

**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



07th November, 2023

To,

**The Corporate Relationship Department
BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.
Scrip Code: 539523

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra East,
Mumbai 400 051.
Scrip Symbol: ALKEM

Dear Sirs,

Sub: Outcome of Board Meeting held on 07th November, 2023

Kindly refer to our intimation letter dated 27th October, 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 07th November, 2023 to inter alia approve the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter and half year ended 30th September, 2023. The Board of Directors at its meeting held today i.e. 07th November, 2023, has, inter alia:

1. approved the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter and half year ended 30th September, 2023.
2. approved the amendment to object clause of the Memorandum of Association of the Company by inserting certain new object clauses after sub clause 2 of Clause III(A) – Main Objects ('The objects to be pursued by the Company on its incorporation'), subject to approval of shareholders of the Company through Postal Ballot.

Accordingly, we are enclosing herewith Standalone and Consolidated Unaudited Financial Results for the quarter and half year ended 30th September, 2023.

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.

The meeting of the Board of Directors of the Company commenced at 11.00 a.m. and concluded at 1.40 p.m.

Kindly take the same on record.

Sincerely,
For **Alkem Laboratories Limited**


Manish Narang
President - Legal, Company Secretary & Compliance Officer

Encl.: a/a

Limited Review Report on unaudited consolidated financial results of Alkem Laboratories Limited for the quarter ended 30 September 2023 and year to date results for the period from 1 April 2023 to 30 September 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Alkem Laboratories Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Alkem Laboratories Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2023 and year to date results for the period from 1 April 2023 to 30 September ("the Statement") (in which are included financial information of one branch) being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I to the Statement.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the and other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Limited Review Report (Continued)

Alkem Laboratories Limited

6. We did not review the interim financial results of 2 Subsidiaries included in the Statement, whose interim financial results reflects total assets (before consolidation adjustments) of Rs. 8,715 million as at 30 September 2023 and total revenues (before consolidation adjustments) of Rs. 3,103 million and Rs. 5,624 million, total net loss after tax (before consolidation adjustments) of Rs. 123 million and Rs. 95 million and total comprehensive loss (before consolidation adjustments) of Rs. 127 million and Rs 109 million, for the quarter ended 30 September 2023 and for the period from 1 April 2023 to 30 September 2023 respectively, and cash flows (net) (before consolidation adjustments) of Rs 134 million for the period from 1 April 2023 to 30 September 2023 as considered in the Statement. These interim financial results have been reviewed by other auditor whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

For **BSR & Co. LLP**

Chartered Accountants

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



Sreeja Marar

Partner

Mumbai

07 November 2023

Membership No.: 111410

UDIN:23111410BGYAWS6042

Limited Review Report (Continued)
Alkem Laboratories Limited

Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship
1	Alkem Laboratories Limited	Parent
2	S & B Holdings B V., Netherlands (S&B Holdings)	Wholly Owned Subsidiary
3	The Pharma Network 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

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Limited Review Report (Continued)

Alkem Laboratories Limited

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
25	Pharmacor Limited, New Zealand	Wholly Owned Subsidiary of Pharmacor Pty Limited, Australia
26	Enzene Inc., USA	Wholly Owned Subsidiary of Enzene Biosciences Ltd, India

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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 and Six months ended 30 September 2023

(₹ in Million except per share data)

Particulars	Quarter ended			Six months ended		Year ended
	30.09.2023 Unaudited	30.06.2023 Unaudited	30.09.2022 Unaudited	30.09.2023 Unaudited	30.09.2022 Unaudited	31.03.2023 Audited
1 Income						
(a) Revenue from Operations	34,401.7	29,677.2	30,793.7	64,078.9	56,557.5	115,992.6
(b) Other Income	631.9	658.4	506.7	1,290.3	1,020.8	2,160.8
Total Income	35,033.6	30,335.6	31,300.4	65,369.2	57,578.3	118,153.4
2 Expenses						
(a) Cost of materials consumed	8,247.1	8,325.8	8,155.2	16,572.9	15,079.3	30,569.2
(b) Purchases of stock-in-trade	4,318.9	3,554.7	3,412.5	7,873.6	6,393.3	13,875.5
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	704.7	105.2	1,501.8	809.9	2,551.2	4,623.7
(d) Employee benefits expense	5,553.8	5,676.5	5,708.5	11,230.3	11,030.0	21,313.5
(e) Finance costs	303.2	297.7	248.5	600.9	513.5	1,073.6
(f) Depreciation and amortisation expense	739.0	724.1	774.0	1,463.1	1,536.6	3,104.2
(g) Other expenses	8,109.9	8,123.1	7,476.6	16,233.0	14,932.2	29,516.2
Total Expenses	27,976.6	26,807.1	27,277.1	54,783.7	52,036.1	104,075.9
3 Profit before exceptional items and tax (1) - (2)	7,057.0	3,528.5	4,023.3	10,585.5	5,542.2	14,077.5
4 Exceptional items (refer note 2)	(576.6)	-	-	(576.6)	-	(1,029.8)
5 Profit before tax (3) + (4)	6,480.4	3,528.5	4,023.3	10,008.9	5,542.2	13,047.7
6 Tax expense / (credit)						
(a) Current tax	1,590.5	657.8	869.8	2,248.3	1,219.0	2,739.0
(b) Deferred tax	(1,259.0)	(7.4)	(323.7)	(1,266.4)	(468.5)	240.6
Total Tax Expense (a + b)	331.5	650.4	546.1	981.9	750.5	2,979.6
7 Profit for the period (5) - (6)	6,148.9	2,878.1	3,477.2	9,027.0	4,791.7	10,068.1
8 Other Comprehensive Income (net of tax)						
(a) (i) Items that will not be reclassified to profit or loss	(29.8)	(39.5)	(25.4)	(69.3)	(27.1)	(48.7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	10.6	13.1	8.9	23.7	9.2	16.1
(b) (i) Items that will be reclassified to profit or loss	129.1	138.6	422.1	267.7	945.7	1,181.6
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total Other Comprehensive Income (net of tax)	109.9	112.2	405.6	222.1	927.8	1,149.0
9 Total Comprehensive Income for the period (7) + (8)	6,258.8	2,990.3	3,882.8	9,249.1	5,719.5	11,217.1
10 Profit attributable to						
a) Owners of the Company	6,205.2	2,867.3	3,308.4	9,072.5	4,584.8	9,841.7
b) Non-Controlling Interest	(56.3)	10.8	168.8	(45.5)	206.9	226.4
11 Other Comprehensive Income attributable to						
a) Owners of the Company	111.8	116.9	411.6	228.7	932.2	1,153.1
b) Non-Controlling Interest	(1.9)	(4.7)	(6.0)	(6.6)	(4.4)	(4.1)
12 Total Comprehensive Income attributable to						
a) Owners of the Company	6,317.0	2,984.2	3,720.0	9,301.2	5,517.0	10,994.8
b) Non-Controlling Interest	(58.2)	6.1	162.8	(52.1)	202.5	222.3
13 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1	239.1
14 Other Equity						90,213.8
15 Earnings Per Share (not annualised)						
(a) Basic (₹)	51.90	23.98	27.67	75.88	38.35	82.31
(b) Diluted (₹)	51.90	23.98	27.67	75.88	38.35	82.31



Statement of Unaudited Consolidated Assets and Liabilities as at 30 September 2023

(₹ in Million)

Particulars	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	21,483.9	20,654.0
(b) Right of use assets	2,552.4	1,378.6
(c) Capital work-in-progress	1,808.2	3,102.7
(d) Goodwill	4,155.6	4,131.7
(e) Other Intangible assets	728.8	664.2
(f) Intangible assets under development	129.7	129.7
(g) Financial Assets		
(i) Investments	3,164.3	3,046.1
(ii) Loans	80.2	80.2
(iii) Other financial assets	2,872.1	2,952.5
(h) Deferred tax assets (net)	14,315.8	13,025.0
(i) Non-current tax assets (net)	646.0	575.4
(j) Other non-current assets	699.2	529.6
Total Non-current assets	52,636.2	50,269.7
2 Current assets		
(a) Inventories	25,414.6	26,075.3
(b) Financial Assets		
(i) Investments	3,091.1	3,172.1
(ii) Trade receivables	24,478.2	21,321.8
(iii) Cash and cash equivalents	3,208.2	2,738.0
(iv) Bank balances other than (iii) above	29,798.6	23,430.9
(v) Loans	102.9	67.7
(vi) Other financial assets	2,251.6	1,897.5
(c) Other current assets	7,611.0	7,360.9
(d) Non-current assets held for sale	664.4	1,232.6
Total Current assets	96,620.6	87,296.8
TOTAL ASSETS	149,256.8	137,566.5
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	239.1	239.1
(b) Other Equity	98,185.8	90,213.8
Equity attributable to owners of the Company	98,424.9	90,452.9
(c) Non-controlling interest	3,820.5	3,897.1
Total Equity	102,245.4	94,350.0
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Lease liabilities	1,810.0	703.3
(ii) Other financial liabilities	1,793.7	1,660.1
(b) Provisions	4,008.1	3,693.6
(c) Other non-current liabilities	278.4	88.0
Total Non-Current liabilities	7,890.2	6,145.0
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	12,412.2	13,071.5
(ii) Lease liabilities	207.4	192.0
(iii) Trade payables		
Dues of Micro and Small Enterprises	1,904.1	1,104.6
Dues of Creditors other than Micro and Small Enterprises	9,816.6	10,545.7
(iii) Other financial liabilities	8,153.9	6,326.9
(b) Other current liabilities	1,999.1	1,868.9
(c) Provisions	4,022.0	3,727.5
(d) Current tax Liabilities (Net)	605.9	234.4
Total Current liabilities	39,121.2	37,071.5
TOTAL EQUITY AND LIABILITIES	149,256.8	137,566.5

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Statement of Unaudited Consolidated Cash flow for the period ended 30 September 2023

(₹ in million)

Particulars	For the period ended 30 September 2023 (Unaudited)	For the period ended 30 September 2022 (Unaudited)
A Cash Flow from Operating Activities:		
Profit before Tax	10,008.9	5,542.2
<u>Adjustments for:</u>		
Depreciation and amortisation expense	1,463.1	1,536.6
Liabilities no longer required written back	-	(0.4)
Profit on sale of investments	(24.1)	(22.2)
Unrealised gain on fair valuation of investments (net)	(75.2)	(11.7)
Loss on sale / write off of property plant and equipment (net)	13.2	48.5
Employee stock compensation expenses	49.2	-
Unrealised foreign currency (gain) / loss on revaluation (net)	645.6	(293.7)
Dividend Income	(1.2)	(1.4)
Interest Income	(1,164.6)	(794.9)
Impairment loss on property, plant and equipment	576.6	-
Interest expenses	600.9	513.5
Allowances for doubtful debts	328.4	9.1
Subtotal of Adjustments	2,411.9	983.4
Operating profit before working capital changes	12,420.8	6,525.6
Adjustments for changes in working capital:		
Increase in trade receivables	(3,680.6)	(1,219.7)
Increase in loans, other financial assets and other assets	(762.4)	(647.5)
Decrease in inventories	542.8	2,584.5
Increase / (Decrease) in trade payable, other financial liabilities and other liabilities	2,406.2	(868.6)
Increase in provisions	359.9	431.5
Subtotal of adjustments	(1,134.1)	280.2
Cash generated from operations	11,286.7	6,805.8
Less: Income taxes paid (net of refund)	(1,937.5)	(1,168.5)
Net Cash generated from operating activities	9,349.2	5,637.3
B Cash Flow from Investing Activities:		
Purchases of property, plant and equipment	(1,163.0)	(1,324.8)
Sale of property, plant and equipment	20.2	10.1
(Purchase of) / Proceeds from sale of investments (net)	66.3	(436.4)
(Investment made in) / Redemption of bank deposits having maturity of more than 3 months (net)	(6,298.0)	4,526.3
Dividend received	1.2	1.4
Interest received	1,121.3	609.7
Net cash generated from / (used in) investing activities	(6,252.0)	3,386.3
C Cash Flow from Financing Activities:		
Proceeds from non-current borrowings (net)	-	100.0
Repayment of current borrowings (net)	(735.3)	(7,930.1)
Dividends paid	(1,220.2)	(512.6)
Repayment of lease liabilities (net)	(162.3)	(113.4)
Interest paid	(499.4)	(429.5)
Net cash used in financing activities	(2,617.2)	(8,885.6)
D Net (decrease)/increase in Cash and Cash Equivalents (A+B+C)	480.0	138.0
E Cash & Cash Equivalents as at the beginning of the year	2,738.0	2,321.8
Add/Less: Effect of exchange difference on foreign currency cash and cash equivalents	(9.8)	(47.8)
F Cash & Cash Equivalents as at the end of the Year (D+E)	3,208.2	2,412.0

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".

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Notes to the Consolidated Financial results:

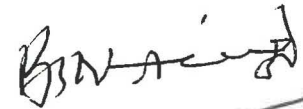
1 The above unaudited consolidated financial results of the Group were reviewed and recommended by the Audit Committee on 6 November 2023 and subsequently approved by the Board of Directors at its meeting held on 7 November 2023. The auditors have issued an unmodified report on the financial results for the quarter and six months ended 30 September 2023.

2 During the previous year ended 31 March 2023, the Group had 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 Holding Company, where indicators of impairment were identified and 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 had resulted in the Group recognizing an impairment loss of Rs 1,029.8 Million in the consolidated financial results under 'Exceptional items'. Consequently, deferred tax assets pertaining to the above assets were no longer available for utilisation, and had been derecognised in the consolidated financial statements amounting to Rs. 1,197.2 mn.

Based on developments in the current quarter, the Group has recognized an additional impairment loss of Rs. 576.6 Million towards the above in the consolidated financial results under 'Exceptional items'.

3 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: 07 November 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 – 400 063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Limited Review Report on unaudited standalone financial results of Alkem Laboratories Limited for the quarter ended 30 September 2023 and year to date results for the period from 1 April 2023 to 30 September 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Alkem Laboratories Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Alkem Laboratories Limited (hereinafter referred to as "the Company") for the quarter ended 30 September 2023 and year to date results for the period from 1 April 2023 to 30 September 2023 ("the Statement") in which are included financial information of one branch.
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

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



Sreeja Marar

Partner

Mumbai

07 November 2023

Membership No.: 111410

UDIN:23111410BGYAWR1001

Registered Office

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

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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 Unaudited Standalone Financial Results for the Quarter and Six months ended 30 September 2023

(₹ in Million except per share data)

Particulars	Quarter ended			Six months ended		Year ended
	30.09.2023 Unaudited	30.06.2023 Unaudited	30.09.2022 Unaudited	30.09.2023 Unaudited	30.09.2022 Unaudited	31.03.2023 Audited
1 Income						
(a) Revenue from Operations	26,345.9	22,531.7	24,614.9	48,877.6	45,198.4	90,545.5
(b) Other Income	618.4	647.0	736.4	1,265.4	1,289.5	2,662.9
Total Income	26,964.3	23,178.7	25,351.3	50,143.0	46,487.9	93,208.4
2 Expenses						
(a) Cost of materials consumed	7,071.2	6,893.7	6,748.1	13,964.9	12,821.2	26,297.8
(b) Purchases of stock-in-trade	2,823.9	2,451.7	2,553.5	5,275.6	4,392.6	9,431.3
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	106.6	(632.3)	1,243.8	(525.7)	2,511.5	2,577.3
(d) Employee benefits expense	3,951.8	4,140.6	4,129.7	8,092.4	8,000.0	15,162.2
(e) Finance costs	187.0	214.2	200.2	401.2	420.4	864.0
(f) Depreciation and amortisation expense	590.2	581.1	577.4	1,171.3	1,145.5	2,298.5
(g) Other expenses	5,846.4	6,340.5	5,883.0	12,186.9	11,583.2	23,307.4
Total Expenses	20,577.1	19,989.5	21,335.7	40,566.6	40,874.4	79,938.5
3 Profit before exceptional items and tax (1) - (2)	6,387.2	3,189.2	4,015.6	9,576.4	5,613.5	13,269.9
4 Exceptional items	-	-	-	-	-	-
5 Profit before tax (3) + (4)	6,387.2	3,189.2	4,015.6	9,576.4	5,613.5	13,269.9
6 Tax expense / (credit)						
(a) Current tax	1,114.8	539.3	699.8	1,654.1	974.9	2,275.2
(b) Deferred tax	(1,192.7)	(64.5)	(191.1)	(1,257.2)	(269.3)	(350.0)
Total Tax Expense (a + b)	(77.9)	474.8	508.7	396.9	705.6	1,925.2
7 Profit for the period after tax (5 - 6)	6,465.1	2,714.4	3,506.9	9,179.5	4,907.9	11,344.7
8 Other Comprehensive Income (net of tax)						
(a) (i) Items that will not be reclassified to profit or loss	(24.1)	(24.1)	(6.3)	(48.2)	(12.6)	(33.7)
(ii) Income tax relating to items that will not be reclassified to profit or loss	8.4	8.4	2.2	16.8	4.4	11.8
(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)	(15.7)	(15.7)	(4.1)	(31.4)	(8.2)	(21.9)
9 Total Comprehensive Income for the period (7) + (8)	6,449.4	2,698.7	3,502.8	9,148.1	4,899.7	11,322.8
10 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1	239.1
11 Other Equity						93,259.4
12 Earnings Per Share (not annualised)						
(a) Basic (₹)	54.07	22.70	29.33	76.77	41.05	94.88
(b) Diluted (₹)	54.07	22.70	29.33	76.77	41.05	94.88



Statement of Unaudited Standalone Assets and Liabilities as at 30 September 2023

(₹ in Million)

Particulars	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	17,270.5	16,725.2
(b) Right of use assets	945.1	959.9
(c) Capital work-in-progress	770.9	1,851.0
(d) Other Intangible assets	588.2	565.8
(e) Intangible assets under development	436.5	436.5
(f) Investment in subsidiaries	25,502.6	25,502.6
(g) Financial Assets		
(i) Investments	1,477.7	1,427.0
(ii) Loans	83.6	83.4
(iii) Other financial assets	2,141.7	309.4
(h) Deferred tax assets (net)	12,123.3	10,849.2
(i) Non current tax assets (net)	394.0	381.9
(j) Other non-current assets	552.2	498.2
Total Non-current assets	62,286.3	59,590.1
2 Current assets		
(a) Inventories	17,806.4	17,246.6
(b) Financial Assets		
(i) Investments	3,039.0	3,125.9
(ii) Trade receivables	16,806.4	17,683.4
(iii) Cash and cash equivalents	182.3	50.1
(iv) Bank balances other than (iii) above	25,905.4	21,588.6
(v) Loans	29.0	16.8
(vi) Other financial assets	1,913.0	1,683.6
(c) Other current assets	6,299.8	6,327.1
Total Current assets	71,981.3	67,722.1
TOTAL ASSETS	134,267.6	127,312.2
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	239.1	239.1
(b) Other Equity	101,211.8	93,259.4
Total Equity	101,450.9	93,498.5
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Lease liabilities	414.2	450.6
(b) Provisions	3,100.3	2,841.7
(c) Other non-current liabilities	264.5	73.1
Total Non-Current liabilities	3,779.0	3,365.4
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	8,106.4	11,258.9
(ia) Lease liabilities	123.2	107.4
(ii) Trade payables		
Dues of Micro and Small Enterprises	1,806.8	980.1
Dues of creditors other than Micro and Small Enterprises	9,076.8	9,783.3
(iii) Other financial liabilities	6,563.8	4,904.2
(b) Other current liabilities	1,127.2	1,170.0
(c) Provisions	2,125.6	2,159.4
(d) Current tax Liabilities (Net)	107.9	85.0
Total Current liabilities	29,037.7	30,448.3
TOTAL EQUITY AND LIABILITIES	134,267.6	127,312.2

A

Statement of Unaudited Standalone Cash Flow for the period ended 30 September 2023

(₹ in million)

Particulars	For six months ended 30 September 2023 (Unaudited)	For six months ended 30 September 2022 (Unaudited)
A. <u>Cash Flow from Operating Activities:</u>		
Profit before tax	9,576.4	5,613.5
<u>Adjustments for:</u>		
Depreciation and amortisation	1,171.3	1,145.5
Unrealised (gain) / loss on fair valuation of investments (net)	(74.8)	(20.4)
Profit on sale of investments (net)	(19.3)	(19.8)
Loss on sale / write off of property plant and equipment (net)	14.0	47.8
Dividend income	(26.1)	(36.3)
Interest income	(942.0)	(704.1)
Interest expenses	401.2	420.4
Allowances for doubtful debts	257.6	24.2
Unrealised foreign currency (gain) / loss on revaluation (net)	403.9	(335.0)
Subtotal of Adjustments	1,185.8	522.3
Operating profit before working capital changes	10,762.2	6,135.8
Adjustments for changes in working capital:		
(Increase) / Decrease in trade receivables	511.7	(1,859.8)
Increase in loans, other financial assets and other assets	(420.6)	(407.7)
(Increase) / Decrease in inventories	(559.8)	2,405.4
Increase / (Decrease) in trade payable, other financial liabilities and other liabilities	1,863.3	(1,541.0)
Increase in provisions	77.7	340.7
Subtotal of Adjustments	1,472.3	(1,062.4)
Cash generated from operations	12,234.5	5,073.4
Less: Income taxes paid (net of refund)	(1,643.4)	(982.7)
Net cash generated from operating activities	10,591.1	4,090.7
B. <u>Cash Flow from Investing Activities:</u>		
Purchases of property, plant and equipment	(609.5)	(881.0)
Sale of property, plant and equipment	16.1	7.8
Proceeds from sale of / (Purchase of) investments (net)	130.4	(336.1)
Investments in subsidiaries	-	(232.4)
(Investment made in) / Redemption of bank deposits having maturity of more than 3 months (net)	(6,119.6)	4,468.0
Dividend received	26.1	36.3
Interest received	899.5	519.1
Net cash generated from / (used in) investing activities	(5,657.0)	3,581.7
C. <u>Cash Flow from Financing Activities:</u>		
Repayment of current borrowings (net)	(3,231.5)	(7,372.0)
Repayment of lease liabilities (net)	(72.4)	(62.2)
Dividends paid	(1,195.7)	(478.3)
Interest paid	(302.3)	(336.5)
Net cash used in financing activities	(4,801.9)	(8,249.0)
D Net (decrease)/increase in cash and cash equivalents (A+B+C)	132.2	(576.6)
E Cash and cash equivalents as at beginning of the year	50.1	818.2
F Cash and cash equivalents as at end of the period (D+E)	182.3	241.6

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 unaudited standalone financial results of the Company were reviewed and recommended by the Audit Committee on 6 November 2023 and subsequently approved by the Board of Directors at its meeting held on 7 November 2023. The auditors have issued an unmodified report on the financial results for the quarter and six months ended 30 September 2023.
- 2 During the current quarter, the Company has paid 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.
- 3 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: 07 November 2023

