

CHARTERED ACCOUNTANTS

Auditor's Report on Quarterly Financial Results and Year to Date Financial Results of Morepen Laboratories Limited pursuant to the Clause 41 of the Listing Agreement

To

The Board of Directors of Morepen Laboratories Limited

We have audited the quarterly financial results of Morepen Laboratories Limited ('the Company') for the quarter ended March 31, 2015 and the year to date financial results for the period from April 1, 2014 to March 31, 2015, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding', which have been traced from disclosures made by the Management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

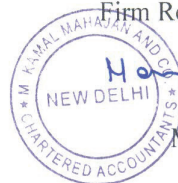
We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date financial results:

- are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- give a true and fair view of the net loss/profit and other financial information for the quarter ended March 31, 2015 as well as the year to date results for the period from April 1, 2014 to March 31, 2015.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

for M Kamal Mahajan And Co.
Chartered Accountants
Firm Regn. No. 006855N



M Kamal Mahajan

M K Mahajan
Partner

Membership number: 017418

New Delhi
15 May 2015

Morepen Laboratories Limited
Statement of Audited Financial Results
For the Quarter & Year ended 31st March, 2015

							(Rs.in Lacs)	
Particulars	Standalone					Consolidated		
	Quarter Ended			Year Ended		Year Ended		
	31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	
	(Audited) (Refer Note 4)	(Unaudited)	(Audited) (Refer Note 4)	(Audited)		(Audited)		
1(a) Net Sales/Income from Operations (Net of Excise Duty)	8259.31	9815.91	8503.43	35459.13	32206.37	38497.34	35225.17	
(b) Other Operating Income	276.47	415.03	189.86	1567.10	1390.31	1567.10	1459.61	
Total Income from Operations (Net)	8535.78	10230.94	8693.29	37026.23	33596.68	40064.44	36684.78	
2 Expenditure								
a) Cost of Material Consumed	3379.88	3966.95	3708.59	14522.67	13098.58	14522.67	13098.58	
b) Purchase of stock - in - trade	1955.04	2307.98	1774.51	8322.11	6791.48	9958.45	8263.71	
c) Changes in inventories of Finished goods, Work -in- progress and Stock-in-trade	92.41	37.75	(134.56)	206.63	161.49	70.08	152.79	
d) Employee benefits expenses	1154.45	1101.15	921.75	4352.37	3967.77	4879.20	4508.40	
e) Depreciation and Amortisation	987.40	958.20	1116.46	3859.49	4576.72	3866.72	4584.11	
f) Power and Fuel	148.11	178.73	203.48	741.45	841.68	741.45	841.68	
g) Travelling Expenses	157.87	132.09	173.19	574.05	634.87	741.82	827.41	
h) Selling and Distribution Expenses	477.33	375.89	457.98	1605.89	1511.49	2073.65	1955.63	
i) Other Expenses	463.06	629.24	584.64	2042.51	2008.53	2253.55	2146.16	
Total Expenditure	8815.55	9687.98	8806.04	36227.17	33592.61	39107.59	36378.47	
3 Profit / (Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	(279.77)	542.96	(112.75)	799.06	4.07	956.85	306.31	
4 Other Income / (Loss)	82.47	15.89	(1.06)	136.17	78.58	136.87	121.50	
5 Profit / (Loss) from Ordinary activities before Finance Cost and Exceptional Items (3+4)	(197.30)	558.85	(113.81)	935.23	82.65	1093.72	427.81	
6 Finance Cost	268.30	188.36	228.97	863.30	988.93	865.78	992.17	
7 Profit / (Loss) from Ordinary activities after Finance Cost but before Exceptional Items (5-6)	(465.60)	370.49	(342.78)	71.93	(906.28)	227.94	(564.36)	
8 Exceptional Items - Income/(Expense)	-	-	-	-	-	-	-	
9 Profit / (Loss) from Ordinary Activities before Tax (7-8)	(465.60)	370.49	(342.78)	71.93	(906.28)	227.94	(564.36)	
10 Tax Expense	(94.08)	74.36	-	13.70	-	13.73	1.13	
11 Profit / (Loss) from Ordinary Activities after Tax (9-10)	(371.52)	296.13	(342.78)	58.23	(906.28)	214.21	(565.49)	
12 Extraordinary Items-Income/(Expense)	-	-	-	-	290.27	-	290.27	
13 Net Profit / (Loss) for the period (11+12)	(371.52)	296.13	(342.78)	58.23	(616.01)	214.21	(275.22)	
14 Share of Minority Interest	-	-	-	-	-	0.19	2.27	
15 Profit / (Loss) after Tax and Minority Interest	(371.52)	296.13	(342.78)	58.23	(616.01)	214.02	(277.49)	
16 Paid-up Equity Share Capital of Face Value of Rs.2/- each	8995.86	8995.86	8995.86	8995.86	8995.86	8995.86	8995.86	
17 Reserves excluding Revaluation reserves	-	-	-	10346.60	11464.88	7787.06	8749.66	
18 a) Earning Per Share before Extraordinary Items (in Rs.) * Basic & Diluted	(0.09)	0.06	(0.08)	0.002	(0.21)	0.04	(0.14)	
b) Earning Per Share after Extraordinary Items (in Rs.) * Basic & Diluted	(0.09)	0.06	(0.08)	0.002	(0.15)	0.04	(0.07)	
A PARTICULARS OF EQUITY SHAREHOLDING								
1 Public Shareholding								
- Number of Shares	294454615	294454615	294454615	294454615	294454615			
- Percentage of shareholding	65.46%	65.46%	65.46%	65.46%	65.46%			
2 Promoters and Promoter Group Shareholding								
a) Pledged / Encumbered								
- Number of Shares	610000	610000	610000	610000	610000			
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.39%	0.39%	0.39%	0.39%	0.39%			
- Percentage of shares (as a % of the total share capital of the company)	0.14%	0.14%	0.14%	0.14%	0.14%			
b) Non-encumbered								
- Number of Shares	154761588	154761588	154761588	154761588	154761588			
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.61%	99.61%	99.61%	99.61%	99.61%			
- Percentage of shares (as a % of the total share capital of the company)	34.40%	34.40%	34.40%	34.40%	34.40%			
B INVESTOR COMPLAINTS								
				For the Quarter ended 31st March, 2015				
Pending at the beginning of the quarter				Nil				
Received during the quarter				07				
Disposed off during the quarter				07				
Remaining unresolved at the end of the quarter				Nil				

*After considering dividend on preference shares.



- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 15th May 2015.
- The Company is exclusively engaged in the Pharmaceutical Business Segment.
- The figures of the previous period have been re-grouped/re-classified to conform to the current period's classification.
- The figures for the quarter ended March 31, 2015 and March 31, 2014 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto the third quarter ended December 31, 2014 and December 31, 2013, respectively.
- During the current year, the Company has revised depreciation rates on certain fixed assets as per the useful life specified in the Companies Act, 2013 or as re-assessed by the company. Based on current assessment, depreciation of Rs. 1176.51 lacs on the assets whose useful life is already exhausted as on 01/04/2014 have been adjusted to General Reserve. Had there not been any change in useful life of assets, depreciation for the quarter and year ended would have been higher by Rs. 59.89 Lacs and Rs. 303.84 Lacs respectively.
- Statement of Assets and Liabilities as required under Clause 41 of the Listing Agreement is as under :

Particulars	Standalone (Audited)		Consolidated (Audited)	
	Year ended		Year ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
A EQUITY AND LIABILITIES				
1 Shareholders' Funds				
(a) Share Capital	20961.07	20961.07	20961.07	20961.07
(b) Reserves and Surplus	10346.60	11464.88	7787.06	8749.66
Shareholders' Funds	31307.67	32425.95	28748.13	29710.73
2 Minority Interest	-	-	(39.96)	(40.15)
3 Non - Current Liabilities				
(a) Long term borrowings	6222.42	7464.97	6226.81	7478.21
(b) Other Long term liabilities	176.20	205.32	251.20	205.32
(c) Long term provisions	870.87	734.53	921.54	781.88
Non- current liabilities	7269.49	8404.82	7399.55	8465.41
4 Current Liabilities				
(a) Short term borrowings	223.32	118.56	223.32	118.56
(b) Trade Payables	7855.20	6675.36	8495.74	6860.34
(c) Other current liabilities	3281.87	3091.24	3987.20	3758.43
(d) Short term provisions	83.58	73.15	85.76	76.89
Current liabilities	11443.97	9958.31	12792.02	10814.22
TOTAL EQUITY AND LIABILITIES	50021.13	50789.08	48899.74	48950.21
B ASSETS				
1 Non Current Assets				
(a) Tangible Assets	24342.53	28888.19	24403.92	28955.46
(b) Intangible Assets	50.07	59.25	7844.08	7852.76
(c) Non - current Investments	11794.22	11794.22	-	-
(d) Long term loans and advances	3393.47	850.80	5193.51	2510.00
Non- current assets	39580.29	41592.46	37441.51	39318.22
2 Current Assets				
(a) Inventories	3536.31	3290.92	3711.35	3329.86
(b) Trade receivables	4844.52	4008.55	5614.20	4266.89
(c) Cash and cash equivalents	859.85	807.31	884.85	910.71
(d) Short term loans and advances	889.08	730.54	934.10	760.05
(e) Other current assets	311.08	359.30	313.73	364.48
Current assets	10440.84	9196.62	11458.23	9631.99
TOTAL ASSETS	50021.13	50789.08	48899.74	48950.21

For and on behalf of the Board



(Sushil Suri)
Chairman & Managing Director

CIN : L24231HP1984PLC006028
Place : New Delhi
Date : 15-May-2015



MOREPEN LABORATORIES LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

APPROVED BY : The Board of Directors of Morepen Laboratories Limited in their meeting held on 15th May, 2015

EFFECTIVE FROM : 15th May, 2015

This document forms the **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information** ("Code") adopted by **Morepen Laboratories Limited** (MLL). This Code is consistent with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Principles of Fair Disclosure adopted by MLL are as follows:

1. To promptly make public disclosure of unpublished price sensitive information that would impact price discovery. Such disclosures are to be made no sooner than credible and concrete information comes into being in order to make such information generally available.
2. To make disclosures of unpublished price sensitive information, as and when made, in a universal and uniform manner through forums like widely circulated media and / or through stock exchanges where its equity shares are listed. Selective disclosure of unpublished price sensitive information is to be avoided.
3. To designate Mr. Ajay Sharma, Chief Financial Officer of the Company, to serve as the Company's Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. To promptly disseminate unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise if at all, to make such information generally available.
5. To provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. To ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
7. To record and publish proceedings of meetings with analysts and of other investor relations conferences on its official website www.morepen.com to ensure official confirmation and documentation of disclosures made therein.
8. To handle all unpublished price sensitive information on a need-to-know basis only.
9. This Code is subject to review from time to time by the Board of Directors of the Company.

For and on behalf of the Board of Directors



(Sushil Suri)

Chairman & Managing Director

Date : 15th May, 2015

Place : New Delhi