

**ALKEM LABORATORIES LTD.**

Regd. Office : ALKEM HOUSE, Senapati Bapat Marg,
Lower Parel (West), Mumbai - 400 013, Maharashtra, India.

- Phone: +91-22-3982 9999 • Fax: 022-2495 2955
- Email: contact@alkem.com • Website: www.alkemlabs.com
- CIN: L00305MH1973PLC174201

06th August, 2021

The Corporate Relationship Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. <i>Scrip Code: 539523</i>	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400 051. <i>Scrip Symbol: ALKEM</i>
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Dear Sirs,

**Sub: Unaudited Financial Results (Standalone and Consolidated) for the quarter ended
30th June, 2021.**

In continuation of our letter dated 26th July, 2021 and pursuant to Regulation 30 read with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we are enclosing the Standalone and Consolidated Unaudited Financial Results for the quarter ended 30th June, 2021, duly approved by the Board of Directors of the Company, at its meeting held today, i.e. 06th August, 2021. The meeting of the Board of Directors of the Company commenced at 11.00 A.M and concluded at 01.30 P.M.

A copy of the Limited Review Report of the Statutory Auditors of the Company, as required under Regulation 33 of the Listing Regulations, is also enclosed herewith.

Kindly take the same on record.

Sincerely,
For **Alkem Laboratories Limited**


Manish Narang
President - Legal, Company Secretary & Compliance Officer

Encl.: a/a

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Limited review report

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 (“the Statement”), “the Group”),

Limited review report (Continued)

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Limited review report (Continued)

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F B S R & Co. LLP

Chartered Accountants

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Balajirao Pothana

Partner

M N : 122632

DIN N : 21122632AAAAB 1366

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ALKEM LABORATORIES LIMITED

CIN No.:L00305MH1973PLC174201

Regd. Office and Corporate Office: Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, Maharashtra, India.

Tel No:91 22 3982 9999 Fax No: +91 22 2492 7190

Website : www.alkemlabs.com, Email Id : investors@alkem.com

Statement of Unaudited Consolidated Financial Results for the Quarter ended 30 June 2021

(in Million except per ₹share data)

	Particulars	Quarter ended		Year ended	
		30.06.2021 Unaudited	31.03.2021 Audited (Refer Note 1)	30.06.2020 Unaudited	31.03.2021 Audited
1	Income				
	(a) Revenue from Operations	27,313.6	21,921.6	19,920.0	88,650.1
	(b) Other Income	466.5	462.8	549.9	2,332.1
	Total Income	27,780.1	22,384.4	20,469.9	90,982.2
2	Expenses				
	(a) Cost of materials consumed	7,708.2	6,633.7	5,386.7	23,945.4
	(b) Purchases of stock-in-trade	3,527.4	3,456.0	3,468.2	14,377.6
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(287.7)	(659.9)	(1,516.3)	(3,338.4)
	(d) Employee benefits expense	5,318.3	4,090.4	3,942.3	16,210.3
	(e) Finance costs	128.6	107.1	171.0	589.2
	(f) Depreciation and amortisation expense	705.3	685.1	668.3	2,745.8
	(g) Other expenses	5,118.8	5,490.4	3,422.2	18,031.3
	Total Expenses	22,218.9	19,802.8	15,542.4	72,561.2
3	Profit before exceptional items and tax (1) - (2)	5,561.2	2,581.6	4,927.5	18,421.0
4	Exceptional items	-	-	-	-
5	Profit before tax (3) - (4)	5,561.2	2,581.6	4,927.5	18,421.0
6	Tax expense / (credit)				
	(a) Current tax	1,181.9	811.1	1,000.6	3,965.3
	(b) Deferred tax	(423.0)	(721.7)	(305.0)	(1,722.0)
	Total Tax Expense (a + b)	758.9	89.4	695.6	2,243.3
7	Profit for the period after tax (5) - (6)	4,802.3	2,492.2	4,231.9	16,177.7
8	Other Comprehensive Income (net of tax)				
	(a) (i) Items that will not be reclassified to profit or loss	(21.5)	(57.1)	(12.6)	(89.2)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	8.9	20.3	4.2	29.9
	(b) (i) Items that will be reclassified to profit or loss	15.5	38.1	22.5	(283.7)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total other Comprehensive Income (net of tax)	2.9	1.3	14.1	(343.0)
9	Total Comprehensive Income for the period (7) + (8)	4,805.2	2,493.5	4,246.0	15,834.7
10	Profit attributable to				
	a) Owners of the Company	4,681.2	2,399.9	4,220.1	15,850.2
	b) Non-Controlling Interest	121.1	92.3	11.8	327.5
11	Other Comprehensive Income attributable to				
	a) Owners of the Company	3.9	(1.5)	15.0	(339.6)
	b) Non-Controlling Interest	(1.0)	2.8	(0.9)	(3.4)
12	Total Comprehensive Income attributable to				
	a) Owners of the Company	4,685.1	2,398.4	4,235.1	15,510.6
	b) Non-Controlling Interest	120.1	95.1	10.9	324.1
13	Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1
14	Other Equity				73,528.2
15	Earnings Per Share (not annualised for the quarters)				
	(a) Basic ()	₹ 39.15	20.07	35.30	132.57
	(b) Diluted ()	₹ 39.15	20.07	35.30	132.57

Notes :

- 1 The above unaudited consolidated financial results of the Company were reviewed and recommended by the Audit Committee on 5 August 2021 and subsequently approved by the Board of Directors at its meeting held on 6 August 2021. The auditors have issued an unmodified report on the financial results for the quarter ended 30 June 2021. The figures for the quarter ended 31 March 2021 are balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures up to 31 December 2020, which were subjected to limited review.
- 2 The Group has considered internal and external information while assessing recoverability of its assets upto the date of approval of these financial results by the Board of Directors. Based on such assessment and considering the current economic indicators, the Group expects to recover the carrying amount of these assets. The Board of Directors has also considered the impact of COVID-19 on the business for the foreseeable future and have concluded that the Group has sufficient resources to continue as a going concern. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Group will continue to closely monitor any material changes to future economic conditions.
- 3 The Group operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment has been made.
- 4 Previous period figures have been regrouped/reclassified wherever required, to make them comparable with the figures for the current period.

Place: Mumbai
Date: 6 August 2021

By Order of the Board
For Alkem Laboratories Limited

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Narayan
Singh

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Basudeo Narayan
Singh
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B.N. Singh
Executive Chairman
DIN: 00760310

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

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Limited review report

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Independent Auditor of the Entity”

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ALKEM LABORATORIES LIMITED

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Website : www.alkemlabs.com, Email Id : investors@alkem.com

Statement of Unaudited Standalone Financial Results for the Quarter ended 30 June 2021

(in Million except per ₹share data)

	Particulars	Quarter ended			Year ended
		30.06.2021 Unaudited	31.03.2021 Audited (Refer Note 1)	30.06.2020 Unaudited	31.03.2021 Audited
1	Income				
	(a) Revenue from Operations	22,786.7	19,174.7	15,393.6	72,196.8
	(b) Other Income	392.1	487.7	439.4	1,900.1
	Total Income	23,178.8	19,662.4	15,833.0	74,096.9
2	Expenses				
	(a) Cost of materials consumed	6,538.1	5,765.9	4,664.0	20,465.2
	(b) Purchases of stock-in-trade	2,629.7	2,073.9	2,101.8	9,197.9
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(41.6)	(200.8)	(1,834.1)	(3,012.9)
	(d) Employee benefits expense	4,022.3	2,909.6	2,844.3	11,587.2
	(e) Finance costs	90.6	73.6	120.4	429.3
	(f) Depreciation and amortisation expense	517.2	493.8	478.5	1,989.3
	(g) Other expenses	4,132.5	4,462.0	2,666.8	14,470.1
	Total Expenses	17,888.8	15,578.0	11,041.7	55,126.1
3	Profit before exceptional items and tax (1) - (2)	5,290.0	4,084.4	4,791.3	18,970.8
4	Exceptional items (Refer Note 3)	-	(127.8)	-	(127.8)
5	Profit before tax (3) + (4)	5,290.0	3,956.6	4,791.3	18,843.0
6	Tax expense / (credit)				
	(a) Current tax	916.2	709.4	833.3	3,318.3
	(b) Deferred tax	(318.9)	(380.2)	(303.6)	(1,326.1)
	Total Tax Expense (a + b)	597.3	329.2	529.7	1,992.2
7	Profit for the period after tax (5 - 6)	4,692.7	3,627.4	4,261.6	16,850.8
8	Other Comprehensive Income (net of tax)				
	(a) (i) Items that will not be reclassified to profit or loss	(16.0)	(65.7)	(9.8)	(76.7)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	5.6	22.9	3.4	26.8
	(b) (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total Other Comprehensive Income (net of tax)	(10.4)	(42.8)	(6.4)	(49.9)
9	Total Comprehensive Income for the period (7) + (8)	4,682.3	3,584.6	4,255.2	16,800.9
10	Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up) ₹	239.1	239.1	239.1	239.1
11	Other Equity				76,018.4
12	Earnings Per Share (not annualised for the quarters)				
	(a) Basic () ₹	39.25	30.34	35.64	140.93
	(b) Diluted () ₹	39.25	30.34	35.64	140.93

Notes :

- 1 The above unaudited standalone financial results of the Company were reviewed and recommended by the Audit Committee on 5 August 2021 and subsequently approved by the Board of Directors at its meeting held on 6 August 2021. The auditors have issued an unmodified report on the financial results for the quarter ended 30 June 2021. The figures for the quarter ended 31 March 2021 are balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures up to the third quarter ended 31 December 2020, which were subjected to limited review.
- 2 The Company has considered internal and external information while assessing recoverability of its assets upto the date of approval of these financial results by the Board of Directors. Based on such assessment and considering the current economic indicators, the Company expects to recover the carrying amount of these assets. The Board of Directors has also considered the impact of COVID-19 on the business for the foreseeable future and have concluded that the Company has sufficient resources to continue as a going concern. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- 3 The Company has made an assessment of the recoverable value of investment in its subsidiaries taking into account the decline in operational performance, changes in the outlook of future profitability, weaker market conditions, among other potential indicators. Accordingly, during the quarter ended 31 March 2021, an impairment loss of Rs. **127.8 Million** has been recognised towards investment in Alkem Laboratories Corporation, Philippines, a wholly owned subsidiary of the Company in accordance with IND AS 36 'Impairment of assets' and the same has been disclosed as an 'Exceptional item'.
- 4 The Company operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment has been made.
- 5 Previous period figures have been regrouped/reclassified wherever required, to make them comparable with the figures for the current period.

Place: Mumbai
Date: 6 August 2021

By Order of the Board
For Alkem Laboratories Limited

Basudeo
Narayan
Singh



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Narayan Singh
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B.N. Singh
Executive Chairman
DIN: 00760310