

**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



19<sup>th</sup> May, 2023

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

**Sub: Outcome of the Board Meeting held on 19<sup>th</sup> May, 2023**

Kindly refer to our intimation letter dated 09<sup>th</sup> May, 2023, 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"), regarding holding of Board Meeting on 19<sup>th</sup> May, 2023 to *inter alia* approve the Audited Financial Results for the quarter and financial year ended 31<sup>st</sup> March 2023 and to recommend dividend, if any. The Board of Directors at its meeting held today i.e. 19<sup>th</sup> May, 2023, has, *inter alia*:

1. approved the Standalone and Consolidated Audited Financial Statements of the Company for the quarter and financial year ended 31<sup>st</sup> March, 2023.
2. recommended a final dividend of Rs. 10/- (Rupees Ten only) per equity share of Rs. 2/- each for financial year ended 31<sup>st</sup> March, 2023, for the approval of the shareholders of the Company at the ensuing Annual General Meeting.
3. fixed that the 49<sup>th</sup> Annual General Meeting of the Company shall be held on 25<sup>th</sup> August, 2023 and the cut-off date for the purpose of the said Annual General Meeting has been fixed as 18<sup>th</sup> August, 2023.
4. fixed 10<sup>th</sup> August, 2023 as the record date for the purpose of payment of final dividend. The dividend, if declared by the shareholders, shall be paid on and from 30<sup>th</sup> August, 2023.
5. approved the alteration of Articles of Association ("AOA") of the Company, subject to the approval of the shareholders at the ensuing Annual General Meeting, to include Dhananjay and Madhurima Singh Trust as a member of Shareholders' Group II and to update the list of members in Shareholders' Group I and Shareholders' Group II to reflect the changes in the constituents thereof since the date of the Amended and Restated Shareholders Agreement dated 29<sup>th</sup> March, 2017.

Accordingly, we are enclosing herewith Standalone and Consolidated Audited Financial Results for the quarter and financial year ended 31<sup>st</sup> March, 2023 and the Auditor's Report thereon.



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The Company hereby declares that the Auditors have expressed an unmodified opinion in the Audit Reports on Standalone and Consolidated Financial Results for the quarter and financial year ended 31<sup>st</sup> March, 2023.

The meeting of the Board of Directors of the Company commenced at 11.00 a.m. and concluded at 01.30 p.m.

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 – 400063, India  
Telephone: +91 (22) 6257 1000  
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## Independent Auditor's Report

**To the Board of Directors of Alkem Laboratories Limited**

**Report on the audit of the Consolidated Annual Financial Results**

### Opinion

We have audited the accompanying consolidated annual financial results of Alkem Laboratories Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2023, attached herewith, (in which are included financial information from one branch) being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the entities mentioned in Annexure I to the Statement;
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2023.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* 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 together with the ethical requirements that are relevant to our audit of the 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 obtained by us along with the consideration of reports of the other auditors referred to in sub paragraph no. (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

### Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

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## Independent Auditor's Report (Continued)

### Alkem Laboratories Limited

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results 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 annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

#### Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' 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 appropriateness of this assumption. 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 annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on

**Independent Auditor's Report (Continued)**

**Alkem Laboratories Limited**

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 annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial results/financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, 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. Our responsibilities in this regard are further described in sub paragraph no. (a) of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

**Other Matters**

- a. The consolidated annual financial results include the audited financial results of 20 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 18,031 million as at 31 March 2023, total revenue (before consolidation adjustments) of Rs. 18,365 million and total net profit after tax (before consolidation adjustments) of Rs. 843 million and net cash inflows (before consolidation adjustments) of Rs 600 million for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditor's reports on financial statements of these entities have been furnished to us by the management.

Certain of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- b. The consolidated annual financial results include the results for the quarter ended 31 March 2023 being

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**Independent Auditor's Report (Continued)**

**Alkem Laboratories Limited**

the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022



**Sreeja Marar**

*Partner*

Mumbai

19 May 2023

Membership No.: 111410

UDIN:23111410BGYAUN6691

**Independent Auditor's Report (Continued)**  
**Alkem Laboratories Limited**

**Annexure I**

List of entities included in consolidated annual financial results.

Sr. No	Name of component	Relationship
1.	Alkem Laboratories Limited	Parent
2.	S & B Holdings 8.V., Netherlands (S&B Holdings)	Wholly Owned Subsidiary
3.	ThePharmaNetwork, LLC, USA (TPN)	Wholly Owned Subsidiary
4.	Ascend Laboratories LLC, USA	Wholly Owned Subsidiary of TPN
5.	S & B Pharma LLC	Wholly Owned Subsidiary of TPN
6.	Pharmacor Pty Limited, Australia	Wholly Owned Subsidiary
7.	Enzene Biosciences Ltd, India	Subsidiary
8.	Ascend Laboratories (PTY) Ltd, South Africa	Wholly Owned Subsidiary
9.	Cachet Pharmaceuticals Pvt Ltd, India	Subsidiary
10.	Indchemie Health Specialities Pvt Ltd, India	Subsidiary
11.	Alkem Laboratories Corporation, Philippines	Wholly Owned Subsidiary
12.	Ascend GmbH, Germany	Wholly Owned Subsidiary
13.	Ascend Laboratories SDN BHD., Malaysia	Wholly Owned Subsidiary
14.	Ascend Laboratories SpA, Chile (Ascend Chile)	Wholly Owned Subsidiary
15.	Pharma Network SpA, Chile	Wholly Owned Subsidiary of Ascend Chile
16.	Ascend Laboratories S.A. DE C.V., Mexico	Wholly Owned Subsidiary of Ascend Chile
17.	Alkem Laboratories Korea Inc, Korea	Wholly Owned Subsidiary
18.	Pharmacor Ltd., Kenya	Wholly Owned Subsidiary
19.	The Pharma Network, LLP, Kazakhstan	Wholly Owned Subsidiary
20.	Ascend Laboratories (UK) Ltd., UK	Wholly Owned Subsidiary
21.	Ascend Laboratories Ltd., Canada	Wholly Owned Subsidiary
22.	Alkem Foundation, India	Wholly Owned Subsidiary
23.	Connect 2 Clinic Private Limited, India	Wholly Owned Subsidiary
24.	Ascend Laboratories SAS, Colombia	Wholly Owned Subsidiary

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**Independent Auditor's Report (Continued)**  
**Alkem Laboratories Limited**

Sr. No	Name of component	Relationship
25.	S & B Pharma Inc., USA	Wholly Owned Subsidiary of TPN (upto 05 January 2022)
26.	Pharmacor Limited, New Zealand	Wholly Owned Subsidiary of Pharmacor Pty Limited, Australia
27.	Enzene Inc., USA	Wholly Owned Subsidiary of Enzene Biosciences Ltd, India

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# ALKEM LABORATORIES LIMITED

CIN No.:L00305MH1973PLC174201

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

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

## Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31 March 2023

(₹ in Million except per share data)

Particulars	Quarter ended			Year ended	
	31.03.2023 Audited (Refer Note 1)	31.12.2022 Unaudited	31.03.2022 Audited (Refer Note 1)	31.03.2023 Audited	31.03.2022 Audited
<b>1 Income</b>					
(a) Revenue from Operations	29,026.0	30,409.1	24,838.6	115,992.6	106,341.9
(b) Other Income	686.7	453.3	205.2	2,160.8	1,626.5
<b>Total Income</b>	<b>29,712.7</b>	<b>30,862.4</b>	<b>25,043.8</b>	<b>118,153.4</b>	<b>107,968.4</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed	7,706.2	7,783.7	9,011.7	30,569.2	32,260.6
(b) Purchases of stock-in-trade	3,466.8	4,015.4	3,020.0	13,875.5	14,897.1
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,382.2	690.3	(1,718.2)	4,623.7	(5,354.8)
(d) Employee benefits expense	5,029.8	5,253.7	4,654.9	21,313.5	19,627.1
(e) Finance costs	289.6	270.5	169.7	1,073.6	523.7
(f) Depreciation and amortisation expense	783.2	784.4	831.4	3,104.2	3,039.6
(g) Other expenses	7,908.5	6,675.5	6,497.9	29,516.2	24,382.7
<b>Total Expenses</b>	<b>26,566.3</b>	<b>25,473.5</b>	<b>22,467.4</b>	<b>104,075.9</b>	<b>89,376.0</b>
<b>3 Profit before exceptional items and tax (1) - (2)</b>	<b>3,146.4</b>	<b>5,388.9</b>	<b>2,576.4</b>	<b>14,077.5</b>	<b>18,592.4</b>
<b>4 Exceptional items (refer note 3)</b>	<b>(1,029.8)</b>	-	<b>(149.6)</b>	<b>(1,029.8)</b>	<b>(149.6)</b>
<b>5 Profit before tax (3) + (4)</b>	<b>2,116.6</b>	<b>5,388.9</b>	<b>2,426.8</b>	<b>13,047.7</b>	<b>18,442.8</b>
<b>6 Tax expense / (credit)</b>					
(a) Current tax	628.6	891.4	433.5	2,739.0	3,619.8
(b) Deferred tax	811.2	(102.1)	911.2	240.6	(1,980.2)
<b>Total Tax Expense (a + b)</b>	<b>1,439.8</b>	<b>789.3</b>	<b>1,344.7</b>	<b>2,979.6</b>	<b>1,639.6</b>
<b>7 Profit for the period (5) - (6)</b>	<b>676.8</b>	<b>4,599.6</b>	<b>1,082.1</b>	<b>10,068.1</b>	<b>16,803.2</b>
<b>8 Other Comprehensive Income (net of tax)</b>					
(a) (i) Items that will not be reclassified to profit or loss	(13.8)	(7.8)	(18.0)	(48.7)	(90.9)
(ii) Income tax relating to items that will not be reclassified to profit or loss	4.3	2.6	6.7	16.1	33.2
(b) (i) Items that will be reclassified to profit or loss	(93.5)	329.4	272.2	1,181.6	399.1
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
<b>Total Other Comprehensive Income (net of tax)</b>	<b>(103.0)</b>	<b>324.2</b>	<b>260.9</b>	<b>1,149.0</b>	<b>341.4</b>
<b>9 Total Comprehensive Income for the period (7) + (8)</b>	<b>573.8</b>	<b>4,923.8</b>	<b>1,343.0</b>	<b>11,217.1</b>	<b>17,144.6</b>
<b>10 Profit attributable to</b>					
a) Owners of the Company	709.8	4,547.1	1,075.8	9,841.7	16,456.2
b) Non-Controlling Interest	(33.0)	52.5	6.3	226.4	347.0
<b>11 Other Comprehensive Income attributable to</b>					
a) Owners of the Company	(103.9)	324.8	258.0	1,153.1	345.5
b) Non-Controlling Interest	0.9	(0.6)	2.9	(4.1)	(4.1)
<b>12 Total Comprehensive Income attributable to</b>					
a) Owners of the Company	605.9	4,871.9	1,333.8	10,994.8	16,801.7
b) Non-Controlling Interest	(32.1)	51.9	9.2	222.3	342.9
<b>13 Paid-up Equity Share Capital</b> (Face Value ₹ 2 each fully paid up)	<b>239.1</b>	<b>239.1</b>	<b>239.1</b>	<b>239.1</b>	<b>239.1</b>
<b>14 Other Equity</b>				<b>90,213.8</b>	<b>86,139.9</b>
<b>15 Earnings Per Share (not annualised for the Quarters)</b>					
(a) Basic (₹)	<b>5.94</b>	<b>38.03</b>	<b>9.00</b>	<b>82.31</b>	<b>137.63</b>
(b) Diluted (₹)	<b>5.94</b>	<b>38.03</b>	<b>9.00</b>	<b>82.31</b>	<b>137.63</b>

**Statement of Audited Consolidated Assets and Liabilities as at 31 March 2023**

(₹ in Million)

Particulars	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)
<b>I. ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	20,654.0	22,871.0
(b) Right of use assets	1,378.6	1,393.5
(c) Capital work-in-progress	3,102.7	3,394.8
(d) Goodwill	4,131.7	4,030.9
(e) Other Intangible assets	664.2	721.9
(f) Intangible assets under development	129.7	-
(g) Financial Assets		
(i) Investments	3,046.1	2,316.7
(ii) Loans	80.2	80.2
(iii) Other financial assets	2,952.5	7,106.7
(h) Deferred tax assets (net)	13,025.0	13,092.6
(i) Non-current tax assets (net)	575.4	533.1
(j) Other non-current assets	529.6	796.2
<b>Total Non-current assets</b>	<b>50,269.7</b>	<b>56,337.6</b>
<b>2 Current assets</b>		
(a) Inventories	26,075.3	30,055.3
(b) Financial Assets		
(i) Investments	3,172.1	1,393.1
(ii) Trade receivables	21,321.8	18,846.0
(iii) Cash and cash equivalents	2,738.0	2,321.8
(iv) Bank balances other than (iii) above	23,430.9	23,464.0
(v) Loans	67.7	202.5
(vi) Other financial assets	1,897.5	1,731.5
(c) Other current assets	7,360.9	6,322.8
(d) Non-current assets held for sale	1,232.6	17.3
<b>Total Current assets</b>	<b>87,296.8</b>	<b>84,354.3</b>
<b>TOTAL ASSETS</b>	<b>137,566.5</b>	<b>140,691.9</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	239.1	239.1
(b) Other Equity	90,213.8	86,139.9
<b>Equity attributable to owners of the Company</b>	<b>90,452.9</b>	<b>86,379.0</b>
(c) Non-controlling interest	3,897.1	2,094.3
<b>Total Equity</b>	<b>94,350.0</b>	<b>88,473.3</b>
<b>2 Non-current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	-	93.8
(ia) Lease liabilities	703.3	664.7
(ii) Other financial liabilities	1,660.1	-
(b) Provisions	3,693.6	3,327.5
(c) Other non-current liabilities	88.0	79.2
<b>Total Non-Current liabilities</b>	<b>6,145.0</b>	<b>4,165.2</b>
<b>3 Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	13,071.5	25,707.4
(ia) Lease liabilities	192.0	216.0
(ii) Trade payables		
Dues of Micro and Small Enterprises	1,104.6	924.2
Dues of Creditors other than Micro and Small Enterprises	10,545.7	10,809.6
(iii) Other financial liabilities	6,326.9	5,993.8
(b) Other current liabilities	1,868.9	1,503.2
(c) Provisions	3,727.5	2,736.0
(d) Current tax Liabilities (Net)	234.4	163.2
<b>Total Current liabilities</b>	<b>37,071.5</b>	<b>48,053.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>137,566.5</b>	<b>140,691.9</b>

**Statement of Audited Consolidated Cash Flow for the year ended 31 March 2023**

(₹ in million)

Particulars	For the Year ended 31 March 2023 (Audited)	For the Year ended 31 March 2022 (Audited)
<b>A</b>		
<b>Cash Flow from Operating Activities:</b>		
Profit before Tax	13,047.7	18,442.8
<u>Adjustments for:</u>		
Depreciation and amortisation expense	3,104.2	3,039.6
Liabilities no longer required written back	(17.5)	(160.1)
Profit on sale of investments	(21.6)	(33.8)
Unrealised gain on fair valuation of investments (net)	(287.0)	69.0
Profit / loss on sale / write off of property plant and equipment (net)	123.6	14.3
Unrealised foreign currency (gain) / loss on revaluation (net)	(118.8)	(177.0)
Dividend Income	(1.9)	(1.9)
Interest Income	(1,711.4)	(1,226.8)
Impairment loss on property, plant and equipment	1,051.5	11.2
Interest expenses	1,073.6	523.7
Allowances for doubtful debts	48.8	27.8
<b>Subtotal of Adjustments</b>	<b>3,243.5</b>	<b>2,086.0</b>
<b>Operating profit before working capital changes</b>	<b>16,291.2</b>	<b>20,528.8</b>
Adjustments for changes in working capital:		
(Increase) in trade receivables	(1,347.1)	(2,217.5)
(Increase) / Decrease in loans, other financial assets and other assets	(770.1)	(435.8)
(Increase) Decrease in inventories	4,734.1	(6,731.4)
Increase / (Decrease) in trade payable, other financial liabilities and other liabilities	145.1	3,344.9
Increase in provisions	505.7	590.2
<b>Subtotal of adjustments</b>	<b>3,267.7</b>	<b>(5,449.6)</b>
<b>Cash generated from operations</b>	<b>19,558.9</b>	<b>15,079.2</b>
Less: Income taxes paid (net of refund)	(2,733.9)	(3,969.0)
<b>Net Cash generated from operating activities</b>	<b>16,825.0</b>	<b>11,110.2</b>
<b>B</b>		
<b>Cash Flow from Investing Activities:</b>		
Purchases of property, plant and equipment	(2,329.1)	(3,388.8)
Sale of property, plant and equipment	32.0	109.0
(Purchase of) / Proceeds from sale of investments (net)	(2,175.3)	(409.3)
(Investment made in) / Redemption of bank deposits having maturity of more than 3 months (net)	4,129.8	(11,641.8)
Dividend received	1.9	1.9
Interest received	1,469.1	977.7
<b>Net cash generated from / (used in) investing activities</b>	<b>1,128.4</b>	<b>(14,351.3)</b>
<b>C</b>		
<b>Cash Flow from Financing Activities:</b>		
(Repayment of) / Proceeds from non-current borrowings (net)	(95.0)	(192.9)
(Repayment of) / Proceeds from current borrowings (net)	(12,689.8)	8,820.7
Proceeds from issue of compulsory convertible preference shares	1,614.8	-
Dividends paid	(5,295.2)	(4,219.1)
Repayment of lease liabilities (net)	(238.4)	(211.7)
Interest paid	(904.6)	(401.3)
<b>Net cash (used in) / generated from financing activities</b>	<b>(17,608.2)</b>	<b>3,795.7</b>
<b>D</b>		
<b>Net (decrease)/increase in Cash and Cash Equivalents (A+B+C)</b>	<b>345.2</b>	<b>554.6</b>
<b>E</b>		
<b>Cash &amp; Cash Equivalents as at the beginning of the year</b>	<b>2,321.8</b>	<b>1,742.2</b>
Add/Less: Effect of exchange difference on foreign currency cash and cash equivalents	71.0	25.0
<b>F</b>		
<b>Cash &amp; Cash Equivalents as at the end of the Year (D+E)</b>	<b>2,738.0</b>	<b>2,321.8</b>

**Notes:**

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".

**Notes to the Consolidated Financial results:**

- 1 The above audited consolidated financial results of the Company were reviewed and recommended by the Audit Committee on 18 May 2023 and subsequently approved by the Board of Directors at its meeting held on 19 May 2023. The auditors have expressed an unmodified opinion on the financial results for the year ended 31 March 2023. The figures for the quarter ended 31 March 2023 and 31 March 2022 are balancing figures between audited figures in respect of full financial year and the unaudited published year-to-date figures up to 31 December 2022 and 31 December 2021 respectively, which were subjected to limited review.
- 2 The Company has entered into a Securities Subscription Agreement and Shareholders' Agreement dated 23 December 2022 with Enzene Biosciences Limited, a subsidiary of the Company ("Enzene"), Eight Roads Ventures India Healthcare IV, L.P. ("Eight Roads Ventures") and F-Prime Capital Partners Life Sciences Fund VI LP ("F-Prime Capital") towards subscription of Compulsorily Convertible Preference Shares ('CCPS') by Eight Roads Ventures and F-Prime Capital in Enzene for a consideration of Rs.1,614.8 million which is equivalent to 8% of the subsidiary's equity valuation.
- 3 The Group has considered indicators of impairment of its cash-generating units for factors like decline in operational performance, changes in the outlook of future profitability, and weaker market conditions, among other potential indicators. In respect of one of the manufacturing units located at St. Louis under S & B Pharma LLC, USA, a step-down subsidiary of the Company, where indicators of impairment were identified, the Group estimated the recoverable amount of the assets based on the fair value less costs to sell. The outcome of this exercise as on 31 March 2023 resulted in the Group recognizing an impairment loss of Rs 1,029.8 Million in the consolidated financial results under 'Exceptional item'. Consequently, deferred tax assets pertaining to the above assets are no longer available for utilisation, have been derecognised in the consolidated financial statements amounting to Rs. 1,197.2 mn  
  
During the previous year, the Group has fair valued one of its investments in the USA and considering the contingencies on business projections of the investee company an amount of Rs. 149.6 million has been debited to the Statement of Profit and Loss and disclosed as an 'Exceptional item'.
- 4 During the quarter ended 31 March 2023, the Company has paid a Special Dividend of ₹ 25 (Rupees Twenty five only) per equity share. In addition to the Special Dividend, the Company has also paid an interim dividend of ₹ 15 (Rupees Fifteen only) per equity share amounting to a total interim dividend of ₹ 40 (Rupees Forty only) per equity share (2000% on the face value of ₹ 2 each) for the financial year ended 31 March 2023. The Board of Directors at its meeting held on 19 May 2023 has recommended a final dividend of ₹ 10 (Rupees Ten only) per equity share (500% on the face value of ₹ 2 each) for the financial year 2022-23.
- 5 The Group operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment has been made.

By Order of the Board  
For Alkem Laboratories Limited



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

Place: Mumbai  
Date: 19 May 2023

# 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 – 400063, India  
Telephone: +91 (22) 6257 1000  
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## Independent Auditor's Report

### To the Board of Directors of Alkem Laboratories Limited

### Report on the audit of the Standalone Annual Financial Results

#### Opinion

We have audited the accompanying standalone annual financial results of Alkem Laboratories Limited (hereinafter referred to as the "Company") for the year ended 31 March 2023, attached herewith, (in which are included financial information from one branch) being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information for the year ended 31 March 2023.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

#### Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33

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**Independent Auditor's Report (Continued)**

**Alkem Laboratories Limited**

of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a 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 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 the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' 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 appropriateness of this assumption. 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 annual financial results 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 annual financial results, including the disclosures, and whether the standalone annual financial results represent the

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**Independent Auditor's Report (Continued)**

**Alkem Laboratories Limited**

underlying transactions and events in a manner that achieves fair presentation.

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.

**Other Matter**

The standalone annual financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022



**Sreeja Marar**

*Partner*

Mumbai

19 May 2023

Membership No.: 111410

UDIN:23111410BGYAUM1079

# 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 Audited Standalone Financial Results for the Quarter and Year ended 31 March 2023

(₹ in Million except per share data)

Particulars	Quarter ended			Year ended	
	31.03.2023 Audited (Refer Note 1)	31.12.2022 Unaudited	31.03.2022 Audited (Refer Note 1)	31.03.2023 Audited	31.03.2022 Audited
<b>1 Income</b>					
(a) Revenue from Operations	22,379.9	22,967.2	20,063.1	90,545.5	88,298.1
(b) Other Income	766.0	607.4	542.3	2,662.9	1,998.9
<b>Total Income</b>	<b>23,145.9</b>	<b>23,574.6</b>	<b>20,605.4</b>	<b>93,208.4</b>	<b>90,297.0</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed	6,588.8	6,887.8	7,660.0	26,297.8	28,497.5
(b) Purchases of stock-in-trade	2,349.8	2,688.9	2,458.9	9,431.3	10,770.4
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	449.2	(383.4)	(1,148.7)	2,577.3	(3,609.0)
(d) Employee benefits expense	3,464.0	3,698.2	3,306.8	15,162.2	14,344.9
(e) Finance costs	217.4	226.2	130.8	864.0	379.0
(f) Depreciation and amortisation expense	571.6	581.4	550.1	2,298.5	2,189.8
(g) Other expenses	6,208.2	5,516.0	5,789.2	23,307.4	20,190.7
<b>Total Expenses</b>	<b>19,849.0</b>	<b>19,215.1</b>	<b>18,747.1</b>	<b>79,938.5</b>	<b>72,763.3</b>
<b>3 Profit before exceptional items and tax (1) - (2)</b>	<b>3,296.9</b>	<b>4,359.5</b>	<b>1,858.3</b>	<b>13,269.9</b>	<b>17,533.7</b>
<b>4 Exceptional items</b>	-	-	-	-	-
<b>5 Profit before tax (3) + (4)</b>	<b>3,296.9</b>	<b>4,359.5</b>	<b>1,858.3</b>	<b>13,269.9</b>	<b>17,533.7</b>
<b>6 Tax expense / (credit)</b>					
(a) Current tax	536.3	764.0	324.1	2,275.2	3,038.2
(b) Deferred tax	212.7	(293.4)	765.4	(350.0)	(917.0)
<b>Total Tax Expense (a + b)</b>	<b>749.0</b>	<b>470.6</b>	<b>1,089.5</b>	<b>1,925.2</b>	<b>2,121.2</b>
<b>7 Profit for the period after tax (5 - 6)</b>	<b>2,547.9</b>	<b>3,888.9</b>	<b>768.8</b>	<b>11,344.7</b>	<b>15,412.5</b>
<b>8 Other Comprehensive Income (net of tax)</b>					
(a) (i) Items that will not be reclassified to profit or loss	(14.8)	(6.3)	(26.8)	(33.7)	(74.7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	5.2	2.2	9.4	11.8	26.1
(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	-	-	-	-	-
<b>Total Other Comprehensive Income (net of tax)</b>	<b>(9.6)</b>	<b>(4.1)</b>	<b>(17.4)</b>	<b>(21.9)</b>	<b>(48.6)</b>
<b>9 Total Comprehensive Income for the period (7) + (8)</b>	<b>2,538.3</b>	<b>3,884.8</b>	<b>751.4</b>	<b>11,322.8</b>	<b>15,363.9</b>
<b>10 Paid-up Equity Share Capital</b> (Face Value ₹ 2 each fully paid up)	<b>239.1</b>	<b>239.1</b>	<b>239.1</b>	<b>239.1</b>	<b>239.1</b>
<b>11 Other Equity</b>				<b>93,259.4</b>	<b>87,197.5</b>
<b>12 Earnings Per Share (not annualised for the quarters)</b>					
(a) Basic (₹)	21.31	32.53	6.43	94.88	128.90
(b) Diluted (₹)	21.31	32.53	6.43	94.88	128.90



**Statement of Audited Standalone Assets and Liabilities as at 31 March 2023**

(₹ in Million)

Particulars	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)
<b>I. ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	16,725.2	17,312.2
(b) Right of use assets	959.9	913.9
(c) Capital work-in-progress	1,851.0	2,324.5
(d) Other Intangible assets	565.8	594.6
(e) Intangible assets under development	436.5	-
(f) Investment in subsidiaries	25,502.6	22,770.2
(g) Financial Assets		
(i) Investments	1,427.0	1,164.3
(ii) Loans	83.4	178.5
(iii) Other financial assets	309.4	6,282.1
(h) Deferred tax assets (net)	10,849.2	10,487.4
(i) Non current tax assets (net)	381.9	330.5
(j) Other non-current assets	498.2	727.4
<b>Total Non-current assets</b>	<b>59,590.1</b>	<b>63,085.6</b>
<b>2 Current assets</b>		
(a) Inventories	17,246.6	19,757.3
(b) Financial Assets		
(i) Investments	3,125.9	1,351.6
(ii) Trade receivables	17,683.4	17,682.2
(iii) Cash and cash equivalents	50.1	818.2
(iv) Bank balances other than (iii) above	21,588.6	22,153.9
(v) Loans	16.8	145.3
(vi) Other financial assets	1,683.6	1,542.2
(c) Other current assets	6,327.1	5,138.1
(d) Non-current assets held for sale	-	17.3
<b>Total Current assets</b>	<b>67,722.1</b>	<b>68,606.1</b>
<b>TOTAL ASSETS</b>	<b>127,312.2</b>	<b>131,691.7</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	239.1	239.1
(b) Other Equity	93,259.4	87,197.5
<b>Total Equity</b>	<b>93,498.5</b>	<b>87,436.6</b>
<b>2 Non-current liabilities</b>		
(a) Financial Liabilities		
(i) Lease liabilities	450.6	378.4
(b) Provisions	2,841.7	2,576.3
(c) Other non-current liabilities	73.1	62.8
<b>Total Non-Current liabilities</b>	<b>3,365.4</b>	<b>3,017.5</b>
<b>3 Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	11,258.9	22,455.2
(ii) Trade payables	107.4	104.2
Dues of Micro and Small Enterprises	980.1	794.4
Dues of creditors other than Micro and Small Enterprises	9,783.3	10,315.8
(iii) Other financial liabilities	4,904.2	4,799.1
(b) Other current liabilities	1,170.0	828.7
(c) Provisions	2,159.4	1,940.2
(d) Current tax Liabilities (Net)	85.0	-
<b>Total Current liabilities</b>	<b>30,448.3</b>	<b>41,237.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>127,312.2</b>	<b>131,691.7</b>

**Statement of Audited Standalone Cash Flow for the year ended 31 March 2023**

(₹ in million)

Particulars	For the year ended 31 March 2023 (Audited)	For the year ended 31 March 2022 (Audited)
<b>A. <u>Cash Flow from Operating Activities:</u></b>		
Profit before tax	13,269.9	17,533.7
<u>Adjustments for:</u>		
Depreciation and amortisation	2,298.5	2,189.8
Unrealised (gain) / loss on fair valuation of investments (net)	(329.8)	(37.6)
Profit on sale of investments (net)	(19.3)	(28.8)
Loss on sale / write off of property plant and equipment (net)	123.6	12.0
Dividend income	(36.3)	(36.8)
Interest income	(1,471.8)	(1,095.9)
Interest expenses	864.0	379.0
Allowances for doubtful debts	26.1	1.1
Liabilities no longer required written back	(10.7)	(140.8)
Unrealised foreign currency (gain) / loss on revaluation (net)	(155.4)	(162.1)
<b>Subtotal of Adjustments</b>	<b>1,288.9</b>	<b>1,079.9</b>
<b>Operating profit before working capital changes</b>	<b>14,558.8</b>	<b>18,613.6</b>
Adjustments for changes in working capital:		
(Increase) / Decrease in trade receivables	19.2	(1,728.6)
(Increase) / Decrease in loans, other financial assets and other assets	(838.5)	407.9
(Increase) / Decrease in inventories	2,510.7	(4,624.8)
Increase / (Decrease) in trade payable, other financial liabilities and other liabilities	82.6	3,195.0
Increase in provisions	283.0	478.8
<b>Subtotal of Adjustments</b>	<b>2,057.0</b>	<b>(2,271.7)</b>
<b>Cash generated from operations</b>	<b>16,615.8</b>	<b>16,341.9</b>
Less: Income taxes paid (net of refund)	(2,241.6)	(3,348.5)
<b>Net cash generated from operating activities</b>	<b>14,374.2</b>	<b>12,993.4</b>
<b>B. <u>Cash Flow from Investing Activities:</u></b>		
Purchases of property, plant and equipment	(1,417.8)	(2,448.7)
Sale of property, plant and equipment	27.6	105.9
Proceeds from sale of / (Purchase of) investments (net)	(1,687.9)	304.0
Investments in subsidiaries	(2,732.4)	(3,999.8)
(Investment made in ) / Redemption of bank deposits having maturity of more than 3 months (net)	6,515.1	(11,538.2)
Dividend received	36.3	36.8
Interest received	1,229.5	846.7
<b>Net cash generated from / (used in) investing activities</b>	<b>1,970.4</b>	<b>(16,693.3)</b>
<b>C. <u>Cash Flow from Financing Activities:</u></b>		
(Repayment of) / Proceeds from current borrowings (net)	(11,029.5)	8,929.0
Repayment of lease liabilities (net)	(126.2)	(121.5)
Dividends paid	(5,260.9)	(4,184.8)
Interest paid	(696.1)	(256.8)
<b>Net cash (used in)/generated from financing activities</b>	<b>(17,112.7)</b>	<b>4,365.9</b>
<b>D Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(768.1)</b>	<b>666.0</b>
<b>E Cash and cash equivalents as at beginning of the year</b>	<b>818.2</b>	<b>152.2</b>
<b>F Cash and cash equivalents as at end of the period (D+E)</b>	<b>50.1</b>	<b>818.2</b>

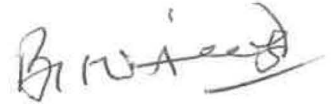
**Notes:**

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows"

**Notes to the Standalone Financial results:**

- 1 The above audited standalone financial results of the Company were reviewed and recommended by the Audit Committee on 18 May 2023 and subsequently approved by the Board of Directors at its meeting held on 19 May 2023. The auditors have expressed an unmodified opinion on the financial results for the year ended 31 March 2023. The figures for the quarter ended 31 March 2023 and 31 March 2022 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 2022 and 31 December 2021 respectively, which were subjected to limited review.
- 2 The Company has entered into a Securities Subscription Agreement and Shareholders' Agreement dated 23 December 2022 with Enzene Biosciences Limited, a subsidiary of the Company ("Enzene"), Eight Roads Ventures India Healthcare IV, L.P. ("Eight Roads Ventures") and F-Prime Capital Partners Life Sciences Fund VI LP ("F-Prime Capital") towards subscription of Compulsorily Convertible Preference Shares ('CCPS') by Eight Roads Ventures and F-Prime Capital in Enzene for a consideration of Rs.1,614.8 million which is equivalent to 8% of the subsidiary's equity valuation.
- 3 During the quarter ended 31 March 2023, the Company has paid a Special Dividend of ₹ 25 (Rupees Twenty five only) per equity share. In addition to the Special Dividend, the Company has also paid an interim dividend of ₹ 15 (Rupees Fifteen only) per equity share amounting to a total interim dividend of ₹ 40 (Rupees Forty only) per equity share (2000% on the face value of ₹ 2 each) for the financial year ended 31 March 2023. The Board of Directors at its meeting held on 19 May 2023 has recommended a final dividend of ₹ 10 (Rupees Ten only) per equity share (500% on the face value of ₹ 2 each) for the financial year 2022-23.
- 4 The Company operates in one reportable business segment i.e. "Pharmaceuticals", accordingly no separate disclosure of segment has been made.

By Order of the Board  
For Alkem Laboratories Limited



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

Place: Mumbai  
Date: 19 May 2023