MOREPEN

Date: 04/08/2026

To,

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: Monitoring Agency Report for the quarter ended 30th June 2026

Dear Sir/ Madam,

Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 173A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith the Monitoring Agency Report dated 4th August, 2026, for the quarter ended 30th June 2026, issued by Care Ratings Limited, the Monitoring Agency appointed to monitor utilization of proceeds of the qualified institutions placement issue.

Kindly take aforesaid on record.

Thanking you,

Yours faithfully,

For Morepen Laboratories Limited

Vipul Kumar
Srivastava

Digitally signed by Vipul Kumar Srivastava
DN: c=IN, o=Personal, title=5965, pseudonym=27r5blzck0qifj1phgwaves8do39myx6, 2.5.4.20=824342118b98561bde2c7d0b1ad7b62196947c41b456377b3cbe9a983c527111, postalCode=110078, st=Delhi, serialNumber=1363f5e45381fa8dd66dee65e3bc15c08e5b41badb071c1b5de04ef8874db223, cn=Vipul Kumar Srivastava
Date: 2026.08.04 15:38:47 +05'30'

Vipul Kumar Srivastava
Company Secretary
F-12148

Encl.: a/a.

No. CARE/NRO/GEN/2026-27/1086

The Board of Directors
Morepen Laboratories Limited
Morepen Village, Nalagarh Road, Near Baddi, Distt. Solan
Himanchal Pradesh-173205

August 04, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended June 30, 2026 - in relation to the QIP of Morepen Laboratories Limited ("the Company")

We write in our capacity of Monitoring Agency for the QIP Issue for the amount aggregating to Rs. 200.00 crore of the Company and refer to our duties cast under 173A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended June 30, 2026, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated August 01, 2024.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

Sandeep Agg

Sandeep Aggarwal
Associate Director
Sandeep.aggarwal@careedge.in

Report of the Monitoring Agency
Name of the issuer: Morepen Laboratories Limited
For quarter ended: June 30, 2026
Name of the Monitoring Agency: CARE Ratings Limited
(a) Deviation from the objects: Nil
(b) Range of Deviation: Not Applicable

Declaration:
We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Sandeep Agg

Signature:
Name and designation of the Authorized Signatory: Sandeep Aggarwal
Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Morepen Laboratories Limited
Name of the promoter : Sushil Suri
Industry/sector to which it belongs : Pharmaceuticals

2) Issue Details

Issue Period : 01/08/2024 to 05/08/2024
Type of issue (public/rights) : QIP
Type of specified securities : Equity
IPO Grading, if any : -
Issue size (in crore) : Rs. 200.00 crore

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management Certificate, CA Certificate*, Offer document, Bank Statements, Resolution approved by the QIP Committee	• The issue proceeds of the QIP have been utilised in accordance with the objects given as per offer document, as supported by the management and CA certificate. However, during Q1FY27, owing to the company's operations across multiple plant and office locations, ₹1.50 crore was transferred from the monitoring account to its various current accounts to facilitate local disbursements. While we have reviewed the bank statements, the commingling of funds has restricted our ability to directly ascertain the end-use of the issue proceeds. Accordingly, we rely on management representation and the CA certificate. This excludes utilisation of ₹2.96 crore, comprising interest income and capital gains realised on debt mutual fund investments made out of unutilised QIP proceeds. • As per the offer document, the proceeds earmarked for the object of capital expenditure were originally scheduled to be utilized by March 31, 2026. However, there were delays in capex	No comments received

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
			implementation and subsequently these timelines were extended twice by the QIP committee vide resolutions dated April 22, 2025, and April 07, 2026.	
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	No Material Deviation	CA Certificate*, Bank Statements	Not applicable	No comments received
Whether the means of finance for the disclosed objects of the issue have changed?	No	CA Certificate*	Not applicable	No comments received
Is there any major deviation observed over the earlier monitoring agency reports?	No	CA Certificate*, Bank Statements	No, there is no major deviation observed from the last monitoring agency report	No comments received
Whether all Government/statutory approvals related to the object(s) have been obtained?	No	CA Certificate*	As per CA certificate, same is not required as per objects of issue	No comments received
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	No	CA Certificate*	As per CA certificate, same is not required as per objects of issue	No comments received
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	BSE/NSE website, Google check, CA Certificate*	There has been an extension in the utilisation timeline of the planned capital expenditure for the development of medical devices at the Baddi facility. It may lead to cost overruns and delayed project execution, which may adversely impact the overall viability of the object.	No comments received
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	BSE/NSE website, Google check, Management Certificate	Profitability has remained subdued in recent quarters, largely due to margin compression in the API segment, which contributes majority of revenue. This compression has been driven by declining realisations and rising costs. The company received a show cause notice (SCN) dated December 2, 2025, from the office of the Commissioner, Central GST & Central Excise Commissionerate, Shimla, alleging an erroneous GST refund amounting to ₹117.94 crore for the period from FY2021 to FY2024. However, the company has been granted a stay on the operation of the SCN by the	No comments received

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
			High Court of Himachal Pradesh. While the company has obtained interim legal relief, the matter remains sub judice, and any adverse outcome could have implications on the company's financial position and cash flows.	

* CA Certificate from Virendra K Jain & Associates dated July 18, 2026.

#Where material deviation may be defined to mean:
a) Deviation in the objects or purposes for which the funds have been raised
b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Modernisation and expansion of manufacturing units located in Baddi and Masulkhana	CA Certificate*, Placement document	122.79	122.79	NA	No comments received	No comments received	No comments received
2	Funding of Working Capital requirements of the company	CA Certificate*, Placement document	64.36	66.29	^As per QIP committee resolution	No comments received	No comments received	No comments received
Total			**187.15**	**189.08**				

*CA Certificate from Virendra K Jain & Associates dated July 18, 2026.

^The usage of funds towards working capital have increased to ₹66.29 crore from original ₹64.36 crore as mentioned in the offer document . This increase in 'funding of working capital', was driven by actual issue-related expenses being lower than anticipated, with actual expenses amounting to ₹10.92 crore, compared to the ₹12.85 crore originally projected in the offer document. The same was approved by the QIP committee resolution (QIP Resolution Dated April 22, 2025) of the company.

As per the offer document "Our Board retains the right to change the above schedule of implementation and deployment of Net Proceeds, including the manner, method, and timing of deployment of the Net Proceeds, in case of change in our business requirements and other commercial considerations, subject to compliance with the applicable laws." Accordingly, board of the company had constituted QIP committee of specified directors for the same.

CARE Ratings Limited

Plot no. C-001 A/2 Sector 16B, Berger Tower, Gautam Budh Nagar, Noida, (UP) - 201301
Phone: +91-120-4452000

Corporate Office :4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Modernisation and expansion of manufacturing units located in Baddi and Masulkhana	CA Certificate*, Bank Statement	122.79	109.23	4.46	113.69	9.10	During Q1FY27, the company incurred expenditure of ₹4.46 crore towards modernization and expansion activities, of which ₹2.96 crore was directly utilized from the monitoring account and balance ₹1.50 crore was transferred from the monitoring account to its various current accounts to facilitate local disbursements, owing to the company's operations across multiple plant and office locations. While we have reviewed the bank statements, the commingling of funds has restricted our ability to directly ascertain the end-use of the issue proceeds. Accordingly, we rely on management representation and the CA certificate. This excludes utilisation of ₹2.96 crore comprising interest income and capital gains realised on debt mutual fund investments made out of unutilised QIP proceeds.	No comments received	No comments received
2	Funding of Working Capital requirements of the company	CA Certificate*, Bank Statement	66.29^	66.29	-	66.29	-	Nil utilisation in Q1FY27 towards funding of working capital requirements of the company, as the entire amount had already been utilised by Q1FY26.	No comments received	No comments received
Total			**189.08**	**175.52**	**4.46**	**179.98**	**9.10**			

*CA Certificate from Virendra K Jain & Associates dated July 18, 2026.

^Note - The usage of funds towards working capital have increased to ₹66.29 crore from original ₹64.36 crore as mentioned in the offer document . This increase in 'funding of working capital', was driven by actual issue-related expenses being lower than anticipated, with actual expenses amounting to ₹10.92 crore, compared to the ₹12.85 crore originally projected in the offer document. The same was approved by the QIP committee resolution (QIP Resolution Dated April 22, 2025) of the company.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested*	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1	Debt Mutual Funds - ICICI Pru Money Market-G	9.78	On Demand	1.04	-	10.82
2	Debt Mutual Funds - Kotak Money Market Reg-G	1.85	On Demand	0.04	-	1.89
3	Balance in Monitoring Account of 'Morepen Laboratories Limited' with Kotak Mahindra bank (Account No. 2805197200)	0.00	NA	-	-	0.00
4	Balance in Current Account of 'Morepen Laboratories Limited' with Kotak Mahindra bank (Account No. 0311502125)**	0.09	NA	-	-	0.09
	Less: interests earned, and capital gains realized from the investments	(2.62)	-	-	-	-
	Total	**9.10**		**1.08**	**-**	**12.80**

*CA Certificate from Virendra K Jain & Associates dated July 18, 2026.

**A total amount of ₹4.55 crore was transferred from monitoring agency account to the Current Account of Morepen Laboratories Limited maintained with Kotak Mahindra Bank (Account No. 0311502125). Out of the total amount transferred, ₹4.46 crore has been utilised towards capital expenditure, while the balance of ₹ 0.09 crore remains unutilised and is parked in the current account. As per articulation by the management, actual expenditure from Current Account under the stated object was lower by ₹0.09 crore than the estimated billing amount given by vendors, due to which ₹0.09 crore remained unutilised in current account as on June 30, 2026.

As per the offer document, the company will have flexibility in deploying the Net Proceeds received by it from the Issue in accordance with applicable laws. Pending utilisation for the issue objects, it may temporarily invest funds in creditworthy instruments, including money market mutual funds and deposits with banks.

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Modernisation and expansion of manufacturing units located in Baddi and Masulkhana	March 31, 2025 (for ₹88.83 crore)	Completed in Q3FY26 with delay, but timeline extended as per resolution passed by the QIP committee dated April 22, 2025	As per the offer document, ₹88.83 crore was scheduled to be utilized by FY25; however, only ₹49.41 crore was utilised till FY25. The timeline for utilisation of the balance ₹39.41 crore was extended to March 31, 2026, through a	No comments received	No comments received

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
			resolution passed by the QIP committee dated April 22, 2025.		
	March 31, 2026 (for ₹33.97 crore)	Ongoing with delay, but timeline extended again as per resolution passed by the QIP committee and April 07, 2026	As per the Offer Document, ₹33.97 crore was planned to be utilized by FY26. However, based on the QIP Committee resolution dated April 22, 2025, remaining unutilised balance of ₹39.41 crore, which was originally scheduled for utilisation in FY25, was deferred to FY26. As a result, the total amount planned to be utilized by FY26 increased to ₹73.38 crore. By the end of FY26, the Company utilized ₹59.82 crore out of the revised unutilised amount of ₹73.38 crore, resulting in unutilised amount of ₹13.56 crore as on March 31, 2026. Based on the committee resolution dated April 7, 2026, timeline for utilisation of the remaining balance of ₹13.56 crore is extended to March 31, 2027.	No comments received	No comments received
Funding of Working Capital requirements of the company	March 31, 2025 (for Rs.64.36 crore)	Completed	No delay	No comments received	No comments received
	No timeline defined (for Rs.1.93 crore)^	Completed	No delay	No comments received	No comments received

^On account of reduced issue related expenses, the total net proceeds have been increased by ₹1.93 crore and are to be utilised for the working capital purposes. As a result, funds allocated for working capital have been increased from ₹64.36 crore to ₹66.29 crore, which were fully utilised in Q1FY26. The same has been approved under the QIP committee resolution (QIP Resolution Dated April 22, 2025) of the company.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Total	Not Applicable	Not Applicable	Not Applicable	Not Applicable

^Section from the offer document related to GCP: Not Applicable

Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as **"Monitoring Agency/MA"**). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like peer reviewed audit firm appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from peer reviewed audit firm (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.

e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

Plot no. C-001 A/2 Sector 16B, Berger Tower, Gautam Budh Nagar, Noida, (UP) - 201301
Phone: +91-120-4452000

Corporate Office :4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in

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