate and its Intermediates" is granted by Indian Patent office as IN489250.
- Indian patent application entitled "Novel processes for the preparation of Crystalline Empagliflozin" is granted by Indian Patent office as IN499745.
- Indian patent application entitled "New polymorphic form M1, M2, M3 of Linagliptin and novel processes thereof and form XXII & Form C" is granted by Indian Patent office as IN501589.
- Indian patent application entitled "Novel processes for the preparation of Crystalline Empagliflozin" is granted by Indian Patent office as IN514584.
- Indian patent application entitled "Novel amine salts and amide derivatives of various active pharmaceutical ingredients" is granted by Indian Patent office as IN523318.
- Indian Patent application titled "Improved process for the preparation of Vortioxetine Hydrobromide" was filed as 202311041014.
- Indian Patent application titled "Process for the purification of Nintedanib" was filed as 202311046895.
- Indian Patent application titled "Process for the preparation of Rivaroxaban Intermediate" was filed as 202311056361.



ANNEXURE 'G'

FORM AOC - 2

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

(a) 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.
(b) Nature of contracts/arrangements/transactions	Employment contract
(c) Duration of the contracts/arrangements/transactions	–
(d) 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 nd January 2024.
(e) Justification for entering into such contracts or arrangements or transactions	Strategic, financial, or operational benefits to API business.
(f) Date of approval by the Board	31 st January 2024
(g) Amount paid as advances, if any	Nil
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not required

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

No material contracts or arrangements or transactions were entered by the company with any related party, during the period under review.

- Indian Patent application titled "Improved process for the preparation of Vortioxetine Hydrobromide β form" was filed as 202311088731.
- Indian Patent application titled "Process for the purification of Bilastine" was filed as 202411006039.
- Indian Patent application titled "Process for the purification of Ticagrelor" was filed as 202411011176.
- Indian Patent application titled "Process for the purification of substituted Pyridazinone intermediate" was filed as 202411014900.
- Indian Patent application titled "Process for the purification of substituted Pyridazinone compound" was filed as 202411018116.
- Indian Patent application titled "Process for the preparation and purification of Crystalline Pyridazinone compound" was filed as 202411025945.

9) 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 Enzalutamide, Palbociclib in Anti-Cancer Category, Upadacitinib for Rheumatoid Arthritis Category, are to be considered for development.

- New drugs like Cariprazine hydrochloride in Anti-psychotic category, Cenobamate in anti-convulsant category, Vericiguat for systolic heart failure, Mavacamten for abnormally thick heart muscles, Vibegron for treatment of overactive bladder & Fezolinetant to treat menopausal symptoms are considered of development for current year.

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

Morepen continues to work on upgradation of machines and process technologies, including their imports from other countries. However, in the current year no spending has been made on import of technology.

11) Expenditure incurred on Research and Development (R&D)

The Company has incurred a total expenditure of Rs. 1438.83 Lakhs, in comparison to expenditure of Rs. 949.45 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 Financial Statements under note no. 31.

For and on behalf of Board of Directors

Sushil Suri
(Chairman & Managing Director)
DIN: 00012028

Place: Gurugram, Haryana
Date: 27th August, 2024

For and on behalf of Board of Directors

Sushil Suri
(Chairman & Managing Director)
DIN: 00012028

Place: Gurugram, Haryana
Date: 27th August, 2024

ANNEXURE 'H'

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL PHARMACEUTICAL SCENARIO

The global pharmaceutical market (Formulations & APIs) has demonstrated consistent growth, achieving a CAGR of 4.8% from US\$ 1,173B in CY18 to US\$ 1,480B in CY23 and estimated to be US\$ 1,547B in 2024. The global pharmaceutical market is expected to reach US\$ 1,844B by CY28 growing at a CAGR of 4.5% over CY23-28, driven by evolving healthcare needs and technological advancements.

The Global pharmaceutical industry has experienced a rapid increase in the utilization of technology in recent years, due to various factors such as the recent COVID pandemic, novel therapeutic modalities, and innovative working methods including AI and Blockchain integration in research and developments. As a result, there have been significant developments in sourcing, production, and supply chain management.

The global pharmaceutical market sales remain dominated by developed regions like North America and Europe, these mature economies are characterized by significant investment in research and development. The global pharmaceuticals market is dominated by North America with a market share of 47%, followed by Europe at 24%, and the Asia Pacific region with 19% of the market share by value.

The global pharmaceutical market is set to grow due to an aging population, increased chronic disease prevalence, advanced therapies like gene therapies and biologics, rising demand for OTC drugs and wellness products, and the availability of affordable off-patent medications.

Recent trends in the global pharmaceutical industry, such as biopharmaceuticals growth, generics advancements, personalized medicine development, and innovations such as 3D printing of drugs are driving innovation and progress. They lead to enhanced medication accessibility and customized healthcare solutions.

The recent trends in global pharmaceutical industry include cell derived medicines due to their effectiveness in treating challenging conditions, increasing opportunities in biosimilars due to patent expiry, AI and digital solutions helping healthcare firms to handle huge data sets, production of small batches of medicines quickly, easy construction of complex formulations than conventional manufacturing processes and the creation of generics with complex active ingredients, formulations and delivery methods.

An increase in the prevalence of chronic diseases, demand for improved drug delivery systems, and patent expiry are creating opportunities for generic formulations, and advancements in drug delivery systems like nanotechnology and implants.

The global pharmaceutical formulation market has maintained steady growth, with a CAGR of 4.3%, increasing from US\$ 1,037B in CY18 to US\$ 1,280B in CY23, and is forecasted to reach US\$ 1,333B in

2024 and US\$ 1,567B by 2028, growing at a CAGR of 4.1% during the period CY23 to CY28. This growth is primarily driven by the introduction of innovative therapies, the expansion of existing treatment options, increasing demand for generic drugs, biologics, and personalized medicines, as well as an increased need for effective treatments and medications.

The seven key therapy areas including oncology, cardiology, anti-infectives, gastrointestinal, anti-diabetic, respiratory and neurology are estimated to account for 82% of the total global pharmaceutical formulations market in CY23. The oncology market reached US\$ 320B in CY23, with an anticipated CAGR of 5% from CY23 to CY28P due to the rise in demand for precision medicine such as targeted cancer care. Other sectors such as the cardiac and respiratory market have held steady growth over the years.

The global pharmaceuticals formulation market is dominated by the USA which takes up 45%, followed by EU5 (France, Germany, Italy, Spain, and the UK) which takes up 13% of the market share by value. The growth outlook of the global pharmaceutical formulation market presents diverse growth opportunities across different regions and subsegments.

In the USA, specialty pharmaceuticals are expected to drive growth, benefiting from advancements in biotechnology and personalized medicine. The EU5 market shows promise in biologics and biosimilars, driven by patent expirations and cost-effective healthcare solutions. In China oncology therapeutics, offer significant growth potential due to the rising incidence of cancer and government initiatives to improve healthcare infrastructure. In India, generics and over-the-counter medications dominate, catering to the large population's demand for affordable healthcare. In the rest of the world, vaccines and preventive healthcare solutions are gaining traction, driven by increasing awareness and government efforts to combat infectious diseases. These growth outlooks highlight the importance of understanding regional dynamics and tailoring strategies to capitalize on emerging opportunities in the global pharmaceutical landscape.

Increasing healthcare expenditure, the growing prevalence of lifestyle-related disorders such as obesity, and diabetes require lifelong medications & care, novel treatment methods, and increasing adoption of biopharmaceuticals are fuelling the growth of the global pharmaceutical formulations market.

A rising tendency to outsource formulations manufacturing is an emerging trend alongside existing industries transitioning into green and sustainable practices. The industry is seen to be drifting towards advancements such as immunotherapy and biologics.

DOMESTIC PHARMACEUTICAL MARKET

The Indian pharmaceutical market is currently ranked 3rd globally in terms of production volume. As the industry aims to enhance its global competitiveness, companies

are allocating substantial resources towards innovating new drugs and therapies. This is reflected through increased investments in Research and Development (R&D), increased generic drug manufacturing, and digital transformation to streamline operations and enhance patient experience.

Indian pharmaceutical market has seen a constant growth of 8.6% CAGR from FY18 to FY23 and is expected to grow at the rate of 8.1% CAGR from FY24 – FY28, to reach a market size of INR 709 K Cr in FY28. The pharmaceutical industry is one of the major contributors to India's economy, contributing highly to foreign exchange and major job opportunities. With an estimated market size of INR 521K crores in FY24, it boosts high annual trade. In 2023, pharmaceutical exports exceeded INR 180 K crores, which proved to be one of the country's highest shares in overall exports with APIs and branded generics accounting for 91% of the market share. The market is now moving its focus toward biosimilars, complex generics, and precision medicine.

India plays a vital role in supplying over 50% of Africa's generic drug requirements, 40% of the United States, and 25% of medical supplies in the United Kingdom. Additionally, India stands as the largest exporter of vaccines globally, accounting for over 60% of the market. The World Health Organization (WHO) relies on India for 70% of its vaccine requirements.

With the increasing population of the country over time, the need and demand for healthcare is rising rapidly. A high burden of diseases, good economic growth leading to higher disposable incomes, improvement in healthcare infrastructure, and many more are key drivers of growth for the Indian pharmaceutical market. Some of the major therapeutic segments in the formulations market include – cardiology, anti-infectives, gastrointestinal, anti-diabetic, respiratory, vitamins, minerals & nutrients, and more.

With the overall market growing at a steady CAGR of 9.6% from FY24-28, most of the therapy areas also show significant growth in the past five years. Cardiovascular drugs being one of the top therapy areas, have been projected to a CAGR of 8.1% in the next 4 years. Respiratory has registered the highest growth rate of 10.5% amongst all in the last 5 years and Dermatology with the highest CAGR for the coming 5 years with 7.1%.

Rising chronic diseases are creating higher demand for medicines and healthcare services resulting in pharmaceutical manufacturers create wider range of drugs and services. Increasing health insurance penetration and increase in affordability of medicines has raised demand for pharma products in the domestic markets. To diversify and de-risk supply chain, pharma companies are increasingly turning towards Indian manufacturers, shifting from longstanding reliance on China especially post Covid. The Productivity Linked Incentive (PLI) initiative of the government is expected to create massive job opportunities in domestic pharmaceutical industry.

India's medical devices market has expanded rapidly over the years, due to the spread of modern diagnosis and treatment options. The medical device industry plays a crucial role in the country's healthcare system, especially when it comes to the management, diagnosis, and prevention of all ailments, diseases, and impairments.

The Indian medical device market has grown from INR 54K Cr in FY18 to INR 95K Cr in FY23 at a CAGR of 12.0%. The medical device industry is estimated to grow to INR 117K Cr in 2024 and by 2028, the market in India is expected to grow to a value of INR 268K Cr at a CAGR of 23.0%. India ranks among the top 20 medical device markets worldwide and is the fourth-largest Asian market, behind China, Japan, and South Korea. Due to the strong growth impetus by the government of India in recent years, the medical devices sector has the potential to outgrow its counterparts in terms of size and scale.

MOREPEN'S STRATEGY

ACTIVE PHARMACEUTICAL INGREDIENTS (API)

The company continues to be world leader in Loratadine produced at its USFDA approved facilities situated at Masulkhana, Himachal Pradesh and Baddi, Himachal Pradesh. The company has achieved leadership position of being one of the largest suppliers of anti-asthmatic drug, Montelukast Sodium produced at its USFDA approved Masulkhana facility along with Desloratadine, another anti-histaminic drug. Both the facilities have been re-approved by the USFDA for various products such as Loratadine, Desloratadine, Fexofenadine in 2022. The Masulkhana plant also got approval from the prestigious PMDA of Japan in 2023.

The company occupies a prominent position in commercial production of blockbuster drugs Atorvastatin calcium, Rosuvastatin calcium of anti-hypercholesterolemic series, Fexofenadine Hydrochloride, Desloratadine of anti-histaminic series, Olmesartan of anti-hypertensive series & their intermediates produced in its USFDA approved facility at Baddi. After the recent approval of Fexofenadine by USFDA, Morepen has exporting large quantities of Fexofenadine to the US market, during the current year. Another prominent drugs Sitagliptin, Saxagliptin, Linagliptin, Vildagliptin of 'Gliptin' series and Empagliflozin, Ertugliflozin L-pyroglutamic acid, Dapagliflozin Propanediol, Amorphous Dapagliflozin, of 'Gliflozin' series are also produced in the Baddi facility to cater the requirement of various customers for formulation development and for the patent free countries. Morepen is also producing Vortioxetine hydrobromide, Brexpiprazole of Anti-depressant category, Ticagrelor of anti-platelet category & Vonoprazan fumarate of Anti-ulcerative category.

Morepen has also developed various new products such as Paliperidone Palmitate (Anti-Psychotic), Tafamidis Meglumine (Transthyretin stabilizer), Baricitinib & Tofacitinib citrate (Anti-arthritis), NintedanibEsylate (for Chronic fibrosis), Bilastine (anti-histaminic category), Tapentadol Hydrochloride (analgesic) and Trelagliptin succinate (Anti-diabetic). Morepen has commercialized



Apixaban Crystalline, Amorphous Apixaban, Edoxaban Tosylate, Rivaroxaban (anti-coagulant category), & Bempedoic acid (anti-lipemic category). Morepen is also developing some other recently approved new APIs in R&D like Finerenone (for chronic kidney disease), Resmetirom (for nonalcoholic steatohepatitis). Other new products to be considered for development are Cariprazine, Cenobamate, Vibegron, Vericiguat, Mavacamten etc.

The DMFs of Dapagliflozin, Sitagliptin Phosphate Monohydrate, Fexofenadine were filed with South Korea. The CADIFA was filed for Atorvastatin from Baddi plant. The DMF/ASMF was filed with 23 European Countries (Austria, Belgium, Denmark, Finland, Ireland, Norway, Spain, Portugal, Sweden, Netherlands, Croatia, Cyprus, Czech Republic, Estonia, Greece, Latvia, Lithuania, Poland, Slovak Republic, Italy, Bulgaria, Slovenia & Romania), United Kingdom, and Australia for Linagliptin. The DMF was filed with Health Canada and 10 EU countries (Hungary, Malta, Bulgaria, Czech Republic, Latvia, Poland, Romania, Slovakia, Austria & Croatia) for Edoxaban Tosylate Monohydrate. The DMF/ASMF of Vortioxetine HBr is filed with 05 European Countries (Denmark, Austria, Greece, Malta & Spain)

During last year the company was granted with a record thirteen process/ polymorph patents for various products such as amorphous Edoxaban, Rivaroxaban, Fexofenadine, Dapagliflozin, Amorphous Apixaban, Amorphous Empagliflozin, Loratadine, Linagliptin, Empagliflozin and Novel amine salts & amide derivatives. The company also filed Nine new process patent applications for Novel processes/ New Polymorphs for Vortioxetine hydrobromide, Nintedanib, Rivaroxaban, Vortioxetine HBr form Beta, Bilastine, Ticagrelor & RTM.

The company has filed 252 Drug Master Files (DMF) over the last many years, 26 USDMF, 11 CEP (Europe), 88 EDMF (European Drug Master File) in Europe, 9 China, Import Drug Licence (IDL) & 118 DMF in rest of world (RoW). Against 26 USDMF filed in the USA, 6 USDMF have been reviewed under the Generic Drug User Fee Act (GDUFA) of the USA. Out of 11, Certification of Suitability (CEP) filings made in Europe, 9 CEPs have been granted to the company to date. Morepen has a large and growing high value product portfolio led by regulatory approval in place with integrated manufacturing capacities for APIs company manufacturing, 155 processes/polymorph are filed to date. A total of 53 (India – 37, Foreign – 16) patents have been granted to the company till March 31, 2024.

FORMULATIONS AND HOME HEALTH DIAGNOSTICS

The medical devices business has registered an astounding growth of 35.36 percent during the current year and has regained its ground. We are excited about growth of this business for the coming years in the background of its well established position in the domestic markets and also made its visible presence on online channels. The customers have reposed a great deal of their faith on accounts of good product at affordable price and service centres available to service the end customers. Currently Blood Glucose measuring business and Blood

Pressure Monitor business majorly contribute to the total revenue growth of medical devices business. The company expects both these products holding on to their position, however other products like Thermometers, Stethoscope, Vaporizer, Digital weighing scale, Pregnancy Testing kits & others, will also expand their revenue in the coming years. During the five years ending March 31, 2024, the Blood sugar as well Blood pressure monitoring devices business have recorded a compounded annual growth rate (CAGR) of 30.07% and 28.59% respectively. On overall basis, during these 5 years, the devices business has recorded a compounded annual growth rate (CAGR) of 27.34%. The company has cumulatively sold 1.50 billion Gluco Strips as on close of the year under review, whereas Gluco monitors installations have crossed 11.60 million.

The Medical Devices business on the strength of deep in roads into Blood Gluco measuring and Blood Pressure Monitoring devices business offers huge revenue growth for the future. With greater emphasis on Make in India approach, the company is adding more and more products under this category and doing manufacture at its manufacturing facility in India. During the year process of in house mounting of bare Printed Circuit Board (PCB) was started which is a significant achievement. Injection Moulding capacity was enhanced with installation of more new machines. The production of more raw materials of Glucometer and Blood Pressure Monitors was started in house through backward integration.

The customers continue to display their confidence in the quality product offerings of the branded business, and we hope to grow consistently and profitability in the coming years as well.

The formulation business has also been consistent in recording its revenue growth for last four years, with a CAGR of 21.59 percent during last four years. During the current year a growth of 19.79 percent has been recorded. The institutional supply business having registered a revenue growth of 129.43 percent offers promising opportunity. The generics business with current year growth of 37.15 percent also presents stable profit contribution. The company, on the strength of expanding its customer base, now directly services the customers and thereby is reducing its reliance on low margin third party manufacturing. It will help the company the company to utilize its capacities for better margins business of trade and institutional sales. It will help the company to generate better margins.

INSTITUTIONAL, GENERICS AND CONTRACT MANUFACTURING

Generics business has registered a growth of 37.15 percent during the year at Rs. 8564.85 Lakhs. The institutional supply business having registered a revenue growth of 129.43 percent offers promising opportunity for business growth in the coming years. On the strength of company selling formulations directly to the business directly and registering better institutional revenues in the coming years, the current year contract manufacturing

business have come down by 22.49 percent. It augurs well for the company as the company is utilizing its capacities for better margins business i.e. formulation sales to trade and large institutions and can generate better margins instead of doing manufacturing on contract basis for some other pharma companies.

The efforts put in by company in the past are bearing fruits with all across growth and company will continue to work for the growth and expansion of its Diagnostics, Formulation and OTC business.

OPPORTUNITIES AHEAD

The recent population shift to urban areas and increasing accessibility of people to healthcare services has opened the doors for companies in the pharmaceutical industry to a broader target market. These emerging markets are becoming extremely important along with healthcare becoming a priority for governments in several countries, the pharmaceutical industry seems to have a bright future.

Further, the global pharmaceutical market is set to grow due to an aging population, increased chronic disease prevalence, advanced therapies like gene therapies and biologics, rising demand for OTC drugs and wellness products, and the availability of affordable off-patent medications.

The United States of America and Europe has made significant investments directed toward research and development. Over the last three years, there has been an increase in venture capital deal activity and investment flows. Emerging markets in Latin America and Asia-Pacific, including Brazil, China, and India, are witnessing rapid pharmaceutical industry expansion, fuelled by manufacturing and research operations shifting from developed markets.

In India, pharmaceutical organisations have been focusing on strengthening their internal product pipelines by investing in R&D and robust manufacturing capabilities.

The doubling of global population over 60 years from 12 percent to 22 percent by 2050 and two third of them from the low and low and middle-income nations, will present a opportunity from growth in pharmaceutical demand. Further 74 percent of global death are attributed to chronic illnesses, the cure of these will also generate fresh demand. Increased accessibility and more healthcare spending will be also key growth driver for the pharmaceutical industry.

Advanced therapies necessitating increased collaboration between pharmaceutical and research sector will fuel progress in advanced biologics, immune and gene therapies, offering patients new hope. Further Off patent drugs offer affordable access for middle and low income countries and will create opportunities for generic companies and partner CDMO firms.

The growing adoption of OTC and wellness drugs offering quick relief for common ailments and aligning with growing focus on wellbeing, also offers new opportunities.

Recent trends in the global pharmaceutical industry, such as biopharmaceuticals growth, generics advancements, personalized medicine development, and innovations such as 3D printing of drugs are driving innovation and progress. They lead to enhanced medication accessibility and customized healthcare solutions.

OUTLOOK ON THREATS, RISKS AND CONCERNS

For the pharmaceutical industry, it has become very essential to shift from a sales and marketing-focused model to an access-driven commercial model in order to tackle issues in the industry. There are several challenges like consumer attitudes, drug availability, affordability, policies of governments, which might not entirely be in the favor of pharma companies and pose challenges to the growth of the pharmaceutical industry.

Devising reliable market forecasts and enhancing the customer service levels, in the backdrop of inefficient demand forecasting remains a major challenge. Ensuring that all the goods are produced at the desired time and delivered seamlessly poses a big challenge to the pharma companies. Further analyzing shifting customer interests and fluctuating prices remains one of the very big hurdles faced by the pharmaceutical companies today. Therefore, it becomes important for the pharmaceutical industry players to ensure that new therapies are economically as well as clinically better than the alternatives. Besides, the increasing number of health issues is pushing the pharmaceutical industry players to provide promising solutions with the best quality and solutions to External challenges.

Further it is very important, to maintain product quality throughout the product's life cycle. It is challenging for pharmaceutical companies to identify the possible risks associated with a product or the processes used to manufacture, develop, and distribute the product. Many factors like rising customer expectations, policy reforms, and slowdowns in the biosimilars market are posing a threat to pharma companies. Keeping track of inventory, meeting constantly changing regulations, providing promising solutions with the utmost quality, and balancing risks associated with inventory shortages and gluts is very challenging for the long-term approach.

Regulatory hurdles, clinical trials complexities, and stringent safety requirements often lead to delayed drug development. This delays the availability of new and potentially life-saving treatments for patients, impacting healthcare outcomes and costs. The high cost of research and development, coupled with stringent regulatory requirements, drives up the price of pharmaceuticals. This results in expensive medications and reduced accessibility, which can burden healthcare systems and limit patient access to essential treatments.

Disparities in drug availability and affordability impact global health equity. Lower-income populations may struggle to access life-saving medications, exacerbating healthcare disparities.

The players in the industry are poised to witness tough



times due to digitization, which is changing the market landscape constantly along with the trends in the pharmaceutical industry.

FIXED ASSETS

Fixed Assets of the Company are generally well maintained and are in good condition.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's internal systems are adequate and commensurate with the size of operations. These controls ensure that transactions are duly authorized, recorded, and reported on time. They ensure that assets are safe guarded and protected against loss or unauthorized disposal.

The Internal Audit is carried out in different areas of your company's operations. Post-audit reviews were carried out to ensure that audit recommendations were implemented. Discrepancies and weaknesses, if any, found at various levels are timely and suitably addressed with a view to efficiently manage the company's valuable resources.

HUMAN RESOURCES

By recognizing the contribution of human capital and promoting fair and equal opportunity, is cornerstone for the success and growth of any company. With the adoption of just and equitable practices and rewarding the workforce judiciously, a positive work environment is being maintained. It has led to employee's participation in various activities of company and created growth path for the company.

The company maintains pleasant and peaceful interpersonal relationships among workers, staff, and officers in the spirit of collaborative efforts and effective teamwork. The individuals maintain harmonious relationship, leading to improved productivity and a stronger sense of solidarity within the company.

With total manpower strength of 3128 for group as a whole, having permanent payroll of 2152 as of March 31, 2024, your company provides employment to large no. of people and helps in nation building. The organization is built on solid foundation of mutual trust and invokes collective efforts and collaboration of cross section of its employees, enabling the company to offer quality products at competitive prices and be part of India growth story.

By continuing to uphold traditions of fair play, equal

opportunity, and value chain enhancement, your company is positioning itself for continued progress and success.

KEY FINANCIAL RATIOS

Key financial parameters as on 31st March 2024 on the basis of Standalone Financials for the year ending 31st March 2024 & 31st March 2023 respectively are as follows;

Particulars	FY 2024	FY 2023
Debtors Turnover (No. of days)	67	65
Inventory Turnover	4.40	3.85
Current Ratio	2.39	2.51
Debt Equity Ratio	0.03	0.03
Operating Profit Margin	11.34%	6.20%
Net Profit Margin	7.16%	3.44%
Net capital turnover ratio	1.74	1.72
Return on Capital employed	16.46%	7.98%
Return on investment	8.67%	4.18%

CAUTIONARY STATEMENT

It is important to acknowledge that the market data and information provided in reports are based on various sources, both published and unpublished. The company recognizes that the authenticity of such information cannot be guaranteed. It is prudent to consider this aspect when relying on the data for decision-making purposes. The management of the company reserves the right to reassess any analytical statements and take appropriate actions to maximize shareholders' value while fulfilling social and corporate obligations.

In the Management Discussions and Analysis Report, certain statements may be forward-looking statements, encompassing the company's objectives, strategies, estimates, expectations, predictions, future plans, and the projections. These statements are made in good faith, but it's important to note that actual results may differ due to various factors that may not align with the anticipated future performance and outlook presented in the report.

It is advisable to exercise caution and consider the inherent uncertainties when interpreting and acting upon forward-looking statements. Factors such as market conditions, regulatory changes, economic shifts, and other unforeseen events can impact the actual results of the company. Therefore, it is necessary to regularly reassess the situation and adjust strategies accordingly.

For and on behalf of Board of Directors

Sushil Suri
(Chairman & Managing Director)
DIN: 00012028

Place: Gurugram, Haryana
Date: 27th August, 2024

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 31st March 2024]

1. PHILOSOPHY ON CORPORATE GOVERNANCE

Our company is dedicated to upholding the highest standards of Corporate Governance across all business operations. We firmly believe that this commitment fosters a sustainable culture and facilitates long-term value creation for our shareholders. Recognizing the critical importance of good Corporate Governance in meeting the needs and aspirations of our stakeholders, we consider it an essential requirement.

To achieve this, we prioritize transparency in all our dealings, ensuring that our actions are visible and understandable to all stakeholders. We also implement strong control disciplines to maintain accountability and integrity within our organization. By establishing robust policies and practices, we create a framework that supports ethical decision-making and responsible business conduct.

Embracing digital advancements, we have implemented digitally enabled processes and systems that enhance our efficiency and effectiveness. These technologies also contribute to the transparency and accountability of our governance practices.

In summary, our company upholds the highest standards of Corporate Governance by maintaining transparency, implementing strong control disciplines, establishing robust policies and practices, adopting digital processes and systems, and ensuring clear accountability and integrity. These principles guide us in creating sustainable value for our shareholders while meeting the needs and aspirations of our stakeholders.

The company complies with the applicable requirements of Corporate Governance and makes disclosures in accordance with Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

2. BOARD OF DIRECTORS

The Board of Directors (referred to as the 'Board') is responsible for and dedicated to upholding the principles of sound Corporate Governance within the company. Playing a pivotal role, the Board oversees how the management serves the interests of both shareholders and other stakeholders in both the short and long term. This commitment is evident in our governance practices, which prioritize maintaining an effective, well-informed and independent Board.

As the apex body constituted by the shareholders, the Board assumes the crucial task of overseeing the overall functioning of the company. It provides strategic direction, evaluates the effectiveness of management policies and ensures the long-term interests of shareholders are addressed. However, the operational conduct of the business has been delegated to the Chairman & Managing Director and Whole-Time Director of the company.

The composition of the Board complies with Regulation 17 of the Listing Regulations and the Companies Act, 2013 ('the Act'), as amended. With the Chairman being an Executive Director, not less than fifty percent of the Board comprises Non-Executive Independent Directors. As of 31st March 2024, the Board consists of seven (7) Directors, including two (2) Executive Directors and five (5) Non-Executive Independent Directors.

All Independent Directors are eminent professionals bringing wide range of experience in strategy, finance and law. 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 2023-24, 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 Board composition, directorships, and board committee positions, including that of the company, as on 31st March 2024 are given below:



Name of Director	Category	No. of directorships ¹	Committee membership in Listed and Unlisted Companies ²	Committee chairmanship in Listed and Unlisted Companies ²	Directorship in other listed company(ies) and category of directorship as on 31 st March 2024
Mr. Sushil Suri	Chairman & Managing Director -Promoter & Executive Director	2	1	Nil	Nil
Mr. Bhupender Raj Wadhwa	Non-Executive Independent Director	2	2	1	Nil
Mr. Manoj Joshi	Non-Executive Independent Director	2	2	2	BLS E-Services Limited-Non-Executive Independent Director
Mr. Praveen Kumar Dutt	Non-Executive Independent Director	2	2	2	Blue Coast Hotels Limited - Non-Executive Independent Director
Mr. Sanjay Suri	Whole-time Director - Executive Director	4	Nil	Nil	Nil
Mrs. (Dr.) Savita	Non-Executive Independent Director	1	Nil	Nil	Nil
Mr. Sukhcharan Singh	Non-Executive Independent Director	2	3	Nil	Nil

¹Excludes directorships in foreign companies, companies registered under Section 8 of the Act, private limited companies and alternate directorships.

²Includes 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 31st March 2024, 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.

Industry and Sector Experience

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.

Technical Skills/ Innovation

Experience or knowledge in emerging technology areas, including digital innovation, artificial intelligence, cybersecurity, data centre management, and data security.

Financial Expertise

Proficiency in analysing and interpreting financial statements and accounts to evaluate the company's financial health. Ability to identify and envision potential business opportunities.

Behavioural Competencies/ Personal Attributes

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.

Strategic Expertise

Strategic thinking and valuable insights. Focused on vision and value creation. Expertise in strategy development, implementation, and driving change.

Leadership & Administration

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;

<p>Mr. Sushil Suri</p> <ul style="list-style-type: none"> • Industry and Sector Experience • Technical Skills/ Innovation • Financial Expertise • Behavioural Competencies/ Personal Attributes • Strategic Expertise • Leadership & Administration 	<p>Mr. Sanjay Suri</p> <ul style="list-style-type: none"> • Industry and Sector Experience • Technical Skills/ Innovation • Financial Expertise • Behavioural Competencies/ Personal Attributes • Strategic Expertise • Leadership & Administration
<p>Mr. Bhupender Raj Wadhwa</p> <ul style="list-style-type: none"> • Technical Skills/ Innovation • Financial Expertise • Behavioural Competencies/ Personal Attributes • Strategic Expertise • Leadership & Administration 	<p>Mr. Manoj Joshi</p> <ul style="list-style-type: none"> • Industry and Sector Experience • Financial Expertise • Behavioural Competencies/ Personal Attributes • Strategic Expertise • Leadership & Administration
<p>Mr. Praveen Kumar Dutt</p> <ul style="list-style-type: none"> • Technical Skills/ Innovation • Financial Expertise • Behavioural Competencies/ Personal Attributes • Strategic Expertise • Leadership & Administration 	<p>Mrs. (Dr.) Savita</p> <ul style="list-style-type: none"> • Technical Skills/ Innovation • Financial Expertise • Behavioural Competencies/ Personal Attributes • Strategic Expertise
<p>Mr. Sukhcharan Singh</p> <ul style="list-style-type: none"> • Technical Skills/ Innovation • Behavioural Competencies/ Personal Attributes • Strategic Expertise • Leadership & Administration 	



Disclosure regarding appointment, re-appointment and / or change in Directors

- Mr. Sanjay Suri, whole-time director of the company, retired by rotation at the 38th annual general meeting ('AGM') and appointed at the said meeting.
- Mr. Sushil Suri was appointed as Managing Director of the company for a period of 5 years on 20th October 2018 by the Board of Directors of the company, approved by the members at its 33rd AGM held on 21st September 2018. Pursuant to recommendation of the Nomination and Remuneration Committee, Board of Directors and approval of the members of the company at 38th Annual General Meeting, Mr. Sushil Suri, re-appointed as Chairman & Managing Director of the company for a period of 3 years, effective from 20th October 2023 (i.e., till 19th October 2026).
- Mr. Sanjay Suri, Whole-Time Director of the company, is liable to retire by rotation, being eligible offered himself for re-appointment, at forthcoming AGM.
- Mr. Praveen Kumar Dutt, Non-Executive Independent Director of the company, appointed on 13th August 2019, for a term of 5 consecutive years i.e., till 12th August 2024. Keeping in view of the completion of his term of appointment, the Nomination and Remuneration committee and Board of Directors has recommended and approved, respectively, the appointment of Mr. Praveen Kumar Dutt for second term, for 5 consecutive years, on 12th August, 2024 effective from 13th August, 2024 subject to approval of the members at the forthcoming 39th Annual General Meeting.
- On account of completion of their second term, Mr. Manoj Joshi, Mr. Sukhcharan Singh and Mr. Bhupender Raj Wadhwa, Non-Executive Independent Directors of the company, shall vacate their office on 18th September 2024. In compliance with SEBI LODR Regulations and the Companies Act, 2013, as amended, the Nomination and Remuneration Committee and Board of Directors, have recommended and appointed, Mr. Ranjit Khattar and Mr. Sharad Jain on 12th August, 2024 and 27th August, 2024 respectively, as Non-Executive Independent Directors of the Company, for a term of 5 consecutive years (i.e., till 11th August, 2029 and 26th August, 2029 respectively), subject to approval of the members at the forthcoming 39th Annual General Meeting.

In compliance with the Listing Regulations, the company is obtaining approval of members for appointment or re-appointment of a person on the Board of Directors at the next general meeting or within a time of three months from the date of appointment by the Board of Directors, whichever is earlier.

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 Company Secretary ('CS') and the Chief Financial Officer ('CFO').

As on March 31, 2024, there are 16 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. Sumit Bhatnagar	Vice President - Finance & Accounts	Corporate Finance & Accounts, Haryana	Promotion	1 st July, 2023
2.	Mr. Dinesh Dhudabhai Moga	General Manager - ADL & QC ^	API, Himachal Pradesh	Resignation	31 st July, 2023
3.	Mr. Varun Suri	CEO (Consumer Business)	Formulation, Haryana	Restructuring	19 th September, 2023
4.	Ms. Rolli Saxena	General Manager - HR ^	Human Resource, Haryana	Resignation	30 th November, 2023
5.	Mr. Shantanu Tuli	President -Strategy and Brand Identity	Medipath, Haryana	Promotion	1 st December, 2023
6.	Mr. Vikas Sharma	General Manager - HR ³ ^	Human Resource, Haryana	Appointment	31 st January, 2024

7.	Mrs. Amita Sharma	Chief Operating Officer -API	API, Haryana	Promotion	1 st March, 2024
8.	Dr. Lalit Kumar Baregama	Chief Growth Officer [#]	API, Haryana	Resignation	30 th March, 2024
9.	Mr. Jatinder Pal Singh Boonga	Assistant Vice President - IT ^	IT, Haryana	Superannuation	31 st March, 2024
10.	Mr. Nishant Jayesh Doshi	Vice President - Corporate Finance & Investor Relations*	Corp. Finance & Accounts, Maharashtra	Appointment	31 st March, 2024

^ Functional head

#Designation renamed from VP – Sales (Regulatory Marketing).

\$Joined as Talent Acquisition & HRBP.

*Joined w.e.f., 1st May, 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 31st March 2024.

Number of board meetings and attendance of each Director at the board meetings and the last Annual General Meeting (AGM)

During the financial year 2023-24, the Board met six (6) times i.e., on 16th May 2023, 5th August 2023, 14th August 2023, 2nd November 2023, 31st January 2024 and 22nd February 2024. The Annual General Meeting ('AGM') for the financial year 2022-2023, was held on 28th September, 2023 through video conferencing/ other audio-visual mode. Attendance of the Directors at the Board Meetings and AGM are as follows:

Name of Director	No. of Board meetings held during the tenure	No. of Board meetings attended	Attendance at last AGM
Mr. Sushil Suri	6	6	Yes
Mr. Sanjay Suri	6	5	Yes
Mr. Manoj Joshi	6	6	Yes
Mr. Sukhcharan Singh	6	5	Yes
Mr. Bhupender Raj Wadhwa	6	6	Yes
Mr. Praveen Kumar Dutt	6	6	Yes
Mrs. (Dr.) Savita	6	6	Yes

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 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 31st January 2024, 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.



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 31st March 2024.

3. 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

The Audit Committee comprises following members of the Board of Directors.

S. No.	Name of the Committee' member	Category	Status
1	Mr. Manoj Joshi	Non-Executive Independent Director	Chairman
2	Mr. Bhupender Raj Wadhwa	Non-Executive Independent Director	Member
3	Mr. Sukhcharan Singh	Non-Executive Independent Director	Member

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 reports of Internal Auditors were also placed at the meeting of the audit committee on quarterly basis. The Company Secretary of the company acts as the Secretary to the Committee.

Meetings and attendance during the year

During the period under review, five (5) meetings were held i.e., on 16th May 2023, 5th August 2023, 2nd November 2023, 31st January 2024 and 22nd February 2024. The attendance of members are as follows:

S. No.	Name of the Committee' member	No. of meetings held during the year	No. of meetings Attended
1.	Mr. Manoj Joshi	5	5
2.	Mr. Bhupender Raj Wadhwa	5	5
3.	Mr. Sukhcharan Singh	5	4

As per Regulation 18(1) of the Listing Regulations, Section 177 of the Act and the Secretarial Standards, Mr. Manoj Joshi, the Chairman of the Committee was present at the last Annual General Meeting of the company to answer shareholders queries.

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:

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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.
- Reviewing with the management, the quarterly financial results before submission to the Board for approval;
 - 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;
 - Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - 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;
 - Discussion with internal auditors of any significant findings and follow up there on;
 - 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;
 - 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;
 - 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;
 - To review the functioning of the Whistle Blower mechanism;
 - Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
 - 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
 - consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the company and its shareholders.
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 - management discussion and analysis of financial condition and results of operations.
 - management letters / letters of internal control weaknesses issued by the statutory auditors.
 - internal audit reports relating to internal control weaknesses.
 - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

4. 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

The 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. Bhupender Raj Wadhwa	Non-Executive Independent Director	Member
3.	Mr. Sukhcharan Singh	Non-Executive Independent Director	Member

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.

Meetings and attendance during the year

During the period under review, four (4) meetings of Nomination and Remuneration Committee were held i.e., on 16th May 2023, 5th August 2023, 2nd November 2023 and 31st January 2024. The attendance of members are as follows:

S. No.	Name of the Committee' member	No. of meetings held during the year	No. of meetings Attended
1.	Mr. Praveen Kumar Dutt	4	4
2.	Mr. Sukhcharan Singh	4	3
3.	Mr. Bhupender Raj Wadhwa	4	4

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.

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:

- 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.
- 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:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity;
 - consider the time commitments of the candidates.
- 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.
- Devise a policy on Board diversity.
- 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.
- 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.
- 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.

5. REMUNERATION TO DIRECTORS:

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 is 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:

- Identifying persons who are qualified to become Directors and persons who may be appointed at senior management and Key Managerial positions;
- Attracting talented managerial persons considering the talent market, the remuneration trend and the competitive requirement of the business;
- Retaining high-calibre talent; and
- 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:

Name of Director	Salary*	Perks	Commission	Sitting Fee	Total
Mr. Sushil Suri	333.32	57.80	–	–	391.12
Mr. Sanjay Suri	193.98	24.00	–	–	217.98

*Including performance linked incentive.

Details of sitting fee paid to Non-Executive Independent Directors of the company, during the year under review are as under:
(Amount in ₹/ Lakh)

Name of Director	Sitting Fee
Mr. Bhupender Raj Wadhwa	5.40
Mr. Manoj Joshi	4.80
Mr. Praveen Kumar Dutt	5.20
Mrs. (Dr.) Savita	3.00
Mr. Sukhcharan Singh	4.70

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.

6. 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:

The Stakeholders Relationship Committee comprises following members of the Board of Directors;

S. No.	Name of the Committee' member	Category	Status
1.	Mr. Manoj Joshi	Non-Executive Independent Director	Chairman
2.	Mr. Sukhcharan Singh	Non-Executive Independent Director	Member
3.	Mr. Sushil Suri	Executive Director	Member

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. Manoj Joshi, the Chairman of the Committee was present at the last AGM of the company to answer shareholder 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, nine (9) shareholders'/investors' complaints during the year and all complaints have been resolved/answered to the satisfaction of the shareholders. No complaint remained unattended/pending for statutory prescribed time.

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.

7. RISK MANAGEMENT COMMITTEE

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:

The Risk Management Committee comprises following members of the Board of Directors;

S. No.	Name of the Committee' member	Category	Status
01	Mr. Praveen Kumar Dutt	Non-Executive Independent Director	Chairman
02	Mr. Sukhcharan Singh	Non-Executive Independent Director	Member
03	Mr. Sushil Suri	Executive Director	Member

Meetings and attendance during the year

During the period under review, two (2) meetings of Risk Management Committee were held i.e., on 16th May 2023 and 2nd November 2023. The attendance of members are as follows:

S. No.	Name of the Committee' member	No. of meetings held during the year	No. of meetings attended
1.	Mr. Praveen Kumar Dutt	2	2
2.	Mr. Sukhcharan Singh	2	1
3.	Mr. Sushil Suri	2	2

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:

- Formulation of a detailed risk management policy which shall include:
 - 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.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- Applicability of appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the company;
- Monitoring and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Periodic review of risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- Information to the board of directors about the nature and content of its discussions, recommendations and actions to be taken;
- 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.

8. 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. 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. Bhupender Raj Wadhwa	Non-Executive Independent Director	Member
3.	Mr. Praveen Kumar Dutt	Non-Executive Independent Director	Member

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;
- Decision 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.



During the year three (03) meetings of the Corporate Social Responsibility Committee were held on i.e., 5th August 2023, 2nd November 2023 and 31st January 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>

9. 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 last three Annual General Meetings (AGMs):

Financial Year	Date & Time	Location	Special Resolution(s) Passed
2022-23	28 th September 2023 at 1.00 p.m.	The meeting was held through video conferencing/ other audio-visual mode, deemed venue of the meeting was Morepen Village, Nalagarh Road, Near Baddi, Distt. Solan, Himachal Pradesh	Yes, please refer below note 1.
2021-22	27 th September 2022 at 12.30 p.m.	The meeting was held through video conferencing/ other audio-visual mode, deemed venue of the meeting was Morepen Village, Nalagarh Road, Near Baddi, Distt. Solan, Himachal Pradesh	Yes, please refer below note 2.
2020-21	28 th September 2021 at 11.00 a.m.	The meeting was held through video conferencing/ other audio-visual mode, deemed venue of the meeting was Morepen Village, Nalagarh Road, Near Baddi, Distt. Solan, Himachal Pradesh	Yes, please refer below note 3.

Note 1:

Details of special resolutions passed at the 38th AGM held on 28th September 2023:

- Remuneration paid/ payable to Mr. Sushil Suri (DIN: 00012028) as the Chairman & Managing Director from 1st April 2023 to 19th October 2023.
- Re-appointment of Mr. Sushil Suri (DIN: 00012028) as the Chairman & Managing Director.

Note 2:

Details of special resolutions passed at the 37th AGM held on 27th September 2022:

- Re-appointment of Mr. Sanjay Suri as whole-time director.
- Alteration of articles of association of the company.

Note 3:

Details of special resolutions passed at the 36th AGM held on 28th September 2021:

- Approval for transfer of medical devices business of the company to a wholly owned subsidiary 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.

10. MEANS OF COMMUNICATION

Financial Results: The results (quarterly and yearly) 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

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, 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 presentation made to institutional investors or to analysts are disseminated at the stock exchanges' website as well as company's website.

11. GENERAL SHAREHOLDER INFORMATION

a) Date, Time and Venue of Annual General Meeting (AGM)	Saturday, 28 th September 2024 at 1.00 P.M. through video conferencing or other audio-visual means			
b) Financial Year	1 st April 2023 to 31 st March 2024			
c) Date of Book Closure	The dates of book closure will be from Sunday, 22 nd September, 2024 to Saturday, 28 th September, 2024 (both days inclusive) for AGM.			
	The Board of Directors of the company has not recommended dividend for the financial year ended 31 st March 2024.			
d) Stock Exchanges	National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051 BSE Limited (BSE) 25 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 Listing fees for the year 2023-24 has been duly paid to NSE & BSE.			
e) Stock code	NSE		BSE	
	Symbol	MOREPENLAB	Scrip Code	500288
	ISIN No.	INE083A01026	ISIN No.	INE083A01026
	RIC Code	Morl.ns	RIC Code	Morl.ns

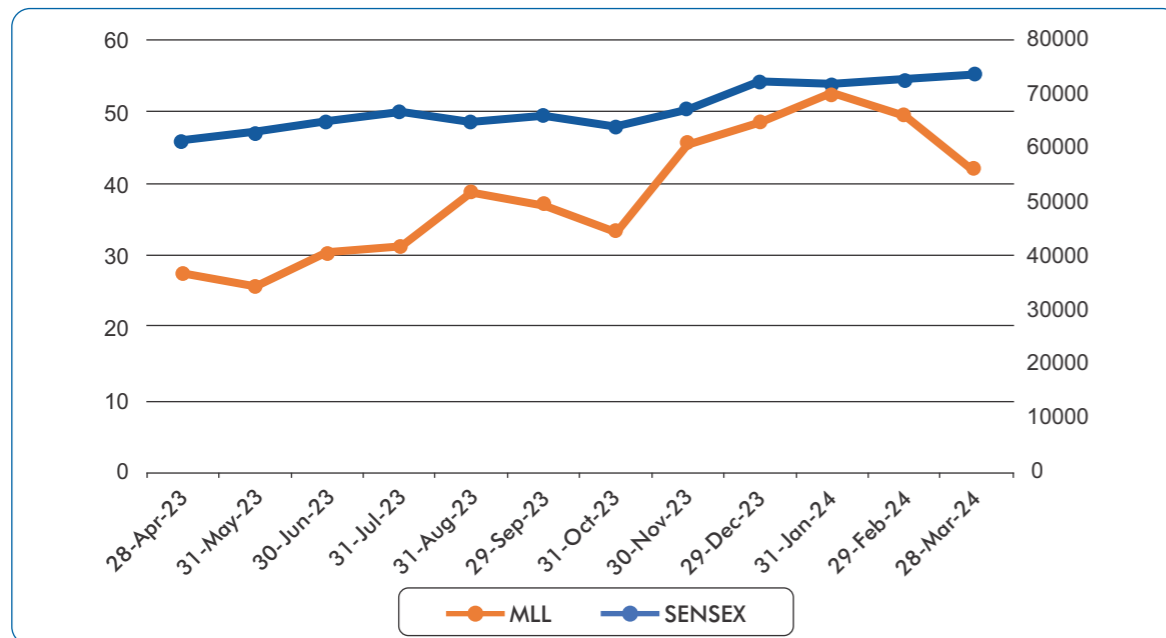
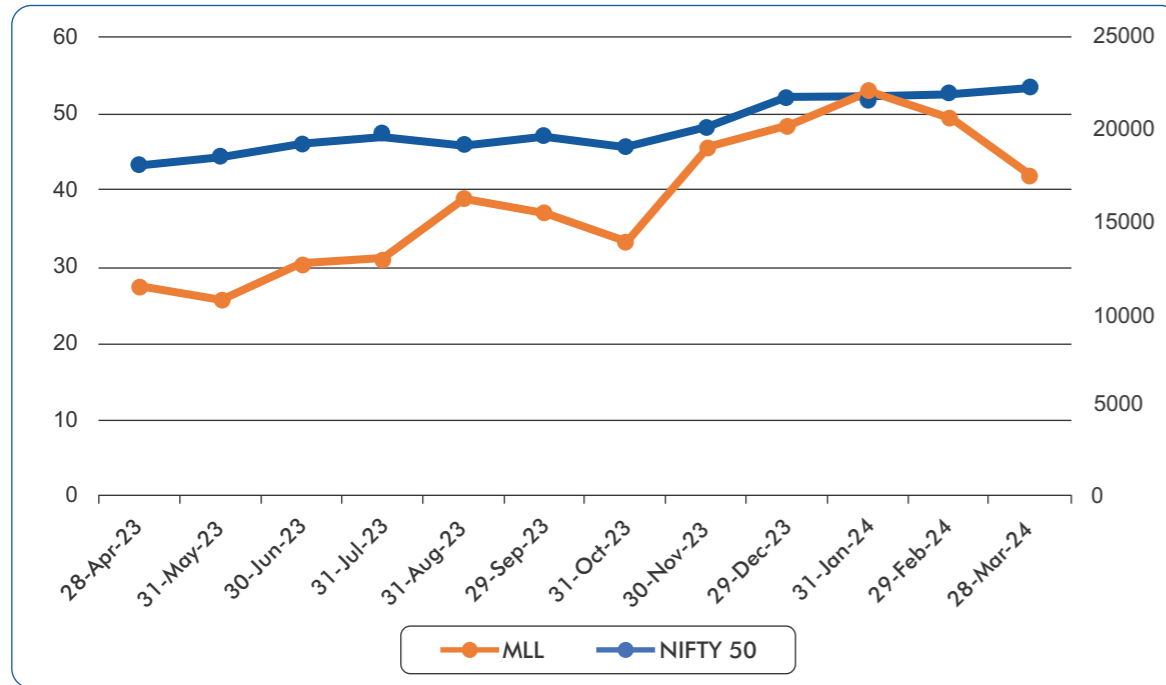
f) Market Price Data:

Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-23	27.89	25.74	27.95	25.50
May-23	29.00	25.34	29.05	25.10
Jun-23	32.20	25.80	32.25	25.75
Jul-23	31.70	28.51	31.75	28.60
Aug-23	41.30	29.51	41.30	29.75
Sep-23	41.76	35.61	41.80	35.65
Oct-23	38.06	31.31	38.15	31.30
Nov-23	48.00	33.25	48.00	33.20
Dec-23	52.94	42.01	52.95	42.00
Jan-24	53.58	43.42	53.60	43.40
Feb-24	56.35	47.17	56.40	47.10
Mar-24	51.55	38.56	51.65	38.55

(Source: Official website of BSE & NSE)



g) Performance of Morepen' share price in comparison to broad based indices such as NSE – Nifty 50 and BSE Sensex



During the year under review, the equity shares of the company are not suspended from trading.

h) Registrar and Share Transfer Agents (RTA)

MAS Services Limited
 T-34, 2nd Floor, Okhla Industrial Area, Ph.- 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

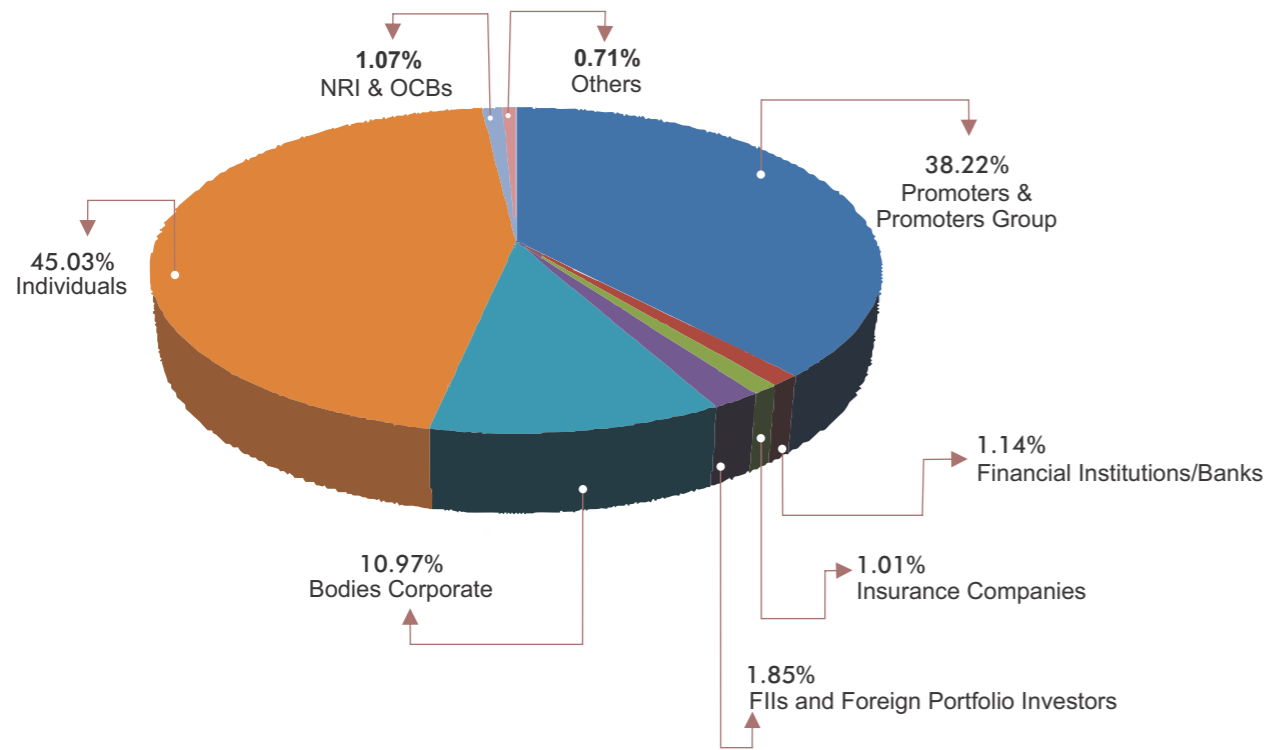
i) Share Transfer System

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 requests for share transmission, sub-division, consolidation, renewal, re-mat, duplicate etc., in physical form, lodged with the RTA. The share transfers are generally processed within 15 days from the date of receipt of request, provided the documents are complete in all respects. The company is complying with applicable Regulations of Listing Regulations and the Companies Act, 2013 and its rules made thereunder related to Share Transfer(s).

j) Distribution of shareholding as on 31st March 2024

Category of Shareholdings (From-To)	No. of shareholders	% of Total shareholders	Total Shares	Amount (₹)	% of Total Amount
1 - 5,000	3,22,381	95.95	10,33,40,669	20,66,81,338	20.21
5,001 - 10,000	8,061	2.40	2,92,67,081	5,85,34,162	5.73
10,001 - 20,000	3,234	0.96	2,39,28,359	4,78,56,718	4.68
20,001 - 30,000	845	0.25	1,05,36,989	2,10,73,978	2.06
30,001 - 40,000	408	0.12	73,23,326	1,46,46,652	1.43
40,001 - 50,000	230	0.07	52,19,677	1,04,39,354	1.02
50,001 - 1,00,000	481	0.14	1,72,02,730	3,44,05,460	3.37
1,00,001 & above	379	0.11	31,43,49,877	62,86,99,754	61.50
Total	3,36,019	100.00	51,11,68,708	1,02,23,37,416	100.00

Category	% of Shareholding
Promoter & Promoters Group	38.22
Financial Institutions/Banks	1.14
Insurance Companies	1.01
FIs and Foreign Portfolio Investors	1.85
Bodies Corporate	10.97
Individuals	45.03
NRI	1.07
Others (Clearing Member, Trust etc.)	0.71
Total	100.00



Investor Correspondence (RTA):

MAS Services Ltd.
 Unit: Morepen Laboratories Limited
 T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi - 110 020
 Tel No.: 011 - 2638 7281/82/83; Fax No.: 011 - 2638 7384
 Email id: investor@masserv.com; Website: www.masserv.com

The company didn't issue any debt instruments or any fixed deposit or have any scheme or proposal involving mobilization of funds, whether in India or abroad, therefore, have not obtained credit rating(s) from any Credit Rating Agencies, during the relevant financial year.

p). Credit Rating

12. DEPOSITORY SERVICES

Shareholders may write to the company or to the respective Depositories for any guidance on depository services:

National Securities Depository Ltd.
 4th 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, 25th Floor, NM
 Joshi Marg, Lower Parel (East),
 Mumbai - 400 013
 Telephone : 022 - 62343333

13. CORPORATE GOVERNANCE COMPLIANCE

The company complies with the 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.

14. OTHER DISCLOSURES

a) Disclosures on Materially significant related party transactions that may have potential conflict with the interests of the company at large:

There were no materially significant related party transactions during the financial year 2023-2024 which are considered to have potential conflict with the interests of the company at large. The particulars and nature of transactions with the related parties, in summarized form, duly reviewed by Audit Committee, entered during the financial year ended 31st March 2024, 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. 30 of Notes to Consolidated Financial Statements in the Annual Report.

The company's 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: -

- (i) During the financial year 2020-2021, the Stock Exchanges had imposed a fine for non-compliance with Regulation 17(1)(a) of Listing Regulation (i.e., delay in appointment in Independent Woman Director on the Board of the company). The company had paid fine with a motion of 'under protest' and submitted reason of said delay in compliance with the Stock Exchanges. The Stock Exchanges considered the case favourably and refunded the fine amount during the financial year 2021-2022.
- (ii) SEBI vide its order no. WTM/ AB / EFD-1/ DRA-1/21/2019-20 dated September 24, 2019, in the matter of issuance of Global Depository Receipts by the company, has 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.

k) Dematerialization of shares and Liquidity

The Equity Shares of the company are in compulsory de-mat 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 31st March 2024, there are 48,43,20,903 Equity Shares (i.e., 94.75%) of ₹2/- each are held in electronic/de-mat form.

1). 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 2023-24.

m). Commodity price risk or foreign exchange risk and hedging activities

The company is not engaged in commodity trading, hedging or exchange risk management activities.

n). Plant Locations

- 1) Morepen Village, Malkumajra, 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
- 4) Village Masulkhana, District Solan, Himachal Pradesh – 173 220

o). Address for correspondence

Registered Office:

Morepen Village, Malkumajra, Nalagarh Road,
 Near Baddi, Distt. Solan, Himachal Pradesh - 173 205
 Tel No.: 01795 - 266401-03; Fax No.: 01795 - 244591
 Email id: investors@morepen.com; Website: www.morepen.com

Corporate Office:

2nd Floor, Tower C, DLF Cyber Park, Udyog Vihar III,
 Sector 20, Gurugram, Haryana 122016, India
 Tel. No.: 0124-4892000
 Email id: investors@morepen.com; Website: www.morepen.com



The company 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 15th April, 2021, set aside the aforesaid order passed by SEBI. Further, the SEBI has filed an appeal before Hon'ble Supreme Court of India on 20th July 2021 against SAT order dated 15th April, 2021. The matter is under 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

During the financial year 2021, Dr. Morepen Limited, was identified as a material non-listed subsidiary in accordance with Regulation 24 of the Listing Regulations. For the financial year under review, Dr. Morepen Limited has not qualified as an unlisted material subsidiary as per Listing Regulations, therefore, none of the subsidiary company is falling under the criteria of the material subsidiary. However, 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 agenda also placed before the meeting(s) of the Board of Directors of the company. 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 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 Board have approved the raising of funds through qualified institutions placement upto ₹350 crore on 22nd February, 2024. However, the fund was raised on 5th August, 2024, therefore, utilisation of funds has not been filed/disclosed during the financial year 2023-24.

Further, pursuant to SEBI Listing Regulations, utilization of proceeds of previous fund raised, in prescribed format, had submitted with the Stock Exchanges and aforesaid disclosures are available on the website of the company.

l) 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 companies 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 ₹48.26 Lakh for the year ending 31st March 2024. The firm of Statutory Auditors 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:

- (i) number of complaints filed during the financial year- Nil
- (ii) number of complaints disposed of during the financial year- Nil
- (iii) number of complaints pending as on end of the financial year- Nil

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 of 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 Non-Executive Chairman's office, sending of half-yearly declaration of financial performance including summary of the significant events in 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 31st March 2024.

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 31st March 2024.



r) **Compliance Certificate from Practicing Company Secretary for Corporate Governance Compliance**

A certificate from Mr. Praveen Dua, Proprietor of PD & 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.

15. 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 of the company which were issued in de-mat form and physical form:

Particulars	Number of shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 1 st April 2023	4,812	53,34,952
Number of shareholders who approached the company for transfer of shares from Unclaimed Suspense Account during the year	11	14,390
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	11	14,390
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31 st March 2024	4,801	53,20,562

Note: The voting rights in respect of the shares lying in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

16. 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 the company.

For and on behalf of the Board of Directors

Sushil Suri
(Chairman & Managing Director)
DIN: 00012028

Place: Gurugram, Haryana
Date: 27th August, 2024

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 31st March 2024.

For and on behalf of Board of Directors

Place: Gurugram, Haryana
Date: 27th August, 2024

Sushil Suri
(Chairman & Managing Director)
DIN: 00012028

**CERTIFICATE FROM PRACTICING COMPANY SECRETARY
(Pursuant to clause 10(i) of Schedule V to Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements), Regulations 2015)**

We, PD and Associates, Practicing Company Secretaries, hereby certify that none of the Directors on the Board of the Morepen Laboratories Limited (CIN: L24231HP1984PLC006028) ("the Company"), have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs or any such Statutory Authority.

For PD and Associates
Company Secretaries

Praveen Dua
Proprietor
FCS -3573; CP -2139
UDIN: F003573F001047176
PR UIN -11994DE052200

Place: New Delhi
Date: 27th August, 2024



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 31st March, 2024 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.

On the basis of information/documents provided to us, we state that in respect of investor grievances received during the financial year ended 31st March 2024, no investor grievance is pending against the company for a period exceeding one month as per the records maintained by the company which are presented to the Stakeholders Relationship Committee.

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: F003573F001047220
PR UIN -11994DE052200

Place: New Delhi
Date: 27th August, 2024

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 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 31st March 2024 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: 21st May 2024

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, 2024, 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, 2024, 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 independence 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.

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 & 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 50,38,983 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>Principal Audit Procedures</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 12th 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>The payment to pending eligible FD holders may impact financials of the company in the coming year/years.</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 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 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)(l) 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 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, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2024 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 unfunded.
- e) Based on the audit procedures performed that have 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 mis-statement. (Refer Note No. 39(f) to the standalone financial statements).

- f) The Company has not declared or paid any dividend during the year.
- 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, 2024 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.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on prevention of audit trail as per the statutory requirement for record retention is not applicable for the financial year ended March 31, 2024

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 : 24086348BKGUSL1981

Date : 21st May, 2024
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 31st March, 2024)

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company is maintaining proper records showing full particulars of intangible assets;
- (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification;
- (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;
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;
- (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;
- (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;
- (b) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, during the year from banks or financial institutions on the basis of security of current assets;
- (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 Rs. 708.24 lakhs in equity share capital in newly created wholly owned subsidiary Morepen Rx 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 wholly owned subsidiary is not prejudicial to the company's interest;
- (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;
- (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);
- (vi) According to the information and explanations given to us, maintenance of cost records has been specified by the Central Government under subsection (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;
- (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 31st March 2024 for a period exceeding six months;
- (b) According to the records and information and explanation given to us, there are no dues in respect of Income tax, Sales tax, VAT, Service-tax, Custom duty, cess outstanding as at March 31, 2024 due to any dispute;
- (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;
- (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.
- (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;
- (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;
- (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;
- (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;
- (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;
- (x) (a) During the year, the company has not raised any money by way of initial public offer or further public offer (including debt instruments);
- (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;
- (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;
- (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;
- (xii) The company is not a Nidhi Company and hence this clause is not applicable to the company;
- (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 & 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;
- (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business;
- (b) The reports of the Internal Auditors for the period under audit were considered by us;
- (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;
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year;
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;
- (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 : 24086348BKGUSL1981

Date :21st May, 2024
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 2024)

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, 2024 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, 2024, 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 : 24086348BKGUSL1981

Date :21st May, 2024
Place :Gurugram, Haryana

Financial Statements



Balance Sheet

 As at 31st March, 2024

		(₹ in Lakhs)	
		As at	As at
		31.03.2024	31.03.2023
A	ASSETS		
	1. NON-CURRENT ASSETS		
	Property, Plant and Equipment and Intangible Assets		
	Property, Plant and Equipment	21244.13	16608.55
	Capital Work in Progress	2445.18	1701.37
	Other Intangible Assets	409.41	473.54
	Financial Assets :		
	Investments	12617.82	11784.48
	Loans	3.59	4.95
	Other Financial Assets	532.84	506.29
	Other Non-Current Assets	6386.94	6390.27
		<u>43639.91</u>	<u>37469.45</u>
	2. CURRENT ASSETS		
	Inventories	22015.11	21134.90
	Financial Assets :		
	Trade Receivables	31688.79	25547.12
	Cash and Cash Equivalents	1530.40	2126.36
	Bank Balances other than Cash and Cash Equivalents	3517.15	3463.97
	Loans	22.43	27.37
	Other Financial Assets	1049.42	550.69
	Other Current Assets	24467.34	20234.39
		<u>84290.64</u>	<u>73084.80</u>
	Total	<u>127930.55</u>	<u>110554.25</u>
B	EQUITY AND LIABILITIES		
	1. EQUITY		
	Equity Share Capital	10222.71	10222.71
	Other Equity	78679.72	67788.71
		<u>88902.43</u>	<u>78011.42</u>
	2. NON - CURRENT LIABILITIES		
	Financial Liabilities :		
	Borrowings	336.40	93.35
	Other Financial Liabilities	42.90	196.50
	Deferred Tax Liabilities (Net)	224.95	268.60
	Provisions	3160.37	2886.79
		<u>3764.62</u>	<u>3445.24</u>
	3. CURRENT LIABILITIES		
	Financial Liabilities :		
	Borrowings	2482.84	2423.06
	Trade Payables	26742.58	21309.68
	Other Financial liabilities	3399.22	3741.21
	Other Current Liabilities	333.42	132.24
	Provisions	2305.44	1491.40
		<u>35263.50</u>	<u>29097.59</u>
	TOTAL	<u>127930.55</u>	<u>110554.25</u>
	SIGNIFICANT ACCOUNTING POLICIES	1	
	NOTES ON FINANCIAL STATEMENTS	2-40	

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 : 21st May, 2024

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

(Manoj Joshi)
Director
DIN : 00036546

(Vipul Kumar Srivastava)
Company Secretary
Membership No. F-12148

Statement of Profit and Loss

 For the Year Ended 31st March, 2024

		(₹ in Lakhs)	
		Year Ended	Year Ended
		31.03.2024	31.03.2023
	REVENUE		
	Revenue from Operations (Net)	153759.35	133888.33
	Other Income	1256.57	575.88
	Total Income (I)	<u>155015.92</u>	<u>134464.21</u>
	EXPENSES		
	Cost of Materials Consumed	88330.68	78140.92
	Purchases of Stock-in-Trade	6184.38	10506.93
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	512.96	1653.86
	Employee Benefits Expense	16027.88	14619.30
	Finance Costs	350.94	198.08
	Depreciation and Amortization Expense	2189.98	1800.57
	Other Expenses	26521.55	21240.34
	Total Expenses (II)	<u>140118.37</u>	<u>128160.00</u>
	Profit before Tax	14897.55	6304.21
	Tax Expense		
	Current Tax	3856.64	1659.99
	Earlier periods Tax	(9.04)	(0.41)
	Deferred Tax	(43.65)	20.34
	Total Tax Expense	<u>3803.95</u>	<u>1679.92</u>
	Profit for the Year (III)	11093.60	4624.29
	Other Comprehensive Income		
	Items that will not be reclassified to Profit & Loss	(270.60)	(197.37)
	Tax	(68.01)	(52.59)
	Other Comprehensive Income for the Year (Net of Tax) (IV)	<u>(202.59)</u>	<u>(144.78)</u>
	Total Comprehensive Income for the Year (III+IV)	<u>10891.01</u>	<u>4479.51</u>
	Earning per equity share (Face Value of ₹2/- each)	34	
	Basic & Diluted	2.17	0.92
	SIGNIFICANT ACCOUNTING POLICIES	1	
	NOTES ON FINANCIAL STATEMENTS	2-40	

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 : 21st May, 2024

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

(Manoj Joshi)
Director
DIN : 00036546

(Vipul Kumar Srivastava)
Company Secretary
Membership No. F-12148



STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31st March, 2024

A. EQUITY SHARE CAPITAL

As at 31st March, 2024 (₹ in Lakhs)

Balance as at 1 st 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 st March, 2024
10222.71	–	10222.71	–	10222.71

As at 31st March, 2023

Balance as at 1 st April, 2022	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 st March, 2023
9555.86	–	9555.86	666.85	10222.71

B. OTHER EQUITY AS AT 31st 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 st 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 st March, 2024	2145.40	7623.33	36978.86	32820.44	(888.31)	–	78679.72

OTHER EQUITY AS AT 31st MARCH, 2023

(₹ 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 st April, 2022	270.40	7623.33	23180.51	17102.55	(540.94)	2625.00	50260.85
Money received against Share Warrants						2250.00	2250.00
- Amount transferred to Equity Share Capital on conversion of warrant						(240.00)	(240.00)
- Amount transferred to Securities Premium account			13798.35			(2760.00)	11,038.35
- Amount transferred to Capital Reserve account	1875.00					(1875.00)	–
Profit for the year	–	–	–	4624.29	–		4624.29
Other comprehensive income/(loss) for the year	–	–	–	–	(144.78)		(144.78)
Balance as at 31 st March, 2023	2145.40	7623.33	36978.86	21726.84	(685.72)	–	67788.71

- The money received against share warrants ('warrants') represents balance sum, out of total amount of ₹4375.00 Lakhs, received towards subscription of 700 Lakh no. of warrants, of face value of ₹2/- each, allotted at a price ₹25/- per warrant, during the financial year ending March 31, 2021. The warrants holders were entitled to apply for equivalent no. of equity shares vis-à-vis warrant within a period of 18 months from the date of allotment of warrant, in accordance with SEBI (ICDR) Regulations, 2018 as amended. Total of 400 lakhs nos. of warrants were subscribed within prescribed time period and therefore were converted into equal no. equity shares.

The remaining 300 Lakh no. of warrants were lapsed during the previous year ending March 31, 2023. Accordingly, a sum of ₹1875.00 Lakh i.e., upfront 25% of the warrant subscription monies in respect of these 300 Lakh nos. of warrants, received was transferred into Capital Reserve Account, during the previous year ending March 31, 2023.
- During the previous year ending March 31, 2023, 2,13,42,505 no. of equity shares of ₹2/- each, at a conversion price of ₹53.72/- per share were issued to banks/financial institution and other, towards conversion of 0.01% 1,14,65,201 no. of Preference Shares of ₹100/- each held by them.

SIGNIFICANT ACCOUNTING POLICIES 1

NOTES ON FINANCIAL STATEMENTS 2-40

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 : 21st May, 2024

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

(Manoj Joshi)
Director
DIN : 00036546

(Vipul Kumar Srivastava)
Company Secretary
Membership No. F-12148

Cash Flow Statement

For the Year Ended 31st March, 2024

	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
(₹ in Lakhs)			
A. CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit before Tax		14897.55	6304.21
Adjustments for :			
Depreciation & Amortisation	2	2189.98	1800.57
Provision for Employee benefit (OCI)		(270.60)	(197.37)
Finance Cost	27	350.94	198.08
Operating Profit before changes in Current Assets and Liabilities		17167.87	8105.49
Changes in Current Assets and Liabilities –			
Trade Receivables	8	(6141.67)	(3360.01)
Loans, Bank balance other than cash & Cash equivalent and other Current Assets	4,10,11,12	(4779.92)	(6150.83)
Inventories	7	(880.21)	4690.45
Current Liabilities	16,17,18,19	6106.14	(11869.31)
Cash generated from Operations		11472.21	(8584.21)
Tax Expense (Net)		(3735.94)	(1627.33)
NET CASHFLOW - OPERATING ACTIVITIES		7736.27	(10211.54)
B. CASH FLOWS - INVESTING ACTIVITIES:			
Purchase of Property, Plant & Equipments & Capital work in Progress	2	(7123.48)	(3554.62)
Purchase/Addition of Intangibles (Net)	2	(384.17)	(3.84)
Proceeds from Sale of Property, Plant & Equipments	2	2.40	–
Sales/(Purchase) of Investments (Net)	3	(833.34)	(5.00)
Investment in Other Non-Current Assets and Loans	4,5,6	(21.86)	(56.45)
NET CASHFLOW - INVESTING ACTIVITIES		(8360.45)	(3619.91)
C. CASH FLOWS FROM FINANCING ACTIVITIES:			
Finance Cost	27	(350.94)	(198.08)
Proceeds/(Repayments) of Long Term Borrowings (Net)	14	243.05	(38.76)
Proceeds/(Repayments) of Short Term Borrowings (Net)	14	59.78	698.27
Proceeds from Warrant subscription/Preference Sh. conversion		–	13715.20
Change in Other Non- Current Liabilities & Provisions (Net)	15,16,37	76.33	243.15
NET CASHFLOW - FINANCING ACTIVITIES		28.22	14419.78
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(595.96)	588.33
Cash and Cash Equivalents as at Beginning of the Year		2126.36	1538.03
Cash and Cash Equivalents as at End of the Year		1530.40	2126.36
Bank Balances other than Cash and Cash Equivalents		3517.15	3463.97
Components of cash and cash equivalents as on end of the period			
Balance with Banks			
- In Current Accounts		1514.81	2101.68
Cash in hand		15.59	24.68
		1530.40	2126.36

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

1

NOTES ON FINANCIAL STATEMENTS

2-40

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

(CA S.P. Babuta)

Partner
Membership No. 086348

Place : Gurugram, Haryana
Date : 21st May, 2024

(Sushil Suri)

Chairman & Managing Director
DIN : 00012028

(Ajay Kumar Sharma)

Chief Financial Officer

(Manoj Joshi)

Director
DIN : 00036546

(Vipul Kumar Srivastava)

Company Secretary
Membership No. F-12148

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 21, 2024.

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 Rs. 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

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

1.9 Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of minimum lease payments at the inception of lease, whichever is lower. Lease under which the risks and rewards incidental to ownership are not transferred to lessee, is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss 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 31ST MARCH, 2024

2. I) PROPERTY, PLANT AND EQUIPMENT

TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION/AMORTIZATION		CARRYING VALUE	
	As at 01.04.2023	Additions (Disposals)/ Adjustments	As at 01.04.2023	For the year Adjustments	As at 31.03.2024	As at 31.03.2023
Land	143.03	-	-	-	143.03	143.03
Buildings	9087.51	874.05	4250.76	189.27	5671.29	4836.75
Plant & Machinery	37003.61	4725.08	26959.71	1237.04	13382.19	10043.90
Furnitures & Fixtures	1275.89	90.41	409.73	101.55	855.02	866.16
Vehicles	1084.25	588.39	541.62	127.20	1003.37	542.63
Office Equipments	613.62	101.74	437.54	86.62	189.23	176.08
Total	49207.91	6379.67	32599.36	1741.68	21244.13	16608.55
Previous Year	45950.67	3267.83	31406.98	1202.97	16608.55	

II) CAPITAL WORK IN PROGRESS

Buildings	346.58	68.72	-	-	415.30	346.58
Plant & Machinery	1348.63	586.58	-	-	1935.21	1,348.63
Furniture & Fixture	6.16	-	-	-	1.24	6.16
Research & Development	-	52.12	-	-	52.12	-
Electrical Installation	-	41.31	-	-	41.31	-
Total	1701.37	748.73	(4.92)	(4.92)	2445.18	1701.37
Previous Year	1414.58	286.79	-	-	1,701.37	

III) INTANGIBLE ASSETS

Computer Software	290.52	53.24	244.16	21.12	78.48	46.36
Customer Acquisition Cost	1708.75	-	1281.57	427.18	-	427.18
Product Development Cost	-	330.93	-	-	330.93	-
Total	1999.27	384.17	1525.73	448.30	409.41	473.54
Previous Year	1995.43	3.84	928.13	597.60	473.54	
GRAND TOTAL	52908.55	7512.57	34125.09	2189.98	24098.72	18783.46
Current year	49360.68	3558.46	32335.10	1800.57	18783.46	
Previous Year	52908.55	7512.57	34125.09	2189.98	24098.72	18783.46

Notes :-

- Customer acquisition cost represents amount invested for expansion of point of care business of the company. Deductions represents intangibles fully charged and therefore derecognised during the year.
- Product Development cost represents amount spent on development on formulation products.
- *Old machinery no longer in use and fully depreciated, written off, derecognised during the year.





(₹ in Lakhs)

	As at 31.03.2024	As at 31.03.2023
3. INVESTMENTS (NON-CURRENT)		
Trade Investments (At Cost)		
A. Investment in Equity Instruments (Unquoted)		
Subsidiary Companies		
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. (Previously Morepen Inc.)</u> 94,000 fully paid common voting 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> 7082356 Equity Share of ₹10/- each fully paid up (Previous year 50,000 Equity Shares of ₹10/- each)	708.24	5.00
	<u>12487.72</u>	<u>11784.48</u>
Non-Trade Investments (At Cost)		
B. Investment in Mutual Funds (Quoted)		
13164.448 Units (Previous Year- Nil) ICICI Prudential Liquid Fund	45.00	-
657.861 Units (Previous Year- Nil) HDFC Liquid Fund	30.00	-
5507.283 Units (Previous Year- Nil) HDFC Large and Midcap Fund	15.00	-
63152.078 Units (Previous Year- Nil) HDFC Multi Cap Fund	10.00	-
149992.50 Units (Previous Year- Nil) Motilal Oswal Large Cap Fund	15.00	-
149992.50 Units (Previous Year- Nil) Mirae Asset Multi Asset Allocation Fund	15.00	-
142.506 Units (Previous Year- Nil) ICICI Prudential Money Market Fund	0.10	-
	<u>130.10</u>	-
Market Value of Quoted Investments as on 31.03.2024 - ₹134.26 Lakhs.		
Aggregate amount	<u>12617.82</u>	<u>11784.48</u>

4. LOANS

	Current Portion		Non -Current Portion	
	As at 31.03.24	As at 31.03.23	As at 31.03.24	As at 31.03.23
Unsecured (Considered good)				
Loans to Employees	22.43	27.37	3.59	4.95
	<u>22.43</u>	<u>27.37</u>	<u>3.59</u>	<u>4.95</u>

5. OTHER FINANCIAL ASSETS - NON CURRENT

Security Deposits	532.84	506.29
	<u>532.84</u>	<u>506.29</u>

6. OTHER NON CURRENT ASSETS

<u>Unsecured</u>		
Capital Advances (Considered good)*	6362.66	6362.65
Leasehold Land Prepayments	22.76	26.06
Prepaid (Deferred)Expenses for Employee Benefit	1.52	1.56
	<u>6386.94</u>	<u>6390.27</u>

Includes-*

₹2596.38 Lakhs paid to related parties for acquisition of land for expansion of manufacturing facilities of the

(₹ in Lakhs)

	As at 31.03.2024	As at 31.03.2023
company. An agreement for acquisition of land was entered into with these parties in the financial year ending March 31, 2021, for a sum of ₹2840.00 Lakhs. Necessary documentation and seeking government & statutory approvals for the transfer of land in the name of the company is expected in the coming financial year.		
7. INVENTORIES		
Raw Materials	14496.08	12661.60
Work-in-progress	3741.37	3864.55
Finished goods	3090.43	3511.27
Stock -in-trade	313.67	636.72
Goods in transit	6.56	11.17
Stores and spares	367.00	449.59
	<u>22015.11</u>	<u>21134.90</u>
The inventory of stocks, stores and spares has been taken, valued and certified by the management.		
Breakup of Inventory		
i) Raw materials -		
API & Intermediates	7247.79	6584.84
Home Health Formulations	6403.68	5040.57
	844.61	1036.19
Total Raw Materials	<u>14496.08</u>	<u>12661.60</u>
ii) Work in Progress -		
API & Intermediates	3017.10	3505.00
Home Health Formulations	571.35	208.65
	152.92	150.90
Total Work -in -progress	<u>3741.37</u>	<u>3864.55</u>
iii) Finished goods -		
API & Intermediates	1497.05	2520.39
Home Health Formulations	1344.36	675.23
	249.02	315.65
Finished Goods Inventory	<u>3090.43</u>	<u>3511.27</u>
iv) Stock in trade -		
Home Health Formulations	313.67	297.63
	-	339.09
Stock in trade Inventory	<u>313.67</u>	<u>636.72</u>
8. TRADE RECEIVABLES		
Unsecured -		
Considered good	31575.97	25547.12
Considered Doubtful	249.56	173.15
	<u>31825.53</u>	<u>25720.27</u>
Less : Allowance for doubtful debts	136.74	173.15
	<u>31688.79</u>	<u>25547.12</u>



Ageing of Trade Receivables (2023-24)	< than 6 months	6 months-1 year	1-2 years	2-3 years	3 years or more	Total
Undisputed						
- Considered good	30,830.16	485.90	128.37	63.63	67.91	31,575.97
- Having significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Disputed						
- Considered good	-	-	-	-	-	-
- Having significant increase in credit risk	116.13	9.31	36.34	32.62	55.16	249.56
- Credit impaired	-	-	-	-	-	-
Total Receivables	30,946.29	495.21	164.71	96.25	123.07	31825.53

Ageing of Trade Receivables (2022-23)	< 6 months	6months-1 year	1-2 years	2-3 years	3 years or more	Total
Undisputed						
- Considered good	25047.02	293.53	137.79	59.48	9.30	25547.12
- Having significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Disputed						
- Considered good	-	-	-	-	-	-
- Having significant increase in credit risk	-	-	13.26	24.64	135.25	173.15
- Credit impaired	-	-	-	-	-	-
Total Receivables	25047.02	293.53	151.05	84.12	144.55	25720.27

(₹ in Lakhs)

As at 31.03.2024 As at 31.03.2023

9. CASH AND CASH EQUIVALENTS

Balances with banks		
Current Accounts	1514.81	2101.68
Cash in hand	15.59	24.68
	<u>1530.40</u>	<u>2,126.36</u>

(₹ in Lakhs)

As at 31.03.2024 As at 31.03.2023

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)	3465.88	3326.89
Guarantees	51.27	137.08
	<u>3517.15</u>	<u>3463.97</u>

11. OTHER FINANCIAL ASSETS - CURRENT

Security Deposits	414.28	290.43
Interest accrued but not due	155.51	98.04
Export Incentives Receivable	479.63	162.22
	<u>1049.42</u>	<u>550.69</u>

12. OTHER CURRENT ASSETS

<u>Unsecured considered good, unless otherwise stated</u>		
Advances with Suppliers & Others*	21327.52	16940.07
Leasehold Land Prepayments	1.83	1.47
Balance with Government Authorities	2026.22	2993.05
Advances to Employees	121.24	64.71
Prepaid Expenses	990.53	235.09
	<u>24467.34</u>	<u>20234.39</u>

* Includes-

- Sum of ₹570.41 Lakhs paid to fixed deposit holders towards cancellation of 50,38,983 no of Equity Shares (Refer Note No. 13 G)

13. SHARE CAPITAL

A. Equity Share Capital

	As at March 31, 2024		As at March 31, 2023	
	Nos. of Shares	Amount (₹/Lakhs)	Nos. of Shares	Amount (₹/Lakhs)
Authorised				
Equity Shares of ₹2/- each	100000000	20000.00	100000000	20000.00
Issued and Subscribed				
Equity Shares of ₹2/- each	511168708	10223.37	511168708	10223.37
Paid up				
Equity Shares of ₹2/- each	511168708	10222.71	511168708	10222.71

(33000 Shares not paid up)


Reconciliation of the numbers and amount of Equity shares -

For the year ended	As at March 31, 2024		As at March 31, 2023	
	Nos. of Shares	Amount (Rs./Lakhs)	Nos. of Shares	Amount (Rs./Lakhs)
Outstanding at beginning of the year	511168708	10222.71	477826203	9555.86
Add : Shares issued during the year	-	-	33342505	666.85
Outstanding at the end of year	511168708	10222.71	511168708	10222.71

Shares held by promoters at the end of the year

S. No.	Name of the promoter	Nos. of Shares	% of share-holding
1	KANTA SURI	1510	0.00
2	RAJAS SURI (KB SURI SONS HUF)	972830	0.19
3	SANJAY SURI (SANJAY SURI SONS HUF)	2100000	0.41
4	PRADUMAN LAL SURI HUF	2990	0.00
5	SUSHIL SURI (SUSHIL SURI SONS HUF)	1201560	0.24
6	ANUBHAV SURI (ARUN SURI SONS HUF)	1500000	0.29
7	MAMTA SURI	3004000	0.59
8	SONIA SURI	3679718	0.72
9	SANJAY SURI	3417240	0.67
10	P.L. SURI	400000	0.08
11	ANJU SURI	5186369	1.01
12	SUSHIL SURI	5501510	1.08
13	SUNITA SURI	3192240	0.62
14	SHALU SURI	2052250	0.40
15	VARUN SURI	3052357	0.60
16	ANUBHAV SURI	782134	0.15
17	SARA SURI	705000	0.14
18	GULFY SURI	1150000	0.22
19	AANCHAL SURI	685922	0.13
20	RAJAS SURI	155000	0.03
21	MASTER ARJUN SURI	697060	0.14

22	KANAK SURI	997060	0.20
23	AANANDI SURI	750000	0.15
24	AAKRITI SURI	55000	0.01
25	BROOK INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15159252	2.97
26	CONCEPT CREDITS AND CONSULTANTS PRIVATE LTD.	15347724	3.00
27	EPITOME HOLDINGS PRIVATE LTD.	14500820	2.84
28	LIQUID HOLDINGS PRIVATE LTD.	5003000	0.98
29	MID MED FINANCIAL SERVICES AND INVESTMENTS PRIVATE LTD.	14973813	2.93
30	REACT INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	14942134	2.92
31	SOLITARY INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15114045	2.96
32	SQUARE INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	14102075	2.76
33	SOLACE INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15082790	2.95
34	SEED SECURITIES AND SERVICES PRIVATE LTD.	14328780	2.80
35	SCOPE CREDITS AND FINANCIAL SERVICES PRIVATE LTD.	15575405	3.05
	TOTAL	195371588	38.22

B. Shareholders holding more than 5% shares - Equity Shares

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Pinfold Overseas Ltd.	38530000	7.54%	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 31.03.24	As at 31.03.23
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 50,38,983 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.

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.

14. BORROWINGS

(₹ in Lakhs)

Long Term	Current Portion		Non Current Portion	
	As at 31.03.24	As at 31.03.23	As at 31.03.24	As at 31.03.23
Secured				
Term Loans - Vehicles	133.75	105.11	336.40	93.55
Total	133.75	105.11	336.40	93.55

Above loans represent vehicle loans, repayable on monthly basis, secured by way of hypothecation of specific assets purchased under the hire purchase agreement.

Particulars	Current Portion	Non Current Portion				
		2024-25	2025-26	2026-27	2027-28	2028-29
Year of Repayment	2024-25	2025-26	2026-27	2027-28	2028-29	Total
Annual Repayment Amount (Rs./Lakhs)	133.75	86.94	81.98	89.51	77.97	336.40
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%

(₹ in Lakhs)

	As at 31.03.2024	As at 31.03.2023
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Short Term

Secured

Bank Overdraft and Bill Discounting facility against term deposit (Refer Note No. 10) (Annual rate of interest chargeable on aforesaid facilities ranges upto 9.50%)	2349.09	2317.95
Current maturities of Long Term Borrowings	133.75	105.11
Total	2482.84	2423.06

15. OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Security Deposits from Business Associates & Others	42.90	196.50
	42.90	196.50

16. PROVISIONS

(₹ in Lakhs)

Long Term	Current Portion		Non Current Portion	
	As at 31.03.24	As at 31.03.23	As at 31.03.24	As at 31.03.23
Gratuity	638.09	538.21	2471.97	2201.03
Leave Encashment	208.67	204.00	688.40	685.76
Income Tax (Net of tax payments)	1318.35	649.73	-	-
Other Expenses	140.33	99.46	-	-
Total	2305.44	1491.40	3160.37	2886.79

17. TRADE PAYABLES

Total outstanding dues of micro small and medium enterprises	206.64	234.36
Total outstanding dues of creditors other than micro small and medium enterprises	26535.94	21075.32
	26742.58	21309.68

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	-	-	-	-	-
Total Payables	26508.05	107.04	78.10	49.39	26742.58

Ageing of Trade Payables (2022-23)	< 1 year	1-2 years	2-3 years	3 years or more	Total
(i) MSME	234.36	-	-	-	234.36
(ii) Others	20803.42	107.73	51.69	112.48	21075.32
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total Payables	21037.78	107.73	51.69	112.48	21309.68

(₹ in Lakhs)

	As at 31.03.2024	As at 31.03.2023
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18. OTHER FINANCIAL LIABILITIES -CURRENT

Accrued Salaries and Benefits	1612.30	1574.63
Others	1786.92	2166.58
	3399.22	3741.21

	(₹ in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
19. OTHER CURRENT LIABILITIES		
Direct & Indirect Taxes	333.42	132.24
	<u>333.42</u>	<u>132.24</u>
20. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)		
a) Contingent Liabilities		
Claims against the Company not acknowledged as debts	36.00	81.75
Guarantees	334.78	416.72
Other money for which company is contingently liable	338.34	167.89
	<u>709.12</u>	<u>666.36</u>
b) Other commitments		
Capital commitments	1294.52	517.73
	<u>2003.64</u>	<u>1,184.09</u>
		(₹ in Lakhs)
	Year Ended 31.03.2024	Year Ended 31.03.2023
21. REVENUE FROM OPERATIONS		
<u>Sale of products</u>		
Domestic	88657.47	76328.38
Exports	64285.91	57219.53
Total	<u>152943.38</u>	<u>133547.91</u>
<u>Other Operating Revenues</u>		
Export Incentives	815.97	314.15
Other items	-	26.27
	<u>815.97</u>	<u>340.42</u>
	<u>153759.35</u>	<u>133888.33</u>
Break-up of revenue from sale of products (net of taxes)		
<u>Manufactured goods</u>		
API & Intermediates	93952.20	82303.76
Home Health	41774.80	28420.94
Formulations	10518.01	9240.78
Sale of Manufactured Goods - (A)	<u>146245.01</u>	<u>119965.48</u>
<u>Traded Goods</u>		
Home Health	2496.80	4285.96
Formulations	4201.57	9296.47
Total Sales of Traded Goods - (B)	<u>6698.37</u>	<u>13582.43</u>
Revenues from Sales Operations (A+B)	<u>152943.38</u>	<u>133547.91</u>
22. OTHER INCOME		
Interest Income	248.43	165.74
Others	1008.14	410.14
	<u>1256.57</u>	<u>575.88</u>

	(₹ in Lakhs)	
	Year Ended 31.03.2024	Year Ended 31.03.2023
23. COST OF MATERIALS CONSUMED		
Raw Materials	83775.12	72588.90
Packing Materials	4555.56	5552.02
	<u>88330.68</u>	<u>78140.92</u>
Break up of cost of materials consumed		
API & Intermediates	53128.28	54136.19
Home Health	28050.72	17927.55
Formulations	7151.68	6077.18
Total	<u>88330.68</u>	<u>78140.92</u>
24. PURCHASE OF STOCK-IN-TRADE		
Home Health	2612.62	2936.16
Formulations	3571.76	7570.77
Total	<u>6184.38</u>	<u>10506.93</u>
25. CHANGE IN INVENTORY		
Opening Balance -		
Work-in-progress	3864.55	3582.17
Finished goods	3511.27	3722.87
Stock-in-trade	636.72	2462.00
Stores and spares	449.59	348.95
	<u>8462.13</u>	<u>10115.99</u>
Closing Balance -		
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>
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. (See Note No. 40)	436.70	-
Change in Inventory	<u>512.96</u>	<u>1653.86</u>
26. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	14553.89	13317.55
Contribution to provident fund/ ESI	396.22	378.08
Gratuity and Leave Encashment	600.23	495.49
Staff Welfare	477.54	428.18
	<u>16027.88</u>	<u>14619.30</u>
27. FINANCE COST		
Interest expense	205.84	143.50
Interest on delay in deposit of Advance Tax	145.10	54.58
	<u>350.94</u>	<u>198.08</u>

(₹ in Lakhs)

	Year Ended 31.03.2024	Year Ended 31.03.2023
28. OTHER EXPENSES		
Consumption of Stores and spare parts	2109.80	1462.84
Power and Fuel	3408.91	2377.70
Repairs to Buildings	230.61	228.74
Repairs to Machinery	707.91	547.07
General Repairs	1370.72	1142.84
Research & Development	519.83	306.89
Quality Control & Testing Charges	1426.39	1068.61
Insurance	185.18	125.58
Rent	1055.38	976.63
Rates and Taxes	164.16	221.62
Legal and Professional Expenses	1400.55	1145.13
Travelling Expenses	1679.85	1429.51
Selling and Distribution Expenses	9915.35	8490.81
Miscellaneous Expenses	2346.91	1716.37
	<u>26521.55</u>	<u>21240.34</u>
29. PAYMENTS TO AUDITORS (excluding GST)		
Statutory Auditors -		
Audit Fee	25.00	25.00
Tax Audit Fee	13.00	13.00
Tax Matters	2.00	2.00
Certification & Others	3.03	2.00
Total	<u>43.03</u>	<u>42.00</u>
Cost Auditors-		
Audit Fees	2.00	2.00
Others	2.50	2.50
Total	<u>4.50</u>	<u>4.50</u>
30. PRIOR PERIOD ITEMS		
Expenses include ₹66.59 Lakhs (Previous Year ₹32.32 Lakhs) as expenses relating to earlier years.		
31. DISCLOSURES ABOUT IMPORTS, EXPENDITURE IN FOREIGN CURRENCY, RAW MATERIAL CONSUMPTION & EARNINGS IN FOREIGN EXCHANGE -		
A. VALUE OF IMPORTS ON CIF BASIS		
Raw Materials	52553.06	41327.33
Stock -in -trade	1499.56	1913.08
Capital Goods	573.70	77.47
	<u>54626.32</u>	<u>43317.88</u>
B. EXPENDITURE IN FOREIGN CURRENCY		
Purchase of Capital Goods/ Travel/ Commission	1217.55	1117.10
	<u>1217.55</u>	<u>1117.10</u>

(₹ in Lakhs)

	Year Ended 31.03.2024	Year Ended 31.03.2023
C. VALUE OF IMPORTED AND INDIGENIOUS RAW MATERIAL CONSUMED AND PERCENTAGE THEREOF		
Imported	54466.12	47021.83
Indigenous	33864.30	31119.09
	<u>88330.42</u>	<u>78140.92</u>
% Imported	61.66	60.18
% Indigenous	38.34	39.82
	<u>100.00</u>	<u>100.00</u>
D. EARNINGS IN FOREIGN EXCHANGE		
Exports of Goods on F.O.B. basis	63876.30	56566.49
	<u>63876.30</u>	<u>56566.49</u>
32. 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.		
33. 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 (Formely Morepen Inc.) Dr. Morepen Limited Morepen Devices Limited Morepen Rx Limited Total Care Limited	Overseas 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 personnels 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, Mrs. Amita Sharma, Ms. Anandi Suri.	
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 Groom Town Pvt. Ltd. Happier Life Pvt. Ltd.	



Transactions with related parties -		
Particulars	Nature of transaction	₹/ Lakhs
1. Subsidiary Companies	Subscription of Share Capital	703.24
	Sale of inventories	16455.62
	Brand Usage expenses	221.36
	Purchase of inventories	99.69
	Reimbursement of Office & Rental Expense	266.74
	Amount receivable as on 31.03.2024	4021.02
	Maximum amount outstanding	4511.73
2. Key Management Personnel	Remuneration	779.49
	Amount Payable as on 31.03.24	212.82
	Maximum amount outstanding	223.68
3. Relatives of key Management personnnels with whom the company has any transaction during the year	Remuneration	695.67
	Amount payable as on 31.03.24	153.55
	Maximum amount outstanding	200.79
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	46.20
	Amount payable as on 31.03.24	6.62
	Maximum amount outstanding	10.39

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.

34. EARNING PER SHARE

Particulars	Year Ended	
	31.03.2024	31.03.2023
Profit for the year (₹in Lakhs)	11093.60	4624.29
Earnings per share in rupees (face value ₹2/- per share)-		
Weighted average number of equity shares used in computing basic EPS	511168708	502206570
Basic & Diluted EPS (₹) - (Face value of ₹2/- per share)	2.17	0.92

35. EMPLOYEE BENEFITS

Disclosures as per Accounting Standard, Ind AS -19 'Employee Benefits' is as under -

(A) Disclosures for Defined Contribution Plans -		(₹/ Lakhs)		
Particulars	31.03.2024	31.03.2023		
Employer's Contribution to Provident Fund	361.25	345.67		
Employer's Contribution to Employees State Insurance	33.93	31.60		
Labour Welfare Fund- Employer	1.03	0.80		
(B) Disclosures for Defined Benefit Plans - Unfunded		(₹/ Lakhs)		
Particulars	Gratuity		Leave Encashment	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
I Change in the present value of obligation:				
Present Value of Obligation at beginning of the year	2739.24	2293.68	889.78	817.28
Add: Interest Cost	206.78	185.68	71.97	69.91
Add: Current Service Cost	204.74	175.90	369.61	277.36
Less:- Benefit Paid	311.29	113.39	491.30	288.79
Add: Acturial loss/(gain) on obligations	270.59	197.37	57.01	14.02
Present Value of Obligation as at year end	3110.06	2739.24	897.07	889.78
II Change in the fair value of plan Assets:				
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	-	-	-	-



III Expense recognized in the Statement of Profit & Loss	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Current Service Cost	204.74	175.90	369.61	277.36
Add: Interest Cost	206.78	185.68	71.97	69.91
Less: Expected Return on plan assets	-	-	-	-
Less: Settlement Credit	-	-	309.89	227.39
Add: Net actuarial loss/(gain) recognised	270.59	197.37	57.01	14.02
Total expenses recognized in the statement of profit & loss	682.11	558.95	188.70	133.90

IV The following table sets out the assumptions used in actuarial valuation of gratuity and leave encashment-

Assumptions	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Discount Rate	7.20%	7.20%	7.20%	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)	19.91	19.91	20.07	20.07

*Note: 1. A sum of ₹309.89 Lakhs (previous year ₹227.39 Lakhs) benefits paid as salaries in respect of compensated absences and ₹41.33 Lakhs (previous year Rs.61.40 Lakhs) regular benefit payments upon exit from service is included in the amount of ₹426.38 Lakhs (previous year ₹288.79 Lakhs) of benefits paid.

2. 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 11UA, of Income Tax Rules 1962, pursuant to business transfer agreement (BTA) signed between, Morepen Laboratories Limited and Morepen Rx Limited dated, August 22, 2023.

36. IMPAIRMENT

It is the view of management that there are no impairment conditions that exist as on 31st March, 2024. Hence, no provision is required in the accounts for the year under review.

37. INCOMETAXES

A. Current Tax and Deferred Tax Expense

Income taxes recognised in the statement of profit and loss including Other Comprehensive Income (OCI)-

For the year ended	31.03.2024	31.03.2023
Current tax	3788.63	1607.40
Earlier Years taxes	(9.04)	(0.41)
Deferred tax expense	(43.65)	20.34
Total income tax expenses	3735.94	1627.33

B. Deferred Tax Liabilities/ (Assets) (Net)

Deferred Tax Liabilities	1263.30	1225.59
Deferred Tax Assets	1038.35	956.99
Deferred tax Liabilities/(Assets) (Net)	224.95	268.60

Major Components of temporary difference and their movements thereof are given below -

Deferred Tax Assets -	31.03.2024	31.03.2023
Provisions deductible for tax purposes in future periods	118.54	173.38
Retirement benefits & Leave Encashment	4007.14	3629.02
Total	4125.68	3802.40

Tax Rate	25.17%	25.17%
Tax Amount	1038.35	956.99
Retirement benefits & Leave Encashment		
Deferred tax Liabilities -		
PP&E depreciation and Intangible Amortiation	5019.46	4869.61
Total	5019.46	4869.61
Tax Rate	25.17%	25.17%
Tax Amount	1263.30	1225.59

38. OTHERS SIGNIFICANT DISCLOSURES

- 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.
- 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.
- Sales Tax assessments for earlier years are in progress. Demand, if any, shall be known & accounted for, on the completion of assessments.
- Previous year figures have been regrouped and rearranged wherever necessary to suit the present year layout. 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.
- During the year, the company has transferred the Branded Formulation (Rx) Business to its 100% subsidiary, Morepen Rx Limited, vide business transfer agreement dated 22nd August, 2023 as a going concern for lump sum consideration of ₹703.23 lakhs on a slump sale basis. The company has acquired 70,82,356/- equity shares of Morepen Rx Limited, of ₹10/- each, at par, as consideration for transfer of branded formulation business. The movable assets, current assets and liabilities transferred by the company through its business transfer agreement dt. 22.08.2023 effective 01.08.2023 is as under: -

Particulars/Amount (₹in Lakhs)	Book Value as on 31.07.2023
Movable Assets	
Computer	1.97
Sub-Total	1.97
Other Non Current Financial Assets	24.43
Current Assets :	
Inventories	436.70
Financial Assets:	
Trade Receivable	1873.46
Cash and cash Equivalents	0.36
Bank Balances other than Cash and Cash Equivalents	16.68
Other Financial Assets	24.69
Other Current Assets	1019.82
Sub-Total	3371.71
Total	3398.11
Liabilities :	
Non-Current Liabilities	
Financial Liabilities:	
Other Financial Liabilities	154.00
Provisions	156.42
Sub-Total	310.42
Current Liabilities :	
Financial Liabilities:	
Trade Payable	2017.60
Other Financial liabilities	283.52
Other Current Liabilities	21.88
Provisions	61.45
Sub-Total	2384.45
Total	2694.87
Purchase Consideration (Total Assets-liabilities)	703.24



39. Corporate Social Responsibility (CSR)

- a) During the financial year ended March 31, 2024, CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof was ₹210.00 Lakh (Previous year ₹189.57 Lakh).
- b) During the year the Company has made an expenditure of ₹220.36 Lakh (Previous year ₹190.26 Lakh) related to CSR.
- c) Details of CSR expenditure incurred during the year ended March 31, 2024 is as below :-

	(₹/Lakhs)	
	31.03.2024	31.03.2023
Nature of CSR activity		
-Promotion of Healthcare	54.07	48.63
-Social Infrastructure	47.46	98.57
-Education	115.04	29.24
-Sports	3.79	13.82
Total	220.36	190.26

40. Ratios

	As at 31.03.2024	As at 31.03.2023
Current Ratio	2.39	2.51
- Numerator - Current Assets	84290.64	73084.80
- Denominator - Current Liabilities	35263.50	29097.59
Inventory turnover Ratio	4.40	3.85
- Numerator - Cost of Goods Sold	95028.02	90301.71
- Denominator - Average Inventory	21575.01	23480.13
Trade receivables turnover Ratio (days)	67	65
- Numerator - Revenue	155015.92	134464.21
- Denominator - Average Debtors	28617.96	23867.12
Trade payables turnover Ratio (days)	92	87
- Numerator - COGS	95028.02	90301.71
- Denominator - Average Creditors	24026.13	21520.80
Debt-Equity Ratio	0.03	0.03
- Numerator - Debt	2819.24	2516.41
- Denominator		
Equity	10222.71	10222.71
Reserves & Surplus	79568.03	68474.43
Warrants	-	-
OCI	(888.31)	(685.72)
Total Equity	88902.43	78011.42
Debt Service Coverage Ratio	576.46%	312.15%
- Numerator - EBITDA	17438.47	8302.86
- Denominator -Total Loan Liability	3025.08	2659.91
Interest on loans	205.84	143.50
Principal loans	2819.24	2516.41

	As at 31.03.2024	As at 31.03.2023
Net profit Ratio	7.16%	3.44%
- Numerator - PAT	11093.60	4624.29
- Denominator - Revenue	155015.92	134464.21
Return on Equity Ratio (RoE)	12.48%	5.93%
- Numerator - PAT	11093.60	4624.29
- Denominator -Total Equity	88902.43	78011.42
Net capital turnover Ratio	1.74	1.72
- Numerator - Revenue	155015.92	134464.21
- Denominator -Total Equity	88902.43	78011.42
Return on Capital employed (RoCE)	16.46%	7.98%
- Numerator - EBIT (PBT+Interest)	15248.49	6502.29
PBT	14897.55	6304.21
Interest	350.94	198.08
- Denominator		
Shareholder's wealth	88902.43	78011.42
Preference Capital	-	-
Non current borrowings	336.40	93.35
Non Current Liabilities	3428.22	3351.89
Total capital employed	92667.05	81456.66
Return on investment	8.67%	4.18%
- Numerator - PAT	11093.60	4624.29
- Denominator - Total Assets	127930.55	110554.25



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, 2024, 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 Companies (Indian Accounting Standards) Rules, 2015,

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 & 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 50,38,983 Equity Shares received for cancellation with the company till 31.03.2022. (Refer Note No. 12G to the consolidated financial statements)</p>	<p><u>Principal Audit Procedures</u></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 12th 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>The payment to pending eligible FD holders may impact financials of the company in the coming year/years.</p>

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, 2024, 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 independence 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 is 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, 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)(l) 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 reflect total assets of ₹6032.60 lakhs as at March 31, 2024, total revenue of ₹22988.86 lakhs, total profit after tax of ₹(399.02) lakhs and total comprehensive income of ₹26.77 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:

- 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.
- 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.
- 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.
- 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.

- On the basis of the written representations received from the directors of the Holding company and its Indian subsidiaries as on 31st March 2024 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 31st March 2024 from being appointed as a director in terms of section 164(2) of the Act.
- 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.
- There is 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.
- 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.
- 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:

- The Company has disclosed the impact of pending litigation on the financial position of the group, in its consolidated financial statements;
- 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;

- During the year, the Group was not liable to transfer any amount to the Investor Education and Protection Fund.
- The Gratuity liability accrued remains uncovered to the extent of unfunded.
- 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. 33(f) to the consolidated financial statements)
- No Company in the group has declared or paid any dividend during the year.
- 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 have been audited under the act, the company, subsidiaries have used an accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 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.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on prevention of audit trail as per the statutory requirement for record retention is not applicable for the financial year ended March 31, 2024

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 : 24086348BKGUSM6741

Date : 21st May, 2024
Place : Gurugram, Haryana



ANNEXURE "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 31st March 2024)

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, 2024, 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, 2024, 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 : 24086348BKGUSM6741

Date : 21st May, 2024
Place : Gurugram, Haryana



Consolidated Balance Sheet

 As at 31st March, 2024

		(₹ in Lakhs)	
		As at	As at
		31.03.2024	31.03.2023
A	ASSETS		
	1. NON-CURRENT ASSETS		
	Property, Plant and Equipment and Intangible Assets		
	Property, Plant and Equipment	21320.41	16699.90
	Capital Work in Progress	2445.18	1701.37
	Goodwill	7447.42	7447.42
	Other Intangible Assets	1966.82	2549.86
	Financial Assets :		
	Investments	130.10	-
	Loans	3.59	4.95
	Other Financial Assets	714.15	637.77
	Other Non-Current Assets	6388.44	6391.77
		<u>40416.11</u>	<u>35433.04</u>
	2. CURRENT ASSETS		
	Inventories	24859.42	22888.63
	Financial Assets :		
	Trade Receivables	32493.81	26324.70
	Cash and Cash Equivalents	1694.51	2166.58
	Bank Balances other than Cash and Cash Equivalents	3517.15	3463.97
	Loans	22.43	27.37
	Other Financial Assets	1438.15	551.27
	Other current assets	24878.93	20193.95
		<u>88904.40</u>	<u>75616.47</u>
	TOTAL	<u>129320.51</u>	<u>111049.51</u>
B.	EQUITY AND LIABILITIES		
	1. EQUITY		
	Equity Share Capital	10222.71	10222.71
	Other Equity	74499.91	65068.10
		<u>84722.62</u>	<u>75290.81</u>
	2. MINORITY INTEREST	-	(46.04)
	3. NON - CURRENT LIABILITIES		
	Financial Liabilities		
	Borrowings	336.40	93.35
	Other Financial liabilities	450.42	352.02
	Deferred Tax Liabilities (Net)	224.95	268.60
	Provisions	3381.66	2974.46
		<u>4393.43</u>	<u>3688.43</u>
	4. CURRENT LIABILITIES		
	Financial Liabilities		
	Borrowings	2563.52	2423.06
	Trade Payables	29502.75	22687.93
	Other Financial liabilities	5050.91	5012.64
	Other Current Liabilities	585.78	368.57
	Provisions	2501.50	1624.11
		<u>40204.46</u>	<u>32116.31</u>
	TOTAL	<u>129320.51</u>	<u>111049.51</u>
	SIGNIFICANT ACCOUNTING POLICIES	1	
	NOTES ON FINANCIAL STATEMENTS	2-36	

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 : 21st May, 2024

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

(Manoj Joshi)
 Director
 DIN : 00036546

(Vipul Kumar Srivastava)
 Company Secretary
 Membership No. F-12148

Consolidated Statement of Profit and Loss

 For the Year Ended 31st March, 2024

		(₹ in Lakhs)	
		Year Ended	Year Ended
		31.03.2024	31.03.2023
	REVENUE		
	Revenue from operations (Net)	169043.25	141753.00
	Other Income	1397.08	613.34
	Total Income (I)	<u>170440.33</u>	<u>142366.34</u>
	EXPENSES		
	Cost of Materials Consumed	88330.68	78140.92
	Purchases of Stock-in-Trade	17700.48	15785.21
	Changes in inventories of Finished goods Work-in-progress and Stock-in-Trade	211.33	1648.31
	Employee Benefits Expense	18146.55	15468.05
	Finance Cost	371.02	198.08
	Depreciation and Amortization Expense	3346.95	2793.04
	Other Expenses	28791.75	22757.20
	Total Expenses (II)	<u>156898.76</u>	<u>136790.81</u>
	Profit before Tax	<u>13541.57</u>	<u>5575.53</u>
	Tax Expense		
	Current Tax	3932.22	1681.78
	Earlier periods Tax	(9.03)	5.86
	Deferred Tax	(43.65)	20.34
	Total Tax Expense	<u>3879.54</u>	<u>1707.98</u>
	Profit for the Year (III)	<u>9662.03</u>	<u>3867.55</u>
	Share of minority interest in Profit/ (loss)	46.04	0.03
	Profit for the year available for majority shareholders	<u>9615.99</u>	<u>3867.52</u>
	Other Comprehensive Income		
	Items that will not be reclassified to Profit & Loss	(275.24)	(200.62)
	Tax	(68.01)	(52.59)
	Exchange differences on translation of foreign operations	23.05	-
	Other Comprehensive Income for the Year (Net of Tax) (IV)	<u>(184.18)</u>	<u>(148.03)</u>
	Total Comprehensive Income for the Year (III+IV)	<u>9431.81</u>	<u>3719.49</u>
	Earning per equity share (Face Value of ₹2/- each)	31	
	Basic & Diluted	<u>1.88</u>	<u>0.77</u>
	SIGNIFICANT ACCOUNTING POLICIES	1	
	NOTES ON FINANCIAL STATEMENTS	2-36	

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 : 21st May, 2024

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

(Manoj Joshi)
 Director
 DIN : 00036546

(Vipul Kumar Srivastava)
 Company Secretary
 Membership No. F-12148



STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31st March, 2024

A. EQUITY SHARE CAPITAL

As at 31 st March, 2024					(₹ in Lakhs)
Balance as at 1 st 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 st March, 2024	
10222.71	–	10222.71	–	10222.71	

As at 31 st March, 2023					
Balance as at 1 st April, 2022	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 st March, 2023	
9555.86	–	9555.86	666.85	10222.71	

B. OTHER EQUITY AS AT 31st MARCH, 2024

	RESERVES & SURPLUS				Other items of other comprehensive income	Exchange difference on translation of a foreign operation	Warrant subscription received	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings				
Balance as at 1 st 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 st March, 2024	2145.40	7623.33	36978.86	28617.19	(887.92)	23.05	–	74499.91

OTHER EQUITY AS AT 31st MARCH, 2023

(₹ 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 st April, 2022	270.40	7623.33	23180.51	15133.68	(532.66)	2625.00	48300.26
Money received against Share Warrants	–	–	–	–	–	2250.00	2250.00
- Amount transferred to Equity Share Capital on conversion of warrant	–	–	–	–	–	(240.00)	(240.00)
- Amount transferred to Securities Premium account	–	–	13798.35	–	–	(2760.00)	11,038.35
- Amount transferred to Capital Reserve account	1875.00	–	–	–	–	(1875.00)	–
Profit for the year	–	–	–	3867.52	–	–	3867.52
Other comprehensive income/(loss) for the year	–	–	–	–	(148.03)	–	(148.03)
Balance as at 31 st March, 2023	2,145.40	7623.33	36978.86	19001.20	(680.69)	–	65068.10

- The money received against share warrants ('warrants') represents balance sum, out of total amount of ₹4375.00 Lakhs, received towards subscription of 700 Lakh no. of warrants, of face value of ₹2/- each, allotted at a price ₹25/- per warrant, during the financial year ending March 31, 2021. The warrants holders were entitled to apply for equivalent no. of equity shares vis-à-vis warrant within a period of 18 months from the date of allotment of warrant, in accordance with SEBI (ICDR) Regulations, 2018 as amended. Total of 400 lakhs nos. of warrants were subscribed within prescribed time period and therefore were converted into equal no. equity shares.

The remaining 300 Lakh no. of warrants were lapsed during the previous year ending March 31, 2023. Accordingly, a sum of ₹1875.00 Lakh i.e., upfront 25% of the warrant subscription monies in respect of these 300 Lakh nos. of warrants, received was transferred into Capital Reserve Account, during the previous year ending March 31, 2023.
- During the previous year ending March 31, 2023, 2,13,42,505 no. of equity shares of ₹2/- each, at a conversion price of ₹53.72/- per share were issued to banks/financial institution and other, towards conversion of 0.01% 1,14,65,201 no. of Preference Shares of ₹100/- each held by them.

SIGNIFICANT ACCOUNTING POLICIES

1

NOTES ON FINANCIAL STATEMENTS

2-36

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 : 21st May, 2024

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

(Manoj Joshi)
Director
DIN : 00036546

(Vipul Kumar Srivastava)
Company Secretary
Membership No. F-12148

Consolidated Cash Flow Statement

 For the Year Ended 31st March, 2024

	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
(₹ in Lakhs)			
A. CASH FLOWS FROM OPERATING ACTIVITIES :			
Profit before Tax		13541.57	5575.53
Adjustments for :			
Depreciation & Amortisation	2	3346.95	2793.04
Provision for Employee benefit (OCI)		(275.24)	(200.62)
Exchange differences on translation of a foreign operation		23.05	-
Finance Cost (Net)	26	371.02	198.08
Minority Interest	14	(46.04)	(0.03)
Operating Profit before changes in Current Assets and Liabilities		16961.31	8366.00
Changes in Current Assets and Liabilities -			
Trade Receivables	8	(6169.11)	(1260.39)
Loans, Bank balance other than cash & Cash equivalent and other Current Assets	4,10,11,12	(5620.10)	(5036.42)
Inventories	7	(1970.79)	4696.78
Current Liabilities	17,18,19,20	7947.68	(14227.64)
Cash generated from operations		11148.99	(7461.67)
Income Tax (Net)		(3811.53)	(1655.39)
NET CASHFLOW - OPERATING ACTIVITIES		7337.46	(9117.06)
B. CASH FLOWS - INVESTING ACTIVITIES:			
Purchase of Property, Plant & Equipments	2	(7138.08)	(3562.06)
Purchase/Addition of Intangibles/Goodwill	2	(995.47)	(1035.14)
Proceeds from Sale of Property, Plant & Equipments	2	5.32	-
Sales/(Purchase) of Investments (Net)	3	(130.10)	-
Investment in Other Non-Current Assets	4,5,6	(71.69)	(53.73)
NET CASHFLOW - INVESTING ACTIVITIES		(8330.02)	(4650.93)
C. CASH FLOWS FROM FINANCING ACTIVITIES:			
Finance Cost	26	(371.02)	(198.08)
Proceeds/(Repayments) of Long Term Borrowings (Net)	15	243.05	(38.76)
Proceeds/(Repayments) of Short Term Borrowings (Net)	15	140.46	698.27
Proceeds from Warrant subscription/ Preference shares conversion		-	13715.20
Change in Other Non- Current Liabilities & Provisions (Net)	14,16,17,34	508.00	177.68
NET CASHFLOW - FINANCING ACTIVITIES		520.49	14354.31
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(472.07)	586.32
Cash and Cash Equivalents as at Beginning of the Year		2166.58	1580.26
Cash and Cash Equivalents as at End of the Year		1694.51	2166.58
Bank Balances other than Cash and Cash Equivalents		3517.15	3463.97
Components of cash and cash equivalents as on end of the period			
Balance with Banks			
- In Current Accounts		1677.54	2141.80
- In Deposit Accounts		-	-
Cash in hand		16.97	24.78
		1694.51	2166.58

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

1

NOTES ON FINANCIAL STATEMENTS

2-36

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

(Manoj Joshi)
Director
DIN : 00036546

(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 : 21st May, 2024

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 and marketing a wide range of Active Pharmaceutical Ingredients (APIs), branded and generic formulations and also 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 five subsidiaries namely Dr. Morepen Ltd., Total Care Ltd., Morepen Devices Ltd., Morepen Rx 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	100
Total Care Ltd.	India	95*
Morepen Devices Ltd.	India	100
Morepen Rx Ltd.	India	100

*(Held by Dr. Morepen Limited)

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on May 21, 2024.

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 Rs. 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

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

1.9 Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of minimum lease payments at the inception of lease, whichever is lower. Lease under which the risks and rewards incidental to ownership are not transferred to lessee, is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss 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 CONSOLIDATED FINANCIAL STATEMENTS AS AT 31st MARCH, 2024
2. I) PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS BLOCK		DEPRECIATION/AMORTIZATION		CARRYING VALUE	
	As at 01.04.2023	As at 31.03.2024	As at 01.04.2023	For the year	As at 31.03.2024	As at 31.03.2023
	143.28	143.28	-	-	143.28	143.28
Buildings	9,087.21	9,960.76	4,251.35	189.27	4,290.36	4,835.86
Plant & Machinery	37,098.64	33,312.21	27,008.28	1,243.91	19,890.43	10,090.36
Furniture & Fixtures	1,323.65	90.41	446.97	104.76	551.73	876.68
Vehicles	1,246.48	588.39	693.69	129.68	814.86	552.79
Office Equipments	692.53	116.34	491.60	101.23	592.83	200.93
Total	49,591.79	6,394.27	32,891.89	1,768.85	26,140.21	16,699.90
Previous Year	46,327.11	3,275.27	31,662.40	1,240.08	32,891.89	16,699.90
II) CAPITAL WORK IN PROGRESS						
Buildings	346.58	68.72	-	-	-	346.58
Plant & Machinery	1,348.63	586.58	-	-	-	1,348.63
Furniture & Fixture	6.16	-	-	-	-	6.16
Research & Development	-	52.12	-	-	-	-
Electrical Installation	-	41.31	-	-	-	-
Total	1,701.37	748.73	-	-	-	1,701.37
Previous Year	1,414.58	286.79	-	-	-	1,701.37
III) GOODWILL						
Goodwill	7,447.42	-	-	-	-	7,447.42
Total	7,447.42	-	-	-	-	7,447.42
Previous Year	7,447.42	-	-	-	-	7,447.42
IV) INTANGIBLE ASSETS						
Computer Software	290.93	53.24	244.57	21.12	265.69	46.36
Customer Acquisition Cost	5,446.98	366.51	3,362.85	1,538.46	2,474.70	2,084.13
Product Development Cost	1,18.96	583.01	-	-	-	118.96
Right to use Assets	35.52	(7.29)	-	-	-	35.52
Patents & Trade Marks	2,692.89	-	2,428.00	18.52	2,447.26	264.89
Total	8,585.28	995.47	6,035.42	1,578.10	5,187.65	2,549.86
Previous Year	7,550.14	1,035.14	4,482.46	1,552.96	6,035.42	2,549.86
GRAND TOTAL						
Current year	67,325.86	8,138.47	38,927.31	3,346.95	31,327.86	28,398.55
Previous Year	62,739.25	4,597.20	36,144.86	2,793.04	38,927.31	28,398.55

Notes -

- 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.
- 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.
- Product Development cost represents amount spent on development on formulation products.
- * Old machinery no longer in use and fully depreciated, written off, derecognised during the year.

	As at 31.03.2024	As at 31.03.2023																																			
3. INVESTMENTS (NON-CURRENT) - Non Trade																																					
A. Investment in Mutual Funds (Quoted)																																					
13164.448 Units (Previous Year- Nil) ICICI Prudential Liquid Fund	45.00																																				
657.861 Units (Previous Year- Nil) HDFC Liquid Fund	30.00																																				
5507.283 Units (Previous Year- Nil) HDFC Large and Midcap Fund	15.00																																				
63152.078 Units (Previous Year- Nil) HDFC Multi Cap Fund	10.00																																				
149992.50 Units (Previous Year- Nil) Motilal Oswal Large Cap Fund	15.00																																				
149992.50 Units (Previous Year- Nil) Mirae Asset Multi Asset Allocation Fund	15.00																																				
142.506 Units (Previous Year- Nil) ICICI Prudential Money Market Fund	0.10																																				
	130.10	-																																			
Market Value of Quoted Investments as on 31.03.2024 - ₹134.26 Lakhs.																																					
4. LOANS																																					
	(₹ in Lakhs)																																				
	<table border="1"> <thead> <tr> <th></th> <th colspan="2">Current Portion</th> <th colspan="2">Non Current Portion</th> </tr> <tr> <th></th> <th>As at 31.03.24</th> <th>As at 31.03.23</th> <th>As at 31.03.24</th> <th>As at 31.03.23</th> </tr> </thead> <tbody> <tr> <td>Secured</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(Unsecured, considered good)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Loans to Employees</td> <td>22.43</td> <td>27.37</td> <td>3.59</td> <td>4.95</td> </tr> <tr> <td></td> <td>22.43</td> <td>27.37</td> <td>3.59</td> <td>4.95</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: right;">As at 31.03.2024</td> <td style="text-align: right;">As at 31.03.2023</td> </tr> </tbody> </table>			Current Portion		Non Current Portion			As at 31.03.24	As at 31.03.23	As at 31.03.24	As at 31.03.23	Secured					(Unsecured, considered good)					Loans to Employees	22.43	27.37	3.59	4.95		22.43	27.37	3.59	4.95				As at 31.03.2024	As at 31.03.2023
	Current Portion		Non Current Portion																																		
	As at 31.03.24	As at 31.03.23	As at 31.03.24	As at 31.03.23																																	
Secured																																					
(Unsecured, considered good)																																					
Loans to Employees	22.43	27.37	3.59	4.95																																	
	22.43	27.37	3.59	4.95																																	
			As at 31.03.2024	As at 31.03.2023																																	
5. OTHER FINANCIAL ASSETS - NON CURRENT																																					
Security Deposits	714.15	637.77																																			
	714.15	637.77																																			
6. OTHER NON CURRENT ASSETS																																					
Unsecured																																					
Capital Advances (Considered good) *	6364.16	6364.15																																			
Leasehold Land Prepayments	22.76	26.06																																			
Prepaid (Deferred) Expenses for Employee Benefit	1.52	1.56																																			
	6388.44	6391.77																																			
Includes-*																																					
₹2596.38 Lakhs paid to related parties for acquisition of land for expansion of manufacturing facilities of the company. An agreement for acquisition of land was entered into with these parties in the financial year ending March 31, 2021, for a sum of ₹2840.00 Lakhs. Necessary documentation and seeking government & statutory approvals for the transfer of land in the name of the company is expected in the coming financial year.																																					
7. INVENTORIES																																					
Raw Materials	14496.08	12661.60																																			
Work-in-progress	3741.37	3864.55																																			
Finished goods	3090.43	3511.27																																			
Stock -in-trade	1435.70	1463.58																																			
Goods in transit	1728.84	938.04																																			
Stores and spares	367.00	449.59																																			
	24859.42	22888.63																																			

The inventory of stocks, stores and spares has been taken, valued and certified by the management.



(₹ in Lakhs)

	As at 31.03.2024	As at 31.03.2023
8. TRADE RECEIVABLES		
Unsecured -		
Considered good	32257.83	26324.70
Considered doubtful	529.60	275.41
	<u>32787.43</u>	<u>26600.11</u>
Less: Allowance for bad & doubtful debts	293.62	275.41
	<u>32493.81</u>	<u>26324.70</u>

Ageing of Trade Receivables (2023-24)	< 6 months	6 months-1 year	1-2 years	2-3 years	3 years or more	Total
Undisputed						
- Considered good	31124.45	793.46	208.38	63.63	67.90	32257.83
- Having significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Disputed						
- Considered good	-	-	-	-	-	-
- Having significant increase in credit risk	163.27	22.86	104.73	96.49	142.25	529.60
- Credit impaired	-	-	-	-	-	-
Total Receivables	31287.72	816.32	313.11	160.12	210.16	32787.43

Ageing of Trade Receivables (2022-23)	< than 6 months	6 months-1 year	1-2 years	2-3 years	3 years or more	Total
Undisputed						
- Considered good	25831.03	238.72	178.58	67.07	9.30	26324.70
- Having significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Disputed						
- Considered good	-	-	-	-	-	-
- Having significant increase in credit risk	-	2.68	50.70	29.11	192.92	275.41
- Credit impaired	-	-	-	-	-	-
Total Receivables	25831.03	241.40	229.28	96.18	202.22	26600.11

9. CASH AND CASH EQUIVALENTS

Balances with banks		
Current Accounts	1677.54	2141.80
Cash in hand	16.97	24.78
	<u>1694.51</u>	<u>2166.58</u>

(₹ in Lakhs)

	As at 31.03.2024	As at 31.03.2023
10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
Term Deposit - Towards Margin Money & Security against Overdraft, Bills discounting and LC facilities	3465.88	3326.89
Guarantees	51.27	137.08
	<u>3517.15</u>	<u>3463.97</u>
11. OTHER FINANCIAL ASSETS - CURRENT		
Security Deposits	803.01	291.01
Interest accrued but not due	155.51	98.04
Export Incentives Receivable	479.63	162.22
	<u>1438.15</u>	<u>551.27</u>

12. OTHER CURRENT ASSETS

Unsecured considered good, unless otherwise stated

Advances with Suppliers & Others *	21413.43	16567.19
Leasehold Land Prepayments	1.83	1.47
Balance with Government Authorities	2277.25	3101.54
Advances to Employees	179.38	70.75
Prepaid Expenses	1007.07	453.00
	<u>24878.96</u>	<u>20193.95</u>

* Includes

- Sum of ₹570.41 Lakhs paid to fixed deposit holders towards cancellation of 50,38,983 Equity Shares (Refer Note No. 12G)

13. SHARE CAPITAL

A. Equity Share Capital

	As at March 31, 2024		As at March 31, 2023	
	Nos. of Shares	Amount (₹/Lakhs)	Nos. of Shares	Amount (₹/Lakhs)
Authorised				
Equity Shares of ₹2/- each	1000000000	20000.00	1000000000	20000.00
Issued and Subscribed				
Equity Shares of ₹2/- each	511168708	10223.37	511168708	10223.37
Paid up				
Equity Shares of ₹2/- each	511168708	10222.71	511168708	10222.71

(33000 Shares not paid up)



Reconciliation of the numbers and amount of Equity shares -

For the year ended	As at March 31, 2024		As at March 31, 2023	
	Nos. of Shares	Amount (₹/ Lakhs)	Nos. of Shares	Amount (₹/ Lakhs)
Outstanding at beginning of the year	511168708	10222.71	477826203	9,555.86
Add : Shares issued during the year	-	-	33342505	666.85
Outstanding at the end of year	511168708	10222.71	511168708	10222.71

Shares held by promoters at the end of the year

S. No.	Name of the promoter	No. of shares held	% of shareholding
1	KANTA SURI	1510	0.00
2	RAJAS SURI (KB SURI SONS HUF)	972830	0.19
3	SANJAY SURI (SANJAY SURI SONS HUF)	2100000	0.41
4	PRADUMAN LAL SURI HUF	2990	0.00
5	SUSHIL SURI (SUSHIL SURI SONS HUF)	1201560	0.24
6	ANUBHAV SURI (ARUN SURI SONS HUF)	1500000	0.29
7	MAMTA SURI	3004000	0.59
8	SONIA SURI	3679718	0.72
9	SANJAY SURI	3417240	0.67
10	P.L. SURI	400000	0.08
11	ANJU SURI	5186369	1.01
12	SUSHIL SURI	5501510	1.08
13	SUNITA SURI	3192240	0.62
14	SHALU SURI	2052250	0.40
15	VARUN SURI	3052357	0.60
16	ANUBHAV SURI	782134	0.15
17	SARA SURI	705000	0.14
18	GULFY SURI	1150000	0.22
19	AANCHAL SURI	685922	0.13
20	RAJAS SURI	155000	0.03
21	MASTER ARJUN SURI	697060	0.14
22	KANAK SURI	997060	0.20
23	AANANDI SURI	750000	0.15
24	AAKRITI SURI	55000	0.01

25	BROOK INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15159252	2.97
26	CONCEPT CREDITS AND CONSULTANTS PRIVATE LTD.	15347724	3.00
27	EPITOME HOLDINGS PRIVATE LTD.	14500820	2.84
28	LIQUID HOLDINGS PRIVATE LTD.	5003000	0.98
29	MID MED FINANCIAL SERVICES AND INVESTMENTS PRIVATE LTD.	14973813	2.93
30	REACT INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	14942134	2.92
31	SOLITARY INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15114045	2.96
32	SQUARE INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	14102075	2.76
33	SOLACE INVESTMENTS AND FINANCIAL SERVICES PRIVATE LTD.	15082790	2.95
34	SEED SECURITIES AND SERVICES PRIVATE LTD.	14328780	2.80
35	SCOPE CREDITS AND FINANCIAL SERVICES PRIVATE LTD.	15575405	3.05
	TOTAL	195371588	38.22

B. Shareholders holding more than 5% shares -

Equity Shares

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Pinfold Overseas Ltd.	38,530,000	7.54%	38,530,000	7.54%

C. Rights, preferences and restrictions attached to each class of Shares and terms of redemption -

- i) 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.
- ii) 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	31.03.2024	31.03.2023
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 50,38,983 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.

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. 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.

(₹ in Lakhs)

As at 31.03.2024 As at 31.03.2023

14. MINORITY INTEREST

Share Capital	46.66	46.66
Share in Profit/(Loss)	(46.66)	(92.70)
	-	(46.04)

The excess of losses, over the minority interest in the equity of the step down subsidiary of the company, Total Care Limited, have been adjusted against the profits of the company, during the year.

15. BORROWINGS

Long Term

	Current Portion		Non Current Portion	
	As at 31.03.24	As at 31.03.23	As at 31.03.24	As at 31.03.23
Secured				
Term Loans - Vehicles*	133.75	105.11	336.40	93.35
Other Loans**	80.68	-	-	-
	214.43	105.11	336.40	93.35

I. Above loans represent vehicle loans, repayable on monthly basis, are secured by way of hypothecation of specific assets purchased under the hire purchase agreement.

Particulars	Current Portion	Non Current Portion				
	2024-25	2025-26	2026-27	2027-28	2028-29	Total
Annual Repayment Amount (₹/ Lakhs)	214.43	86.94	81.98	89.51	77.97	336.40
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%

II. Current Portion of Long Term Borrowings is appearing under the head Other Financial Liabilities.

Short Term

Secured

Bank Overdraft and Bill Discounting facility against term deposit	2349.09	2317.95
*Annual rate of interest chargeable on aforesaid facilities ranges up to 9.5%.		
Current maturities of Long Term Borrowings	214.43	105.11
Total	2563.52	2423.06

** For Other loans, annual rate of interest ranges from 26.50% to 29.50%.

(₹ in Lakhs)

As at 31.03.2024 As at 31.03.2023

16. OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Security Deposits from Business Associates & Others	450.42	352.02
---	--------	--------

17. PROVISIONS

	Current Portion		Non Current Portion	
	As at 31.03.24	As at 31.03.23	As at 31.03.24	As at 31.03.23
Gratuity	648.29	540.20	2659.25	2256.63
Leave Encashment	212.84	207.74	722.41	717.83
Income Tax (Net of Tax payments)	1318.35	649.73	-	-
Others	322.02	226.44	-	-
	2501.50	1624.11	3381.66	2974.46

18. TRADE PAYABLES

Total outstanding dues of micro small and medium enterprises	208.31	255.12
Total outstanding dues of creditors other than micro small and medium enterprises	29294.44	22432.81
	29502.75	22687.93

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
Total Payables	29160.11	206.48	80.13	56.03	29502.75

Ageing of Trade Payables (2022-23)	1 year	1-2 years	2-3 years	3 years or more	Total
(i) MSME	255.12	-	-	-	255.12
(ii) Others	22152.22	111.76	54.80	114.03	22432.81
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total Payables	22407.34	111.76	54.80	114.03	22687.93



	(₹ in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
19. OTHER FINANCIAL LIABILITIES -CURRENT		
Accrued salaries and benefits	2020.90	1738.08
Expenses payable	1970.01	2214.56
Others	1060.00	1060.00
	<u>5050.91</u>	<u>5012.64</u>
20. OTHER CURRENT LIABILITIES		
Advance Received from Customers	153.76	146.17
Direct Taxes	341.64	146.24
Indirect Taxes	32.56	18.34
Others	57.82	57.82
	<u>585.78</u>	<u>368.57</u>
21. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)		
a) Contingent Liabilities		
Claims against the Company not acknowledged as debts	136.00	81.75
Guarantees	334.78	416.72
Other money for which company is contingently liable	505.57	167.89
	<u>976.35</u>	<u>666.36</u>
Trade Mark 'Burnol' given as collateral security to Poysha 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) Other commitments		
Capital commitments	1294.52	517.73
	<u>2270.87</u>	<u>1184.09</u>
	Year Ended 31.03.2024	Year Ended 31.03.2023
22. REVENUE FROM OPERATIONS		
<u>Sale of Products</u>		
Domestic	104254.24	84994.76
Exports	63959.19	56400.72
	<u>168213.43</u>	<u>141395.48</u>
<u>Other Operating Revenues</u>		
Export Incentives	815.97	314.15
Others	13.85	43.36
	<u>829.82</u>	<u>357.52</u>
	<u>169043.25</u>	<u>141753.00</u>
23. OTHER INCOME		
Interest Income	250.41	165.74
Others	1146.67	447.60
	<u>1397.08</u>	<u>613.34</u>

	(₹ in Lakhs)	
	Year Ended 31.03.2024	Year Ended 31.03.2023
24. COST OF MATERIALS CONSUMED		
Raw Materials	83775.12	72588.90
Packing Materials	4555.56	5552.02
	<u>88330.68</u>	<u>78140.92</u>
25. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	16518.71	14086.88
Contribution to provident fund/ ESI	493.87	430.53
Gratuity and Leave Encashment Expenses	650.71	518.68
Staff Welfare	483.26	431.97
	<u>18146.55</u>	<u>15468.05</u>
26. FINANCE COST		
Interest expense	225.92	143.50
Interest on delay in deposit of Advance Tax	145.10	54.58
	<u>371.02</u>	<u>198.08</u>
27. OTHER EXPENSES		
Consumption of Stores and spare parts	2109.80	1462.84
Power and Fuel	3408.91	2377.70
Repairs to buildings	255.99	232.22
Repairs to machinery	707.91	547.07
General Repairs	1370.72	1142.84
Research & Development	519.83	306.89
Quality Control & Testing Charges	1426.39	1068.61
Insurance	205.21	141.84
Rent	1208.12	1074.01
Rates and taxes excluding taxes on income	164.17	227.33
Legal and Professional Expenses	1528.36	1274.38
Travelling Expenses	2186.09	1683.20
Selling and Distribution Expenses	10997.89	9301.36
Miscellaneous Expenses	2702.36	1916.92
	<u>28791.75</u>	<u>22757.20</u>
28. PRIOR PERIOD ITEMS		
Expenses include ₹87.72 Lakhs (Previous Year ₹108.00 Lakhs) as expenses (net) relating to earlier years.		
29. SEGMENT REPORTING		
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-		
	Geographical Segment	Sales Revenues (₹/Lakhs)
		2023-24
		2022-23
USA	15742.19	8793.75
Rest of World	48217.00	47606.97
India	104254.24	84994.76
Total	<u>168213.43</u>	<u>141395.48</u>



30. 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. Key Management Personnel	<p>Morepen Laboratories Limited - 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</p> <p>Dr. Morepen Limited Mr. Varun Suri, MD Mr. Ajay Sharma, Director & Chief Financial Officer Mr. Akshay Mehta, Company Secretary (Till 5th August 2023) Mr. Vipul Kumar, Company Secretary, w.e.f. 18th August 2023</p>
	Morepen Rx Limited Mr. Varun Suri, Director
2. Relatives of Key Management personnels with whom the company has any transaction during the year	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.
3. 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 Blueheaven Marketing Pvt. Ltd. Groom Town Pvt. Ltd. Happier Life Pvt. Ltd.

Transactions with related parties -

Particulars	Nature of transaction	(₹ in Lakhs)
1. Key Management Personnel	Remuneration	864.54
	Amount payable as on 31.03.24	279.91
	Maximum amount outstanding	304.19
2. Relatives of key Management personnels with whom the company has any transaction during the year	Remuneration	695.67
	Amount payable as on 31.03.24	153.55
	Maximum amount outstanding	200.79
3. 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	Goods & Services - Receipt	46.20
	Purchase of inventories	23.49
	Business Support Services - Sale	383.58
	Sale of Inventories	994.31
	Security Deposit received	9.40
	Amount payable as on 31.03.24	763.21
	Maximum amount outstanding	1104.48

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.

31. EARNING PER SHARE (EPS)

Particulars	Year Ended	
	31.03.2024	31.03.2023
Profit/ (Loss) after Tax (₹ in Lakh)	9615.99	3867.52
Weighted average number of equity shares outstanding	511168708	502206570
Basic & Diluted EPS (₹) - (Face value ₹2/- per share)	1.88	0.77

32. IMPAIRMENT

It is the view of management that there are no impairment conditions that exist as on 31st March, 2024. Hence, no provision is required in the accounts for the year under review.

33. 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	31.03.2024	31.03.2023
Current tax	3864.21	1629.19
Earlier Years taxes	(9.03)	5.86
Deferred tax expense	(43.65)	20.34
Total income tax expenses	3811.53	1655.39
B. Deferred Tax Assets (Net)		
Deferred Tax Liabilities	1263.30	1225.59
Deferred Tax Assets	1038.35	956.99
Deferred tax Liabilities/(Assets) (Net)	224.95	268.60

Major Components of Deferred Tax Assets (Net) arising on account of temporary difference and movements thereof are given below -

Deferred Tax Assets -

Retirement benefits & Leave Encashment	4007.14	3629.02
Provisions deductible for tax purposes in future periods	118.54	173.38
Total	4125.68	3802.40
Tax Rate	25.168%	25.168%
Tax Amount	1038.35	956.99

Deferred tax Liabilities -

PP&E depreciation and intangible Amortiation	5019.46	4869.61
Total	5019.46	4869.61
Tax Rate	25.168%	25.168%
Tax Amount	1263.30	1225.59

Note : Deferred Tax asset of ₹282.79 Lakhs (Previous year ₹132.72 lakhs) is not recognised as a matter of prudence.



34. OTHERS SIGNIFICANT DISCLOSURES

- In the opinion of directors, all assets 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.
- 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.
- Sales Tax assessments for earlier years are in progress. Demand, if any, shall be known & accounted for, on the completion of assessments.
- Previous year figures have been regrouped and rearranged wherever necessary to suit the present year layout.
- 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.
- During the year, the company has transferred the Branded Formulation (Rx) Business to its 100% subsidiary, Morepen Rx Limited, vide business transfer agreement dated 22nd August, 2023 as a going concern for lump sum consideration of ₹703.24 lakhs on a slump sale basis. The company has acquired 70,82,356/- equity shares of Morepen Rx Limited, of ₹10/- each, at par, as consideration for transfer of branded formulation business.

The movable assets, current assets and liabilities transferred by the company through its business transfer agreement effective 01.08.2023 is as under: -

Particulars/Amount (₹in Lakhs)	Book Value as on 31.07.2023
Movable Assets	
Computer	1.97
Sub-Total	1.97
Other Non Current Financial Assets	24.43
Current Assets :	
Inventories	436.7
Financial Assets:	
Trade Receivable	1873.46
Cash and cash Equivalents	0.36
Bank Balances other than Cash and Cash Equivalents	16.68
Other Financial Assets	24.69
Other Current Assets	1019.82
Sub-Total	3371.71
Total	3398.11

Liabilities :

Non-Current Liabilities

Financial Liabilities:

Other Financial Liabilities	154
Provisions	156.42
Sub-Total	310.42
Current Liabilities :	
Financial Liabilities:	
Trade Payable	2017.60
Other Financial liabilities	283.52
Other Current Liabilities	21.88
Provisions	61.45
Sub-Total	2384.45
Total	2694.87
Purchase Consideration (Total Assets-Liabilities)	703.24

35. Corporate Social Responsibility (CSR)

- During the financial year ended March 31, 2024, CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof was ₹210.00 Lakh (Previous year ₹189.57 Lakh).
- During the year the Company has made an expenditure of ₹220.36 Lakh (Previous year ₹190.26 Lakh) related to CSR.
- Details of CSR expenditure incurred during the year ended March 31, 2024 is as below :-

	(₹/ Lakhs)	
	31.03.2024	31.03.2023
CSR activity		
- Promotion of Healthcare	54.07	48.63
- Social Infrastructure	47.46	98.57
- Education	115.04	29.24
- Sports	3.79	13.82
Total	220.36	190.26


 NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2024

	As at 31.03.2024	As 31.03.2023
36. Ratios		
Current Ratio	2.21	2.35
- Numerator - Current Assets	88904.40	75616.47
- Denominator - Current Liabilities	40204.46	32116.31
CURRENT LIABILITIES	40204.46	32116.31
Less : Pref. Capital	-	-
Inventory turnover Ratio	4.45	3.79
- Numerator - Cost of Goods Sold	106242.49	95574.44
- Denominator - Average Inventory	23874.02	25237.02
Trade receivables turnover Ratio (days)	63	66
- Numerator - Revenue	170440.33	142366.34
- Denominator - Average Debtors	29409.25	25694.51
Trade payables turnover Ratio (days)	90	93
- Numerator - COGS	106242.49	95574.44
- Denominator - Average Creditors	26095.34	24249.74
Debt-Equity Ratio	0.03	0.03
- Numerator - Debt	2899.92	2516.41
- Denominator		
Equity	10222.71	10222.71
Reserves & Surplus	75364.78	65748.79
OCI	(864.87)	(680.69)
Total Equity	84722.62	75290.81
Debt Service Coverage Ratio	552.16%	322.07%
- Numerator - EBITDA	17259.54	8566.65
- Denominator -Total Loan Liability	3125.84	2659.91
Interest on loans	225.92	143.50
Principal loans	2899.92	2516.41

	As at 31.03.2024	As at 31.03.2023
Net profit Ratio	5.64%	2.72%
- Numerator - PAT	9615.99	3867.52
- Denominator - Revenue	170440.33	142366.34
Return on Equity Ratio (RoE)	11.35%	5.14%
- Numerator - PAT	9615.99	3867.52
- Denominator -Total Equity	84722.62	75290.81
Net Capital Turnover Ratio	2.01	1.89
- Numerator - Revenue	170440.33	142366.34
- Denominator -Total Equity	84722.62	75290.81
Return on Capital employed (RoCE)	15.61%	7.31%
- Numerator - EBIT (PBT+Interest)	13912.59	5773.61
- Denominator - Total Capital Employed	89116.05	78979.24
Shareholder's Wealth	84722.62	75290.81
Non current borrowings	336.40	93.35
Non Current Liabilities	4057.03	3595.08
Return on investment (RoI)	7.44%	3.48%
- Numerator - PAT	9615.99	3867.52
- Denominator - Total Assets	129320.51	111049.51



The USFDA approved Plant at Masulkhana

MOREPEN LABORATORIES LIMITED

Regd. Off: Morepen Village, Nalagarh Road, Near Baddi, Distt. Solan, H.P.– 173 205

CIN: L24231HP1984PLC006028; **Website:** www.morepen.com;

E-mail id: investors@morepen.com; **Tel No.:** +91-01795-276201-03; **Fax No.:** +91-01795-276204

NOTICE

NOTICE is hereby given that the 39th Annual General Meeting ('AGM') of the members of Morepen Laboratories Limited ('the company') will be held on **Saturday, 28th September, 2024, at 1.00 P.M.** through Video Conferencing/ Other Audio-Visual Means ('VC/'OAVM'), to transact the following business:

Ordinary business

Item No. 1 - Adoption of financial statements.

To receive, consider and adopt the audited financial statements, including consolidated financial statements, of the company for the financial year ended 31st March 2024 together with the reports of the Directors' and Auditors' thereon.

Item No. 2 – Appointment of Mr. Sanjay Suri (DIN: 00041590) as a Director liable to retire by rotation.

To appoint a director in place of Mr. Sanjay Suri (DIN: 00041590), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

Special business

Item No. 3 - Ratification of remuneration of M/s. Vijender Sharma & Co., Cost Accountants, as Cost Auditors of the company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force and as per the recommendation of the Audit Committee, the company hereby ratifies the remuneration of M/s. Vijender Sharma & Co., Cost Accountants, (FRN: 000180), appointed as Cost Auditors of the company by the Board of Directors of the company, to audit the cost records for the financial year 2024-2025, at a remuneration of ₹2,50,000/- (Rupees Two Lakh Fifty Thousand Only) excluding applicable taxes and out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 4 – Re-appointment of Mr. Praveen Kumar Dutt (DIN: 06712574) as an Independent Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Praveen Kumar Dutt (DIN: 06712574), who was appointed as an Independent Director of the Company at the 34th Annual General Meeting of the Company held on 13th September, 2019 and who holds office of Independent Director up to 12th August, 2024 and who is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act, proposing his

candidature for the office of director, be re-appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 13th August 2024 to 12th August 2029 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 5 – Appointment of Mr. Ranjit Khattar (DIN: 00726997) as an Independent Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Ranjit Khattar (DIN: 00726997), who was appointed as an Additional Director (Independent and Non-Executive) of the Company, with effect from 12th August 2024, under section 161 of the Act and the Articles of Association of the Company and who holds office up-to the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 12th August, 2024 to 11th August, 2029 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 6 – Appointment of Mr. Sharad Jain (DIN: 06423452) as an Independent Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Sharad Jain (DIN: 06423452), who was appointed as an Additional Director (Independent and Non-Executive) of the Company, with effect from 27th August, 2024, under section 161 of the Act and the Articles of Association of the Company and who holds office up-to the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 27th August, 2024, to 26th August, 2029 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By order of the Board of Directors
For Morepen Laboratories Limited**

**Sushil Suri
(Chairman & Managing Director)
DIN: 00012028**

**Date: 27th August, 2024
Place: Gurugram, Haryana**

NOTES:

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 and its rules framed thereunder (hereinafter referred to as the 'Act') relating to businesses to be transacted at the AGM, as set out in item nos. 3 to 6 and relevant details as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the 'Listing Regulations') and Secretarial Standard -2 of General Meeting issued by the Institute of Company Secretaries of India ('ICSI'), is annexed thereto.
2. The Board of Directors have considered and decided that item nos. 3 to 6 as set out in the notice, are special business and unavoidable in nature.
3. Pursuant to the general circular no. 9/2023 dated 25th September, 2023, issued by the Ministry of Corporate Affairs ('MCA') and circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated 7th October, 2023, issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM. In compliance with the aforesaid circulars, members can attend and participate in the ensuing AGM through VC/OAVM. The Notice is being sent to all the members to their email ids as registered with the company/ Registrar & Share Transfer Agent ('RTA')/ depositories. The deemed venue for the AGM shall be the Registered Office of the company.
4. The company has enabled the members to participate at the AGM through the VC/ OAVM facility provided by National Depository Services Limited ('NSDL'). The instructions for participation by members are given in the subsequent paragraphs. Facility of joining the AGM through VC/ OAVM shall open 30 minutes before the time scheduled for the AGM and will be available on first come first serve basis.
5. Pursuant to the provisions of the Act, members are entitled to attend and vote at the AGM, are entitled to appoint a proxy to attend and vote on his/her behalf. Since the AGM is being held through VC/ OAVM, therefore physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be made available for the AGM and hence the proxy form and attendance slip and route map are not annexed to this Notice.
6. Corporate members are required to send a certified copy of the board resolution authorizing their representative to attend the AGM through VC/ OAVM and vote on their behalf at e-mail i.d. of the company at 'investors@morepen.com' and email id of scrutinizer at 'csduapraveen@gmail.com' with a copy marked to 'evoting@nsdl.co.in' and institutional investors are encouraged to attend and vote at the meeting through VC/OAVM.
7. The company has provided the facility to members to exercise their right to vote by electronic means both through remote e-Voting and e-Voting during the AGM. The process of e-Voting with necessary user i.d. and password is given in the subsequent paragraphs.
8. Members joining the meeting through VC/ OAVM, who have not already cast their vote by means of remote e- Voting, shall be able to exercise their right to vote through e-Voting during/ at the AGM. The members who have cast their vote by remote e-Voting prior to the AGM may also join the AGM through VC/ OAVM but shall not be entitled to cast their vote again.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. The company has appointed Mr. Praveen Dua (FCS: 3573, CP: 2139), Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the e-Voting process in a fair and transparent manner.
11. The register of members and share transfer books will remain closed from Sunday, 22nd September, 2024, to Saturday, 28th September, 2024.

12. All documents referred to in the Notice, explanatory statement, and annual report, are open for inspection at the corporate office of the company at 2nd Floor, Tower C, DLF Cyber Park, Udyog Vihar – III, Sector 20, Gurugram, Haryana – 122 016, India, on all working days, excluding Saturday between 11.00 A.M to 1.00 P.M. up-to the date of the AGM.
13. The following documents will be available for inspection by the members electronically during the AGM. Members seeking inspect to such documents may send an email to company at investors@morepen.com, at least 5 days in advance.
 - Register of directors and key managerial personnel and their shareholding; and
 - Register of contracts or arrangements in which the directors are interested, maintained under the Act.
 - Any other documents information which are required as per the preceding paragraph of this notice and annual report.
14. Members may note that SEBI has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; subdivision of securities certificate; consolidation of securities certificates/folios; transmission and transposition etc. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4 to the company's Registrar and Transfer Agent ('RTA'), Mas Services Limited. It may be noted that any service request can be processed only after the folio is KYC compliant.
15. Members are requested to intimate changes/ update, if any, their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
 - a. For shares held in electronic form: to their Depository Participants (DPs)
 - b. For shares held in physical form: to RTA i.e., at Mas Services Limited having office at T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020, in prescribed Form ISR-1 and others as prescribed by SEBI.
16. SEBI vide its Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July, 2023 followed by Master Circular bearing Ref. No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 (Updated as on 28th December, 2023) has established a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. An investor/client shall first take up his/her/their grievance by lodging a complaint directly with the Company. If the grievance is not redressed satisfactorily, the investor/client may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. After exhausting all available options for resolution of the grievance, if the investor/client is still not satisfied with the outcome, he/ she/they can initiate dispute resolution through the ODR Portal.
17. Members are requested to register email ids., with your DP wherein you are holding your demat account or send a signed request letter to RTA of the company at investor@masserv.com with necessary details likewise, folio number, name, scanned share certificate (front and back), scanned PAN (self-attested), scanned Aadhar (self-attested) with subject line (Register e-mail ID folio no. (mention folio no.) of Morepen Laboratories Limited and following the instructions given for receiving all future correspondence (including Annual Report) from the company electronically.
18. The SEBI has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. Members may contact the company or RTA, for assistance in this regard.

19. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the company or its RTA i.e., Mas Services Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
20. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
21. Pursuant to provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
22. In terms of the provisions of Section 152 of the Act, Mr. Sanjay Suri, Director of the company, retire by rotation at the AGM. The Nomination and Remuneration Committee and Board of Directors of the company recommended his re-appointment at their respective meetings.

Mr. Sanjay Suri, himself, and Mr. Sushil Suri, Chairman & Managing Director, being a brother of Mr. Sanjay Suri, are interested in business set out at item no. 2 of the Notice. The other relatives of Mr. Sanjay Suri may deem to be interested in the resolution set out at item no. 2 of the Notice, to the extent of their shareholding interest, if any, in the company. Except aforesaid none of the Directors, Key Managerial Personnels and their relatives are interested in this agenda item.

The relevant details of Mr. Sanjay Suri is provided in the "Annexure A" to this Notice.

23. On 13th August 2019, Mr. Praveen Kumar Dutt was appointed as Independent Director in the capacity of Additional Director in the meeting of Board of Directors held on even date in accordance with the recommendation of the Nomination and Remuneration Committee. The said appointment extended for a period of 5 years, duly approved by the members in its 34th AGM held on 13th September, 2019, and the period of term would be defined as 13th August, 2019, to 12th August, 2024. In view of completion of said period of 5 years, the Nomination and Remuneration Committee recommended to the Board of Directors to re-appoint Mr. Praveen Kumar Dutt for second term of 5 years. Subject to approval of members at this AGM, the Board of Directors of the company has approved re-appointment for further period of 5 years commencing from 13th August 2024 and ending on 12th August 2029.

Except Mr. Praveen Kumar Dutt, himself, none of the Directors, Key Managerial Personnel and their relatives are interested in the resolution set out at item no. 4 of the Notice.

The relevant details of Mr. Praveen Kumar Dutt is provided in the "Annexure A" to this Notice.

24. On account of completion of second term of Mr. Manoj Joshi, Mr. Bhupender Raj Wadhwa and Mr. Sukhcharan Singh, Independent Directors, on 18th September 2024 and in compliance with of Listing Regulations, the Board of Directors has appointed as Mr. Ranjit Khattar and Mr. Sharad Jain as Independent Directors in the capacity of Additional Director in the meeting of Board of Directors held on 12th August, 2024 and 27th August, 2024, respectively, in accordance with the recommendation of the Nomination and Remuneration Committee. The said appointment shall be effective till the date of ensuing AGM, may be extended for a period of 5 years, pursuant to approval of the members in this AGM. The tenure of appointment would be from 12th August, 2024 to 11th August, 2029 for Mr. Ranjit Khattar and from 27th August, 2024 to 26th August, 2029 for Mr. Sharad Jain.

Except Mr. Ranjit Khattar and Mr. Sharad Jain, individually, none of the Directors, Key Managerial Personnels and their relatives are interested in the resolution set out at item no. 5 & 6 of the Notice.

The relevant details of Mr. Ranjit Khattar and Mr. Sharad Jain are provided in the "Annexure A" to this Notice.

25. In case of any queries regarding the Annual Report, the Members may write to 'investors@morepen.com' or 'investor@masserv.com' to receive an email response.

Process for dispatch of Annual Report and registration of email id for obtaining Annual Report

26. In line with the MCA and SEBI Circulars, the notice of the AGM along with the Annual Report 2023-24 is being sent only by electronic mode to those members whose e-mail addresses are registered with the company/depositories. Members may please note that this Notice and Annual Report 2023-24 will also be available on the company's website at www.morepen.com, websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited viz., www.bseindia.com and www.nseindia.com, respectively, and on the website of NSDL at www.evoting.nsdl.com.
27. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the company's RTA at their address.
28. Members seeking any information regarding any matter to be placed at the AGM, are requested to write to the company through an email at investors@morepen.com, till Thursday, 26th September 2024.

Procedure for joining the AGM through VC / OAVM

29. Members may note that the VC/OAVM facility will be provide by NSDL, allows participation of 1,000 members on first come first serve basis. However, this number does not include the large Shareholders i.e., Shareholding 2% or more, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
30. Members will be able to attend the AGM through VC / OAVM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-Voting login credentials and selecting the link available against the EVEN for company's AGM. Members who do not have the User ID and Password for e- Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.
31. Members who need assistance before or during the AGM, can contact Mr. Deepanshu Rastogi, Assistant Manager, Mas Services Limited at 'investor@masserv.com' / 011-26387281/82/83, 011-41320335 or Ms. Pallavi Mhatre, Senior Manager, NSDL at 'evoting@nsdl.co.in' / 022-48867000. The notice of AGM is also available at website of the company i.e., 'www.morepen.com'
32. As per the provisions under the MCA Circulars, members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Procedure for remote e-Voting and e-Voting during the AGM

33. All the members of the company including retail individual investors, institutional investors, etc. are encouraged to attend and vote in the AGM to be held through VC/OAVM.
34. In compliance with the provisions of Section 108 of the Act read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations re-enactment(s) thereof for the time being in force, members are provided e-Voting facility to cast their votes, by electronic means for voting through remote e-Voting, for participation in the AGM through VC/OAVM facility and e-Voting during the AGM. The necessary instructions for e-Voting are given in this notice.
35. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020, it has been

observed that the participation by the public non-institutional shareholders/ retail shareholders is very negligible in remote e-Voting facility offered by listed entities. Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholder to increase the efficiency of the voting process and pursuant to a public consultation, SEBI mandated that to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process. The facility to avail single login credential is being implemented through phased wise manner. The shareholders/ members can register directly with their depositories or through their demat account with depository participants.

The depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders at-least 2 days prior to the date of commencement of e-voting. Hence, members are requested to update the mobile no./email ID with their respective depository participants.

36. Members holding shares either in physical form or in dematerialized form, as on Saturday, 21st September, 2024 i.e., cut - off date, may cast their vote electronically. The remote e-Voting period will commence on Wednesday, 25th September, 2024, at 9:00 A.M. and ends on Friday, 27th September, 2024, at 5:00 P.M. The remote e-Voting module will be disabled by NSDL for voting thereafter. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through the e-Voting system during the AGM.
37. The voting rights of Members shall be in proportion to their shares in the paid-up share capital of the company as on the cut-off date.
38. Any person, who acquires shares of the company and becomes a member of the company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at 'evoting@nsdl.co.in'. However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.

Procedure to raise question/ seek clarifications with respect to Annual Report at the AGM

39. The Members will be allowed to ask question(s) during the Meeting. The question(s) shall also be given in advance at-least 5 days before the meeting. The Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number & number of shares held, at 'investors@morepen.com'.
40. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
41. The company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

INSTRUCTIONS AND INFORMATION RELATING TO E-VOTING ARE AS FOLLOWS

The company has availed the services of e-Voting system offered by National Securities Depositories Limited ('NSDL').

The instructions of e-Voting are provided in FAQ manner.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

- A. Login method for e-Voting and joining virtual meetings for individual shareholders holding securities in demat mode in terms of SEBI circular dated 9th December, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders/ members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider- NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

<p>Individual Shareholders/ members holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, can login through their user id and password. The option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will also be able to see the E Voting Menu. The Menu will have links to an e-Voting service provider i.e., NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use 'Forget User ID' and 'Forget Password' option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
<p>Individual Shareholders/ members holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-48867000.</p>
<p>Individual Shareholders/ members holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738, 022-23058542-43 or 1800 22 55 33.</p>

B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 130507 then user ID is 130507001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meetings on NSDL e-Voting system.

How to cast your vote electronically and join General Meetings on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The instructions for e-Voting during the AGM are as under:

- (i) The procedure for e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.
- (ii) Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice

1. In case shares are held in physical mode please send signed request with folio no., name, scanned copy of the any one share certificate (front and back), PAN (self-attested), Aadhar (self-attested) by email to investor@masserv.com with subject line email registration of Morepen Laboratories Limited folio number (mention folio number).

2. In case shares are held in demat mode, please update your email id with your depository. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., Login method for e-Voting and joining virtual meetings for individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account to access e-Voting facility.

General Guidelines for Members

For the votes to be considered valid, the Institutional shareholders (other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution /Authority Letter etc. to the Scrutinizer through e-mail at 'csduapraveen@gmail.com' with a copy marked to 'evoting@nsdl.co.in'.

Members may contact to Mr. Deepanshu Rastogi, Assistant Manager, Mas Services Limited at 'investor@masserv.com'; / 011-26387281/82/83, 011-41320335 or Ms. Pallavi Mhatre, Senior Manager, NSDL at 'evoting@nsdl.co.in'; / 022-48867000 for any grievances connected with joining the AGM through electronic means and e-Voting.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter, unblock the votes cast through remote e-Voting and make, not later than forty eight hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

The result declared along with the Scrutinizer's Report shall be placed on the company's website 'www.morepen.com' and on the website of NSDL 'www.evoting.nsdl.com' immediately. The company shall simultaneously forward the results to National Stock Exchange of India Limited, BSE Limited where the shares of the company are listed.

Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.

Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password' or 'Physical User Reset Password' option available on 'www.evoting.nsdl.com' to reset the password.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Act read with rules made thereunder and Listing Regulations)

As required under Section 102 of the Act, the following statement sets out all material facts concerning each item of special business mentioned under Item Nos. 3 to 6 of the accompanying Notice:

Item No. 3

Pursuant to recommendations of the Audit Committee, the Board of Directors of the company have appointed M/s. Vijender Sharma & Co., Cost Accountants, as Cost Auditors of the company, to conduct the audit of the cost records of the company for the financial year ending 31st March 2025 (FY 2024-25) pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Act read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force).

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors of the company, has to be ratified by the members of the company.

None of the Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.

Item No. 4

Mr. Praveen Kumar Dutt (DIN: 06712574) was appointed as an Independent Director on the Board of your Company pursuant to the provisions of section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), by the members at the 34th AGM of the Company held on 13th September, 2019. He hold office as Independent Directors of the Company up-to 12th August, 2024 ("first term") in line with section 149(10) and (11) of the Act. The Nomination and Remuneration Committee ("NRC") at its Meeting held on 12th August, 2024, on the basis of performance evaluation of Mr. Praveen Kumar Dutt, an Independent Director, and taking into account the external business environment, the business knowledge, acumen, experience and the substantial contribution made by Mr. Praveen Kumar Dutt during his tenure, has recommended to the Board that his continued association as Independent Director of the Company would be beneficial to the Company.

The performance evaluation of Mr. Praveen Kumar Dutt was based on various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends etc. Mr. Praveen Kumar Dutt possess the core skills/expertise/ competencies identified in the Company's business and sector for it to function effectively.

Details of the skills possessed by Mr. Praveen Kumar Dutt are included in the Corporate Governance Report which forms a part of the Annual Report for the financial year ended 31st March, 2024. Based on the above and the performance evaluation of Mr. Praveen Kumar Dutt, the Board at its Meeting held on 12th August, 2024 has recommended the re-appointment of Mr. Praveen Kumar Dutt, as Independent Director of the Company, not liable to retire by rotation, to hold office for a second term i.e., for 5 years till 12th August, 2029.

The Company has received notices in writing from a Member under section 160 of the Act, proposing the candidature of Mr. Praveen Kumar Dutt, for the office of Director of the Company. Brief resume of Mr. Praveen Kumar Dutt, age, qualification, nature of his expertise in specific functional area, disclosure of relationship between directors inter-se, name of listed entities and other companies in which he hold directorships and memberships/ chairpersonships of Board Committees, shareholding in the Company, the number of Meetings of the Board attended during the year, along with disclosure pertaining to his resignation from listed entities in the past three years, as stipulated under the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein and are also provided in the Corporate Governance Report forming part of the Annual Report.

Save and except Mr. Praveen Kumar Dutt and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (“KMP”) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the Members

Item No. 5

The Board of Directors of the Company at its Meeting held on 12th August, 2024, pursuant to the recommendation of the Nomination and Remuneration Committee (“NRC”), has approved the appointment of Mr. Ranjit Khattar (DIN: 00726997) as an Additional Director (Independent and Non-Executive) of the Company with effect from 12th August, 2024 to hold office up to the date of the this AGM of the Company pursuant to section 161 of the Companies Act, 2013 (“the Act”) and subject to approval of the Members at the AGM, to hold office as an Independent Director, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 12th August, 2024 to 11th August, 2029 (both days inclusive).

The NRC evaluated the profile of Mr. Ranjit Khattar as an Independent Director of the Company and had identified skills, expertise and competencies required by the Board for the effective functioning of the Company. The process of shortlisting and selection of the new Independent Director was carried out and concluded by NRC members who were Independent Directors and not considered interested in such proposal. After considering qualifications, skillsets, experience, independence, knowledge, ability to devote sufficient time, the NRC selected and recommended to the Board, the appointment of Mr. Ranjit Khattar as an Independent Director of the Company.

In line with this strategic approach, the appointment of Mr. Ranjit Khattar reflects the Company's commitment to long term sustainability and seamless leadership transitions. His appointment is a proactive stance which underscores the Company's dedication to maintaining a dynamic and resilient board, poised to navigate challenges and seize opportunities on the horizon. The Company has received a notice in writing from a Member under section 160 of the Act proposing the candidature of Mr. Ranjit Khattar for the office of Director of the Company. Brief resume of Mr. Ranjit Khattar, age, qualification, nature of his expertise in specific functional areas, disclosure of relationships between directors, inter-se, names of listed entities and other companies in which he holds directorships and memberships of Board Committees along-with the listed companies from which he has resigned in the past three years, shareholding in the Company, the number of Meetings of the Board attended during the year, along with disclosure pertaining to his resignation from listed entities in the past three years, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein.

In the opinion of the Board, Mr. Ranjit Khattar, fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and is independent of the management. The Board is of the view that Mr. Ranjit Khattar's knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends his appointment to the Members.

A copy of the draft letter of appointment of Mr. Ranjit Khattar setting out terms and conditions of appointment is available for inspection by the Members in electronic form as per the instructions provided in the Notice.

Save and except Mr. Ranjit Khattar, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (“KMP”) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

Item No. 6

Pursuant to the recommendation of the Nomination and Remuneration Committee (“NRC”), the Board of Directors of the Company at its Meeting held on 27th August, 2024, has approved the appointment of Mr. Sharad Jain (DIN: 06423452) as an Additional Director (Independent and Non-Executive) of the Company with effect from 27th August, 2024 to hold office up to the date of the this AGM of the Company pursuant to section 161 of the Companies Act, 2013 (“the Act”) and subject to approval of the Members at the AGM, to hold office as an Independent Director, not liable to

retire by rotation, for a term of 5 (five) consecutive years commencing from 27th August, 2024 to 26th August, 2029 (both days inclusive).

The NRC evaluated profile of Mr. Sharad Jain as an Independent Director of the Company and had identified skills, expertise and competencies required by the Board for the effective functioning of the Company has possessed by Mr. Sharad Jain. The process of shortlisting and selection of the new Independent Director was carried out and concluded by NRC members who were Independent Directors and not considered interested in such proposal.

In line with this strategic approach, the appointment of Mr. Sharad Jain reflects the Company's commitment to long term sustainability and seamless leadership transitions. The Company has received a notice in writing from a Member under section 160 of the Act proposing the candidature of Mr. Sharad Jain for the office of Director of the Company. Brief resume of Mr. Sharad Jain, age, qualification, nature of his expertise in specific functional areas, disclosure of relationships between directors, inter-se, names of listed entities and other companies in which he holds directorships and memberships of Board Committees along-with the listed companies from which he has resigned in the past three years, shareholding in the Company, the number of Meetings of the Board attended during the year, along with disclosure pertaining to his resignation from listed entities in the past three years, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein.

In the opinion of the Board, Mr. Sharad Jain, fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and is independent of the management. The Board is of the view that Mr. Sharad Jain's knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends his appointment to the Members.

A copy of the draft letter of appointment of Mr. Sharad Jain setting out terms and conditions of appointment is available for inspection by the Members in electronic form as per the instructions provided in the Notice.

Save and except Mr. Sharad Jain, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval of the Members.

**By order of the Board of Directors
For Morepen Laboratories Limited**

**Sushil Suri
(Chairman & Managing Director)
DIN: 00012028**

**Date: 27th August, 2024
Place: Gurugram, Haryana**

'Annexure A'

Details of Director retiring by rotation and seeking appointment, director' re-appointment and appointments at the Annual General Meeting.

(Pursuant to Secretarial Standards - 2, Regulation 36(3) of Listing Regulation and the Act, as amended, from time to time)

Full name	Mr. Sanjay Suri	Mr. Praveen Kumar Dutt	Mr. Ranjit Khattar	Mr. Sharad Jain
Date of Birth (Age)	4 th August, 1968 (56 years)	1 st August, 1968 (56 years)	16 th September, 1959 (64 years)	1 st July, 1962 (62 years)
Date of first Appointment	13 th August, 2019*	13 th August, 2019	12 th August, 2024	27 th August, 2024
Qualifications	B.Sc.	Chartered Accountant	B.Com, Chartered Accountant	Chartered Accountant
Profile	Mr. Sanjay Suri is the Whole-Time Director of our Company. He has been associated with our Company since 2019. He holds a bachelor's degree in science. He has over 30 years of experience in the accounts, finance, banking and operations of pharmaceutical business.	Mr. Praveen Kumar Dutt is associated with the company as an Independent Director since 2019. Mr. Dutt is holding around 30 years of experience in the field of direct tax matters, FEMA, and international taxation.	Mr. Ranjit Khattar is a fellow member of the Institute of Chartered Accountant of India (ICAI) having post qualification experience of around 35 years in the diversified fields.	Mr. Sharad Jain is a qualified Chartered Accountant. He has possessing 35 years of vast experience in financial sector including within the country and overseas.
Expertise in specific functional areas	Entire operations of pharmaceutical business including but not limited to accounts, finance and banking.	Direct Tax Matters, FEMA, and International Taxation.	Accounts, Audits including Internal Audit, Taxation, Fundraising from Banks/ Financial Institutions and Private Equity funds.	Financial & Strategic Planning, Project financing, Taxation, Accounting & Budgeting etc.
Directorships in other Companies (excluding foreign companies)	1. Morepen Proprietary Drug Research Private Limited 2. Morepen Bio Limited 3. Morepen Rx Limited 4. Blueheaven Marketing Private Limited	1. Blue Coast Hotels Limited 2. SI Infratel Private Limited	1. Eldeco Infrastructure and Properties Limited 2. Association of Financial Advisors of India 3. Eldeco Housing & Industries Limited	N/A

	<p>5. Solace Investments and Financial Services Private Limited</p> <p>6. Solitary Investments and Financial Services Private Limited</p> <p>7. Mid-Med Financial Services and Investments Private Limited</p> <p>8. Liquid Holdings Private Limited</p> <p>9. Shivalik Pesticides and Chemicals Pvt. Ltd.</p> <p>10. Total Care Limited</p> <p>11. Happier Life Private Limited</p>			
Resignation as a Director from Listed Entities in the past three years	N/A	N/A	N/A	N/A
Memberships/Chairmanships of Board Committees in other Companies (includes only Audit Committee and Stakeholders Relationship Committee)	N/A	Blue Coast Hotels Limited (Chairman of Audit Committee and Stakeholders Relationship Committee)	Eldeco Housing and Industries Limited (Member of Audit Committee)	N/A
Terms and conditions of appointment or re-appointment	Whole Time Director, liable to retire by rotation, being eligible and offer himself for appointment.	Independent Director, re-appointed for a second term of 5 years.	Independent Director, appointed for a term (i.e., first term) of 5 years.	Independent Director, appointed for a term (i.e., first term) of 5 years.

Details of remuneration sought to be paid and last drawn (approved) remuneration	N/A	N/A	N/A	N/A
Relationship with other Directors, Manager and Key Managerial Personnel of the company	Brother of Mr. Sushil Suri (Chairman & Managing Director; & KMP)	N/A	N/A	N/A
No. of meetings of Board attended during the year (2023-2024)	5	6	N/A	N/A
Number of shares held in the company	34,17,240	Nil	Nil	Nil
DIN	00041590	06712574	00726997	06423452

*Mr. Sanjay Suri was associated with the Company as a Director from 14th October, 2002 to 8th March, 2003.