



ALKEM

ALKEM LABORATORIES LTD.

Regd. Office : " ALKEM HOUSE", Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013. Phone : 022-3982 9999, Fax : 022-2495 2955
Email : contact@alkem.com Website : www.alkemlabs.com
CIN :- L00305MH1973PLC174201



30th May, 2018

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
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Dear Sirs,

Sub: Outcome of the Board Meeting held on 30th May, 2018

In continuation of our letter dated 22nd May, 2018 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") the Board of Directors at its meeting held today i.e. 30th May, 2018, has, inter alia:

1. approved the Standalone and Consolidated Audited Financial Statements of the Company for the quarter and financial year ended 31st March, 2018.
2. recommended a final dividend of Rs. 7/- (Rupees Seven only) per equity share of Rs. 2/- each for the financial year ended 31st March, 2018, for the approval of the shareholders of the Company at the ensuing Annual General Meeting.
3. approved 31st August, 2018 as the date of 44th Annual General Meeting of the Company.
4. fixed 24th August, 2018 as the record date for the purposes of the Annual General Meeting and payment of final dividend. The dividend, if declared by the shareholders, shall be paid on and from 4th September, 2018.

Accordingly we are enclosing herewith Standalone and Consolidated Audited Financial Results for the quarter and financial year ended 31st March, 2018 and the Auditors Report thereon.

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 31st March, 2018.





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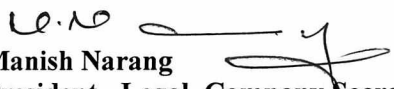
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The meeting of the Board of Directors of the Company commenced at 11.00 a.m. and concluded at 2.00 p.m.

Kindly take the same on record.

Sincerely,
For **Alkem Laboratories Limited**


Manish Narang
President - Legal, Company Secretary & Compliance Officer

Encl.: a/a

BSR & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
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Telephone +91 (22) 4345 5300
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Independent Auditor's Report on Consolidated Financial Results of Alkem Laboratories Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Alkem Laboratories Limited

We have audited the accompanying annual consolidated financial results of Alkem Laboratories Limited ('the Company') and its subsidiaries (collectively, 'the Group') as listed in Annexure I for the year ended 31 March 2018 attached herewith, 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 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these consolidated financial results are the balancing figures between consolidated audited figures in respect of the full financial year and the published year to date consolidated figures up to the end of the third quarter of the relevant financial year. Also, the figures upto the end of the third quarter has only been reviewed and not subjected to audit.

These consolidated financial results have been prepared from annual consolidated financial statements and reviewed quarterly consolidated financial results upto the end of third quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such annual consolidated financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per 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.

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

We did not audit the financial statements of nineteen subsidiaries included in the consolidated financial results, whose annual financial statements reflect total assets of Rs. 16,501.5 million as at 31 March 2018 as well as the total revenues of Rs. 11,321.1 million for the year ended 31 March 2018, as considered in the consolidated annual financial results. These annual financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated annual financial results, to the extent they have been derived from such annual financial statements is based solely on the reports of the other auditors. Our opinion is not modified in respect of this matter.



**Independent Auditor's Report on Consolidated Financial Results of
Alkem Laboratories Limited Pursuant to the Regulation 33 of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015
(Continued)**

Alkem Laboratories Limited

Certain of these subsidiaries are located outside India whose financial statements and other financial information 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 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 Company's management.

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

- (i) includes the annual financial results of the entities as listed in Annexure I;
- (ii) have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2018.

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

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



Sadashiv Shetty
Partner

Membership No: 048648

Mumbai
30 May 2018

Annexure

1. List of Subsidiaries

Sr. No.	Name of entity	Relationship
1.	S & B Holdings B.V., Netherlands (S&B Holdings)	Wholly Owned Subsidiary
2.	ThePharmaNetwork, LLC, USA (TPN)	Wholly Owned Subsidiary of S&B Holdings
3.	Ascend Laboratories LLC, USA	Wholly Owned Subsidiary of TPN
4.	S & B Pharma Inc., USA	Wholly Owned Subsidiary
5.	Alkem Laboratories (NIG) Limited, Nigeria	Wholly Owned Subsidiary
6.	Pharmacor Pty Limited, Australia	Wholly Owned Subsidiary
7.	Alkem Laboratories (PTY) Ltd, South Africa	Wholly Owned Subsidiary
8.	Enzene Biosciences Ltd, India	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.	Alkem Pharma GmbH, Germany	Wholly Owned Subsidiary
13.	Ascends Laboratories SDN BHD., Malaysia	Wholly Owned Subsidiary
14.	Ascends Laboratories SpA, Chile (Ascend Chile)	Wholly Owned Subsidiary
15.	Pharma Network SpA, Chile	Wholly Owned Subsidiary of Ascend Chile
16.	Alkem Laboratories Korea Inc, Korea	Wholly Owned Subsidiary
17.	Pharmacor Ltd., Kenya	Wholly Owned Subsidiary
18.	The PharmaNetwork, LLP, Kazakhstan	Wholly Owned Subsidiary
19.	Ascend Laboratories (UK) Ltd., UK	Wholly Owned Subsidiary
20.	Ascend Laboratories Ltd., Canada	Wholly Owned Subsidiary
21.	Alkem Foundation	Wholly Owned Subsidiary



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Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31 March 2018

(₹ in Million except per share data)

Particulars	Quarter ended			Year ended	
	31.03.2018 Audited	31.12.2017 Unaudited	31.03.2017 Audited	31.03.2018 Audited	31.03.2017 Audited
1 Income					
(a) Revenue from Operations	15,132.3	17,404.7	12,514.0	64,311.8	58,525.0
(b) Other Income	178.7	245.8	246.1	959.5	1,120.1
Total Income	15,311.0	17,650.5	12,760.1	65,271.3	59,645.1
2 Expenses					
(a) Cost of materials consumed	4,183.3	4,394.6	3,679.8	15,672.3	14,493.2
(b) Purchases of stock-in-trade	2,510.6	3,528.0	2,331.4	10,358.9	10,618.1
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(533.6)	(1,658.7)	(1,403.3)	(902.2)	(2,896.0)
(d) Employee benefits expense	2,986.8	3,113.7	2,285.0	11,916.4	10,038.5
(e) Finance costs	104.4	144.8	114.5	553.3	451.6
(f) Depreciation and amortisation expense	403.3	375.0	263.7	1,430.3	1,011.7
(g) Other expenses (refer note 7)	4,847.7	4,429.0	4,128.5	16,982.5	16,281.7
Total Expenses	14,502.5	14,326.4	11,399.6	56,011.5	49,998.8
3 Profit before exceptional item and tax (1) - (2)	808.5	3,324.1	1,360.5	9,259.8	9,646.3
4 Exceptional item	-	-	-	-	-
5 Profit before tax (3) - (4)	808.5	3,324.1	1,360.5	9,259.8	9,646.3
6 Tax expense / (Credit)					
Current tax	122.2	918.2	355.9	2,425.2	2,452.8
Deferred tax	23.0	597.2	(365.0)	450.4	(1,853.2)
Total Tax expense	145.2	1,515.4	(9.1)	2,875.6	599.6
7 Profit for the period (5) - (6)	663.3	1,808.7	1,369.6	6,384.2	9,046.7
8 Other Comprehensive Income (net of tax)					
Items that will not be reclassified to profit or loss	(117.7)	27.7	25.1	(105.4)	(64.5)
Income tax relating to items that will not be reclassified to profit or loss	41.3	(9.6)	(8.5)	37.1	22.3
Items that will be reclassified to profit or loss	53.2	(203.2)	(319.5)	(121.3)	(189.4)
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total other Comprehensive Income (net of tax)	(23.2)	(185.1)	(302.9)	(189.6)	(231.6)
9 Total Comprehensive Income for the period (comprising Profit for the period (after tax) and Other Comprehensive Income (net of tax)) (7) + (8)	640.1	1,623.6	1,066.7	6,194.6	8,815.1
10 Profit attributable to					
a) Owners of the Company	670.8	1,716.4	1,370.1	6,309.4	8,920.3
b) Non-Controlling Interest	(7.5)	92.3	(0.5)	74.8	126.4
11 Other Comprehensive Income attributable to					
a) Owners of the Company	(24.3)	(174.3)	(300.4)	(190.7)	(229.2)
b) Non-Controlling Interest	1.1	(10.8)	(2.5)	1.1	(2.4)
12 Total Comprehensive Income attributable to					
a) Owners of the Company	646.5	1,542.1	1,069.7	6,118.7	8,691.1
b) Non-Controlling Interest	(6.4)	81.5	(3.0)	75.9	124.0
13 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1
14 Other equity				48,398.6	44,437.3
15 Earnings Per Share of (₹2 each (not annualised for quarters))					
(a) ₹ (Basic)	5.61	14.36	11.46	52.77	74.61
(b) ₹ (Diluted)	5.61	14.36	11.46	52.77	74.61

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Consolidated Statement of Assets and Liabilities As at 31 March 2018

(₹ in Million)

Particulars	As at 31 March 2018 Audited	As at 31 March 2017 Audited
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	18,733.0	13,944.5
(b) Capital work-in-progress	3,809.7	2,992.6
(c) Goodwill on consolidation	3,454.0	3,448.4
(d) Other Intangible assets	649.0	577.5
(e) Financial Assets		
(i) Investments	1,964.7	2,594.4
(ii) Loans	222.2	215.0
(iii) Others financial assets	922.9	4,056.8
(f) Deferred tax assets (net)	6,556.1	6,962.7
(g) Income tax assets (net)	292.5	367.9
(h) Other non-current assets	900.3	1,349.3
Total Non-current assets	37,504.4	36,509.1
2 Current assets		
(a) Inventories	14,421.9	12,060.0
(b) Financial Assets		
(i) Investments	2,478.0	2,935.6
(ii) Trade receivables	10,805.0	7,136.4
(iii) Cash and cash equivalents	1,667.1	1,666.3
(iv) Bank balances other than (iii) above	4,100.7	2,326.3
(v) Loans	379.2	279.5
(vi) Others financial assets	1,567.4	1,119.5
(c) Current tax Assets (Net)	-	216.9
(d) Other current assets	3,732.6	1,412.7
(e) Assets held for sale	-	18.2
Total Current assets	39,151.9	29,171.4
TOTAL ASSETS	76,656.3	65,680.5
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	239.1	239.1
(b) Other Equity	48,398.6	44,437.3
Equity attributable to owners of the Company	48,637.7	44,676.4
(c) Non-controlling interest	1,215.5	1,152.3
Total Equity	49,853.2	45,828.7
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,307.3	1,815.6
(b) Provisions	1,502.7	1,021.7
(c) Deferred tax liabilities (Net)	16.7	4.7
(d) Other non-current liabilities	143.3	112.9
Total Non-Current liabilities	2,970.0	2,954.9
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	7,612.7	4,723.7
(ii) Trade payables	9,607.1	7,413.7
(iii) Other financial liabilities	4,344.9	2,658.9
(b) Other current liabilities	855.5	733.6
(c) Provisions	1,239.4	1,244.4
(d) Current tax Liabilities (Net)	173.5	122.6
Total Current liabilities	23,833.1	16,896.9
TOTAL EQUITY AND LIABILITIES	76,656.3	65,680.5

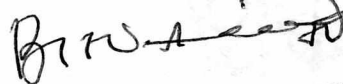
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Notes :

- 1 The above audited financial results of the Company were reviewed and recommended by the Audit Committee on 29 May 2018 and subsequently approved by the Board of Directors at its meeting held on 30 May 2018. The auditors have expressed an unmodified opinion on the financial results for the year ended 31 March 2018. The figures for the quarter ended 31 March 2018 and 31 March 2017 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 2017 and 31 December 2016 respectively, which were subjected to limited review.
- 2 The Group operates in one reportable business segment i.e. "Pharmaceuticals".
- 3 Post implementation of Goods and Service Tax ("GST") with effect from 1 July 2017 and as per Ind AS 18, Revenue from operations is disclosed net of GST. Revenue from operations for the quarter and for the year ended 31 March 2017 included excise duty which is now subsumed under GST. Revenue from operations for the year ended 31 March 2018 includes excise duty up to 30 June 2017. Accordingly, revenue from operations for the quarter and year ended 31 March 2018 are not strictly comparable with those of the previous periods presented.
- 4 In the United States of America, The Tax Cuts and Jobs Act of 2017 was approved and enacted in to law on 22 December 2017. The law includes significant changes to the U.S. corporate income tax system, including a reduction in Federal corporate tax rate from 35% to 21%. Consequent to this enactment, the Group has re-measured its deferred tax assets and liabilities pertaining to the US operations based on the new tax law and this resulted in a one time charge of **Rs.448.7 million** for the quarter ended 31 December 2017 and year ended 31 March 2018.
- 5 During the quarter and year ended 31 March 2018, the Group has utilized Minimum Alternate Tax ("MAT") credit amounting to **Rs.217.7 Million** derecognised in the year ended 31 March 2016. The current tax charge for the quarter and year ended 31 March 2018 is after MAT credit of said amount.
- 6 Other Expenses for the quarter and year ended 31 March 2018 includes **Rs.282.5 Million** and **Rs.263.1 Million** respectively on account of net loss on fair valuation of current investments, including loss of **Rs.369.1 Million** and **Rs.380.1 Million** respectively on account of fair valuation of investment in real estate fund as per the report of independent valuers.
- 7 During the year ended 31 March 2018, the Company has paid an interim dividend of ₹ 6 (Rupees six only) per equity share (300.0 % on the face value of ₹ 2 each) for the financial year 2017-18. The Board of Directors at its meeting held on 30 May 2018 has recommended a final dividend of ₹ 7 (Rupees seven only) per equity share (350.0 % on the face value of ₹ 2 each) for the financial year 2017-18.
- 8 Previous periods' figures have been regrouped/reclassified, where necessary, to make them comparable with the figures for the current period.

Place: Mumbai
Dated: 30 May 2018

By Order of the Board
For Alkem Laboratories Limited



B.N. Singh
Executive Chairman
DIN: 00760310

B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
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Independent Auditor's Report on Standalone Financial Results of Alkem Laboratories Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Alkem Laboratories Limited

We have audited the accompanying annual standalone financial results of Alkem Laboratories Limited for the year ended 31 March 2018 attached herewith, 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 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.

These standalone financial results have been prepared on the basis of the annual financial statements and reviewed quarterly standalone financial results upto the end of third quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual standalone financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per 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.

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



**Independent Auditor's Report on Standalone Financial Results of
Alkem Laboratories Limited Pursuant to the Regulation 33 of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015
(Continued)**

Alkem Laboratories Limited

Opinion

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

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the financial performance including other comprehensive income and other financial information for the year ended 31 March 2018.

For B S R & Co. LLP

Chartered Accountants

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



Sadashiv Shetty

Partner

Membership No: 048648

Mumbai
30 May 2018

ALKEM LABORATORIES LIMITED

CIN No.:L00305MH1973PLC174201

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

Statement of Audited Standalone Financial Results for the Quarter and Year ended 31 March 2018

(₹ in Million except per share data)

Particulars	Quarter ended			Year ended	
	31.03.2018 Audited	31.12.2017 Unaudited	31.03.2017 Audited	31.03.2018 Audited	31.03.2017 Audited
1 Income					
(a) Revenue from Operations	11,652.7	14,225.2	10,057.3	53,002.6	46,684.5
(b) Other Income	149.0	226.9	299.7	816.6	1,166.0
Total Income	11,801.7	14,452.1	10,357.0	53,819.2	47,850.5
2 Expenses					
(a) Cost of materials consumed	3,530.2	3,638.8	3,070.7	13,276.9	12,322.6
(b) Purchases of stock-in-trade	2,338.3	2,739.8	2,234.8	8,389.5	7,750.4
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,078.4)	(1,288.9)	(1,469.2)	(914.2)	(2,119.2)
(d) Employee benefits expense	2,195.5	2,232.7	1,590.0	8,616.3	7,222.5
(e) Finance costs	63.6	71.8	47.1	323.7	236.8
(f) Depreciation and amortisation expense	301.8	283.0	199.5	1,076.5	764.8
(g) Other expenses (refer note 6)	3,814.2	3,768.1	3,538.2	13,707.6	12,728.3
Total Expenses	11,165.2	11,445.3	9,211.1	44,476.3	38,906.2
3 Profit before exceptional item and tax (1) - (2)	636.5	3,006.8	1,145.9	9,342.9	8,944.3
4 Exceptional item	-	-	-	-	-
5 Profit before tax (3) - (4)	636.5	3,006.8	1,145.9	9,342.9	8,944.3
6 Tax expense / (Credit)					
Current tax	(12.1)	824.5	282.6	2,016.6	1,909.4
Deferred tax	48.7	52.6	(365.0)	167.9	(1,796.7)
Total Tax expense	36.6	877.1	(82.4)	2,184.5	112.7
7 Profit for the period after tax (5 - 6)	599.9	2,129.7	1,228.3	7,158.4	8,831.6
8 Other Comprehensive Income (net of tax)					
Items that will not be reclassified to profit or loss	(92.5)	(6.2)	21.6	(111.1)	(56.1)
Income tax relating to items that will not be reclassified to profit or loss	32.0	2.1	(7.5)	38.4	19.4
Items that will be reclassified to profit or loss	-	-	-	-	-
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total Other Comprehensive Income (net of tax)	(60.5)	(4.1)	14.1	(72.7)	(36.7)
9 Total Comprehensive Income for the period (comprising Profit for the period (after tax) and Other Comprehensive Income (net of tax)) (7) + (8)	539.4	2,125.6	1,242.4	7,085.7	8,794.9
10 Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	239.1	239.1	239.1	239.1	239.1
11 Other equity				48,614.5	43,687.4
12 Earnings Per Share of ₹ 2 each (not annualised for the quarters)					
(a) ₹ (Basic)	5.02	17.81	10.27	59.87	73.86
(b) ₹ (Diluted)	5.02	17.81	10.27	59.87	73.86

Statement of Assets and Liabilities As at 31 March 2018

(₹ in Million)

Particulars	As at 31 March 2018 Audited	As at 31 March 2017 Audited
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	14,398.5	11,032.1
(b) Capital work-in-progress	2,989.2	2,184.4
(c) Intangible assets	311.4	224.2
(d) Financial Assets		
(i) Investments	13,014.4	12,256.4
(ii) Loans	1,074.9	417.6
(iii) Others financial assets	253.0	2,902.3
(e) Deferred tax assets (net)	5,780.5	5,910.0
(f) Income tax assets (net)	237.0	274.1
(g) Other non-current assets	746.1	1,102.1
Total Non-current assets	38,805.0	36,303.2
2 Current assets		
(a) Inventories	10,241.6	8,587.6
(b) Financial Assets		
(i) Investments	2,430.6	2,920.0
(ii) Trade receivables	8,750.0	6,333.2
(iii) Cash and cash equivalents	51.6	199.9
(iv) Bank balances other than (iii) above	2,731.4	1,790.7
(v) Loans	343.8	247.0
(vi) Others financial assets	1,526.7	1,131.5
(c) Current tax assets (net)	-	214.6
(d) Other current assets	3,261.0	1,237.6
(e) Assets held for sale	-	18.2
Total Current assets	29,336.7	22,680.3
TOTAL ASSETS	68,141.7	58,983.5
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	239.1	239.1
(b) Other Equity	48,614.5	43,687.4
Total Equity	48,853.6	43,926.5
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	63.3	-
(b) Provisions	1,260.3	810.6
(c) Other non-current liabilities	97.7	112.9
Total Non-Current liabilities	1,421.3	923.5
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	5,411.9	3,682.3
(ii) Trade payables	8,185.6	6,852.4
(iii) Other financial liabilities	2,525.6	1,945.2
(b) Other current liabilities	719.1	614.0
(c) Provisions	1,024.6	1,029.4
(d) Current tax Liabilities (Net)	-	10.2
Total Current liabilities	17,866.8	14,133.5
TOTAL EQUITY AND LIABILITIES	68,141.7	58,983.5

Notes :

- 1 The above audited financial results of the Company were reviewed and recommended by the Audit Committee on 29 May 2018 and subsequently approved by the Board of Directors at its meeting held on 30 May 2018. The auditors have expressed an unmodified opinion on the financial results for the year ended 31 March 2018. The figures for the quarter ended 31 March 2018 and 31 March 2017 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 2017 and 31 December 2016 respectively, which were subjected to limited review.
- 2 The Company operates in one reportable business segment i.e. "Pharmaceuticals".
- 3 Post implementation of Goods and Service Tax ("GST") with effect from 1 July 2017 and as per Ind AS 18, Revenue from operations is disclosed net of GST. Revenue from operations for the quarter and for the year ended 31 March 2017 included excise duty which is now subsumed under GST. Revenue from operations for the year ended 31 March 2018 includes excise duty up to 30 June 2017. Accordingly, revenue from operations for the quarter and year ended 31 March 2018 are not strictly comparable with those of the previous periods presented.
- 4 During the quarter and year ended 31 March 2018, the Company has utilized Minimum Alternate Tax ("MAT") credit amounting to **Rs.217.7 Million** derecognised in the year ended 31 March 2016. The current tax charge for the quarter and year ended 31 March 2018 is after MAT credit of said amount.
- 5 Other Expenses for the quarter and year ended 31 March 2018 includes **Rs.282.5 Million** and **Rs.263.1 Million** respectively on account of net loss on fair valuation of current investments, including loss of **Rs.369.1 Million** and **Rs.380.1 Million** respectively on account of fair valuation of investment in real estate fund as per the report of independent valuers.
- 6 During the year ended 31 March 2018, the Company has paid an interim dividend of ₹ 6 (Rupees six only) per equity share (300.0 % on the face value of ₹ 2 each) for the financial year 2017-18. The Board of Directors at its meeting held on 30 May 2018 has recommended a final dividend of ₹ 7 (Rupees seven only) per equity share (350.0 % on the face value of ₹ 2 each) for the financial year 2017-18.
- 7 Previous periods' figures have been regrouped/reclassified, where necessary, to make them comparable with the figures for the current period.

Place: Mumbai
Dated: 30 May 2018

By Order of the Board
For Alkem Laboratories Limited

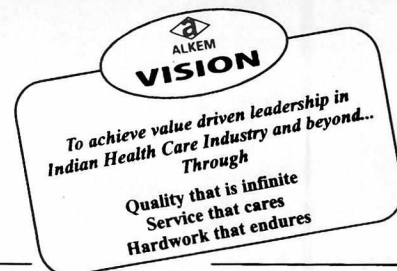

B.N. Singh
Executive Chairman
DIN: 00760310



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Press Release

Alkem reports Q4FY18 and FY18 Results

Mumbai, May 30, 2018: Alkem Laboratories Ltd (Alkem) today announced its consolidated financial results for fourth quarter & twelve months ending March 31, 2018. These results were taken on record by the Board of Directors at a meeting held in Mumbai today.

Key highlights of Q4FY18 financial performance (Refer Notes below)

- Total Revenue from Operations was Rs.15,132 million, year-on-year growth of 20.9%
 - India sales were Rs.9,602 million, year-on-year growth of 12.1%
 - International sales were Rs.5,236 million, year-on-year growth of 35.9%
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was Rs.1,138 million, resulting in EBITDA margin of 7.5% vs. 11.9% in Q4FY17. Other Expenses for Q4FY18 and FY18 includes Rs.283 million and Rs.263 million respectively on account of net loss on fair valuation of current investments, including loss of Rs.369 million and Rs.380 million respectively on account of fair valuation of investment in real estate fund as per report of independent valuers
- R&D expenses for the quarter was Rs.1,117 million, or 7.4% of total revenue from operations compared to Rs.915 million in Q4FY17 at 7.3% of total revenue from operations
- Profit before tax (PBT) was Rs.809 million, compared to Rs.1,361 million in Q4FY17
- Net Profit (after Minority Interest) was Rs.671 million, compared to Rs.1,370 million in Q4FY17
- During the quarter, the Company utilized its previously derecognised MAT credit amounting to Rs.218 million. Thus the current tax charge for Q4FY18 is after MAT credit

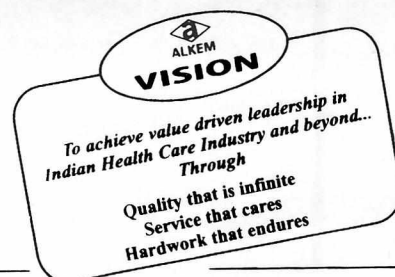
Key highlights of FY18 financial performance (Refer Notes below)

- Total Revenue from Operations was Rs.64,312 million, year-on-year growth of 9.9%
 - India sales were Rs.44,900 million, year-on-year growth of 6.5%
 - International sales were Rs.18,336 million, year-on-year growth of 17.1%
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was Rs.10,284 million, resulting in EBITDA margin of 16.0% vs. 17.1% in FY17. Other Expenses includes net loss on fair valuation of current investments as discussed above
- R&D expenses for FY18 was Rs.3,646 million, or 5.7% of total revenue from operations compared to Rs.3,204 million in FY17 at 5.5% of total revenue from operations
- Profit before tax (PBT) was Rs.9,260 million, compared to Rs.9,646 million in FY17
- Net Profit (after Minority Interest) was Rs.6,309 million, compared to Rs.8,920 million in FY17
- Tax expenses in FY18 includes one-off charge of Rs.449 million (accounted in Q3FY18) on account of significant changes to the US corporate income tax system and utilization of previously derecognised MAT credit amounting to Rs.218 million (accounted in Q4FY18)

Notes: Post implementation of Goods and Service Tax (GST) with effect from July 1, 2017 and as per Ind AS 18, Revenue from operations is disclosed net of GST. Revenue from operations for the quarter and for the year ended March 31, 2017 included excise duty which is now subsumed under GST. Revenue from operations for the year ended March 31, 2018 includes excise duty up to June 30, 2017. Accordingly, revenue from operations for the quarter and year ended March 31, 2018 are not strictly comparable with those of the previous periods presented.

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Commenting on the results, Sandeep Singh, Managing Director, Alkem said, "I am pleased with the progress that the Company has made in FY18 which otherwise has been a challenging year for the pharma industry. Adjusting for the GST impact, our domestic business registered a healthy double digit growth which was well complemented by our International business growing in high teens. To sustain this performance going forward, we continue to invest in our people, capabilities and infrastructure to build levers for future growth."

Operational Highlights**Domestic Business**

Our Domestic sales for Q4FY18 grew by 12.1% YoY, recording a sales of Rs.9,602 million as compared to Rs.8,563 million for Q4FY17. For FY18, our Domestic sales grew by 6.5% YoY to Rs.44,900 million compared to Rs.42,153 million in FY17. Adjusting for the impact of GST, like-to-like YoY growth was higher for the quarter and twelve months ended March 31, 2018.

As per IMS Data, for the quarter ended March 31, 2018, we grew by 16.6% YoY compared to IPM growth of 11.1%. This outperformance was largely driven by strong growth in the anti-infective segment where we grew by 21.8% compared to market growth of 16.2%. We also maintained our leading positions in our established therapy areas of Anti-infectives, Gastro Intestinal, Pain / Analgesic and Vitamins / Minerals / Nutrients. In our emerging therapy segments of Neuro / CNS, Cardiac and Anti-Diabetes we registered strong performance relative to the market with improvement in market share and rankings. For the full year ending March 31, 2018, we registered a growth of 7.2% compared to IPM growth of 6.3%.

The performance highlights of the key therapeutic segments in Q4FY18 and FY18 are as shown in the table below:

Key Therapy segment	Q4FY18				FY18			
	Alkem Rank	YoY change in Rank*	YoY growth (Alkem)	YoY growth (IPM)	Alkem Rank	YoY change in Rank*	YoY growth (Alkem)	YoY growth (IPM)
Anti-infectives	1	Unchanged	21.8%	16.2%	1	Unchanged	2.7%	1.5%
Gastro Intestinal	3	Unchanged	9.1%	8.6%	3	Unchanged	6.6%	5.3%
Pain / Analgesics	3	Unchanged	10.7%	7.1%	3	Unchanged	10.6%	3.5%
Vitamins / Minerals / Nutrients	5	+1	16.0%	10.3%	4	+1	11.5%	6.0%
Neuro / CNS	8	+2	16.0%	5.4%	9	+1	12.1%	3.8%
Derma	17	-1	11.2%	11.5%	18	-1	19.4%	13.8%
Cardiac	27	+1	23.3%	8.7%	28	Unchanged	17.6%	6.0%
Anti-Diabetic	24	+3	21.9%	10.6%	25	+2	20.3%	11.8%
Total	6	+3	16.6%	11.1%	6	Unchanged	7.2%	6.3%

*Positive change in rank reflects improvement over same period previous year

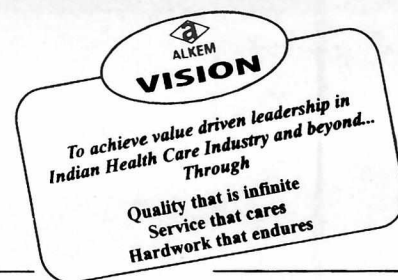
Source: IMS MAT March 2018



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International Business

Our International sales for Q4FY18 grew by 35.9% YoY, recording sales of Rs.5,236 million as compared to Rs.3,853 million for Q4FY17. For FY18, our International sales grew by 17.1% to Rs.18,336 million compared to Rs.15,659 million in FY17.

- **US sales** for the quarter was Rs.4,071 million, recording a year-on-year growth of 40.0%. For FY18, US sales was Rs.13,667 million, up 13.6% compared to FY17. In USD terms, the YoY growth was even higher.
- **Other International Markets sales** for the quarter were Rs.1,165 million, recording a year-on-year growth of 23.2%. For FY18, Other International Markets sales were Rs.4,670 million, up 28.9% compared to FY17.

R&D Investments

Our Revenue R&D expenses for the quarter were Rs.1,117 million, or 7.4% of total revenue from operations. Similarly for FY18, our Revenue R&D expenses were Rs.3,646 million, or 5.7% of total revenue from operations.

During the quarter, we filed 11 abbreviated new drug applications (ANDAs) with the US FDA and received 1 approvals. For FY18, we filed 19 ANDAs with the US FDA and received 13 approvals (including 1 tentative approvals).

As on March 31, 2018, we have filed a total of 107 ANDAs and 1 new drug application (NDA) with the US FDA of which 47 are Para IV filings including first-to-files (FTFs). Of these, we have received approvals for 49 ANDAs (including 6 tentative approvals) and 1 NDA.

Update on US FDA Inspections

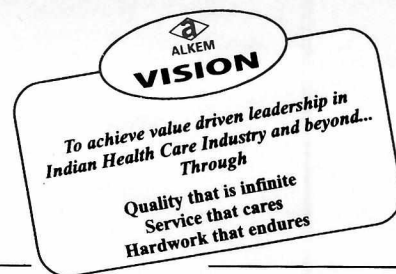
During the quarter, the US FDA conducted inspections at our formulation manufacturing facilities located at Daman, India and St. Louis, US. At the end of the inspection, Form 483 were issued with 1 observation and 13 observations for St. Louis and Daman facilities respectively. We have replied to the US FDA within the stipulated timelines with detailed corrective and preventive action plans to address the observations.



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Q4FY18 and FY18 Conference Call at 5:00pm IST, May 30, 2018

Alkem Laboratories Ltd. will organize a conference call for investors and analysts on Wednesday, May 30, 2018 at 5:00 pm IST to discuss its Q4FY18 & FY18 financial results.

Alkem Laboratories Ltd. will be represented on the call by Mr. Sandeep Singh, Managing Director and the senior management team.

Motilal Oswal Securities Ltd. will host the call.

Details of the conference call are as under:

Time: 5:00 pm IST (GMT + 5:30) on Wednesday, May 30, 2018.

Dial in Details:

India : +91 22 6280 1149 / +91 22 7115 8050

International Toll Free

USA	: 1 866 746 2133
UK	: 0 808 101 1573
Singapore	: 800 101 2045
Hong Kong	: 800 964 448

You are requested to dial in 10 mins ahead of the scheduled start time. A transcript of this conference call will also be available on our website www.alkemlabs.com

About Alkem Laboratories Ltd.

Established in 1973 and headquartered in Mumbai, Alkem (NSE: ALKEM, BSE: 539523, Bloomberg: ALKEM.IN, Reuters: ALKE.NS) is a leading Indian pharmaceutical company with global operations, engaged in the development, manufacture and sale of pharmaceutical and nutraceutical products. The Company produces branded generics, generic drugs, active pharmaceutical ingredients (APIs) and nutraceuticals, which it markets in India and International markets. With a portfolio of more than 700 brands in India, Alkem is ranked the sixth largest pharmaceutical company in India in terms of domestic sales (Source: IMS MAT March 2018). The Company also has presence in more than 50 international markets, with the United States being its key focus market.

For more information on Alkem Laboratories Ltd., please visit www.alkemlabs.com

For further information or queries please contact

Gagan Borana

Investor Relations – Alkem Laboratories Ltd.

Tel: +91 22 3982 9960 / Mobile: +91 98190 56333

E-mail: gagan.borana@alkem.com



ALKEM LABORATORIES LTD.

Investor Presentation Q4FY18 – May 30, 2018

Safe Harbor Statement

This presentation contains forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact, including, but not limited to, those that are identified by the use of words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects” and similar expressions. Risks and uncertainties that could affect us include, without limitation:

- General economic and business conditions in India and other key global markets in which we operate;
- The ability to successfully implement our strategy, our research and development efforts, growth & expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in the Indian and international interest rates;
- Allocations of funds by the Governments in our key global markets;
- Changes in laws and regulations that apply to our customers, suppliers, and the pharmaceutical industry;
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry; and
- Changes in political conditions in India and in our key global markets.

Should one or more of such risks and uncertainties materialize, or should any underlying assumption prove incorrect, actual outcomes may vary materially from those indicated in the applicable forward-looking statements.

Any forward-looking statement or information contained in this presentation speaks only as of the date of the statement. We are not required to update any such statement or information to either reflect events or circumstances that occur after the date the statement or information is made or to account for unanticipated events, unless it is required by Law.

Key Highlights For Q4FY18 and FY18

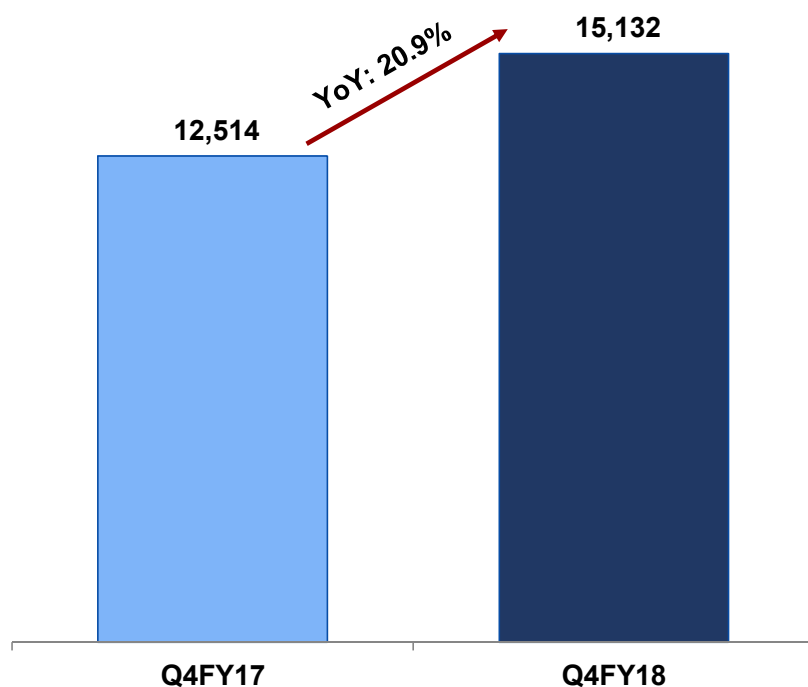
Healthy revenue growth in key markets of India and US

- **India Business – double digit underlying growth:** Adjusted for the GST impact, the India business grew in double digit for the quarter and year ended March 31, 2018. As per IMS data, the Company outperformed the India pharmaceutical market (IPM) across most of the major therapy areas
- **Healthy growth in the International Business:** Company's International Business including US and select international markets registered a healthy high teen growth for the year ended March 31, 2018
- **US Business** across crossed US\$200mn in revenues in the year ended March 31, 2018
- **Filed 19 ANDAs** with the US FDA during the year
- **Received 13 ANDA approvals from the US FDA** during the year including one tentative approval
- **US FDA inspections at Daman and St. Louis:** The Company has replied to the US FDA within the stipulated timelines with a detailed corrective and preventive action plan to address the observations

Key Financial Highlights – Q4FY18 (Consolidated)

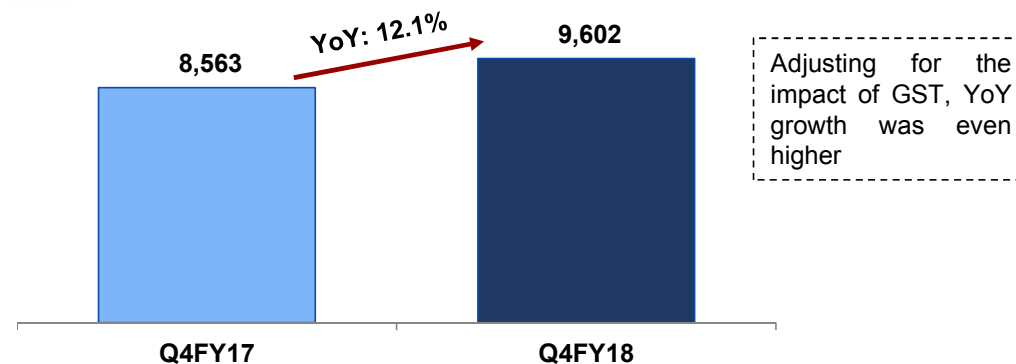
All figures in Rs mn

Total Revenue from Operations

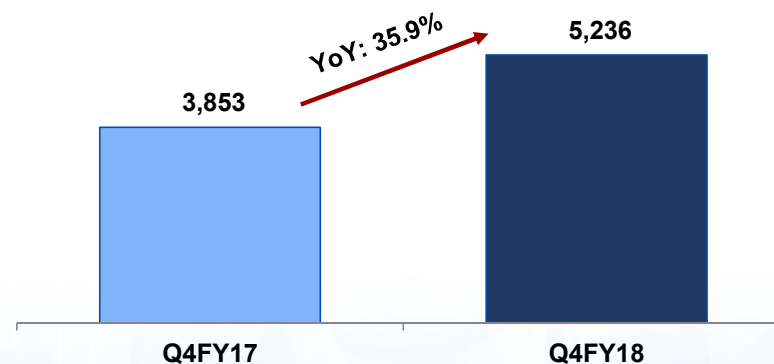


Notes: Post implementation of GST with effect from July 1, 2017 and as per Ind AS 18, Revenue from Operations is disclosed net of GST. Revenue from Operations for earlier periods includes excise duty. Accordingly, Revenue from Operations for the quarter and twelve months ended March 31, 2018 are not strictly comparable with those of previous period presented.

India sales



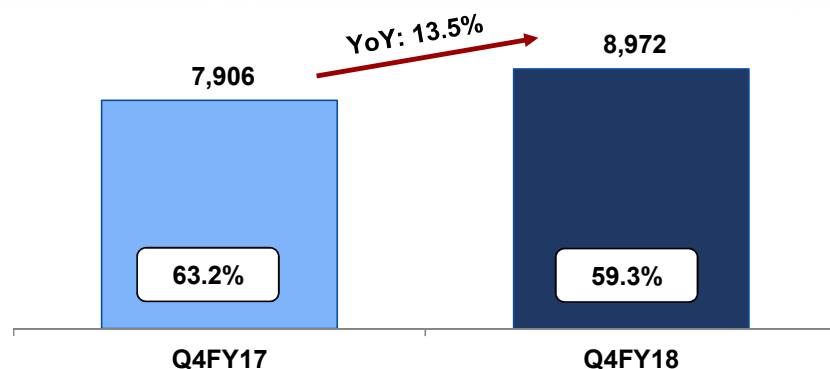
International sales



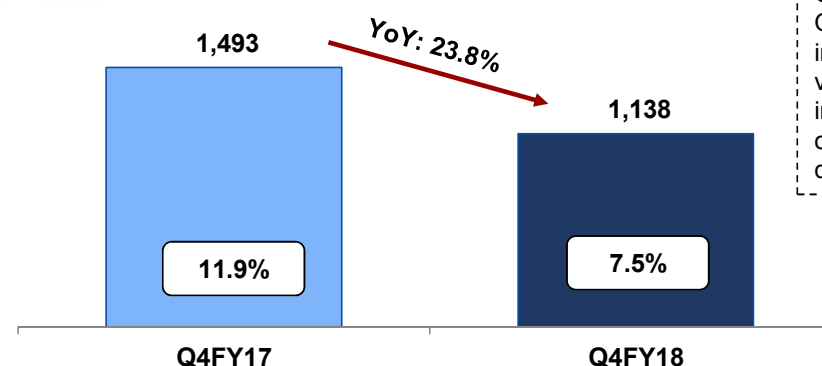
Key Financial Highlights – Q4FY18 (Consolidated)

All figures in Rs mn

Gross Profit and Gross Margin

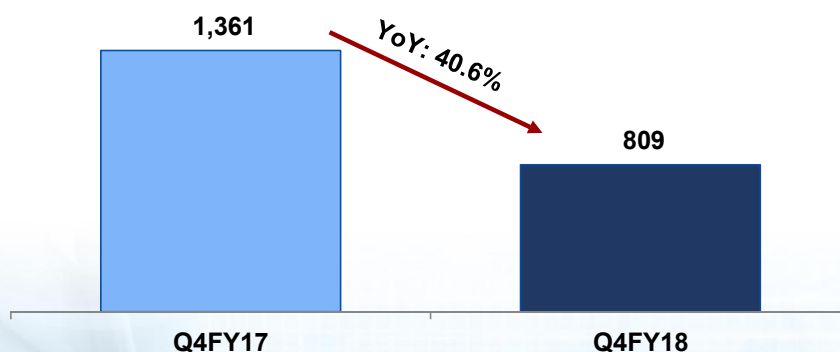


EBITDA and EBITDA Margin

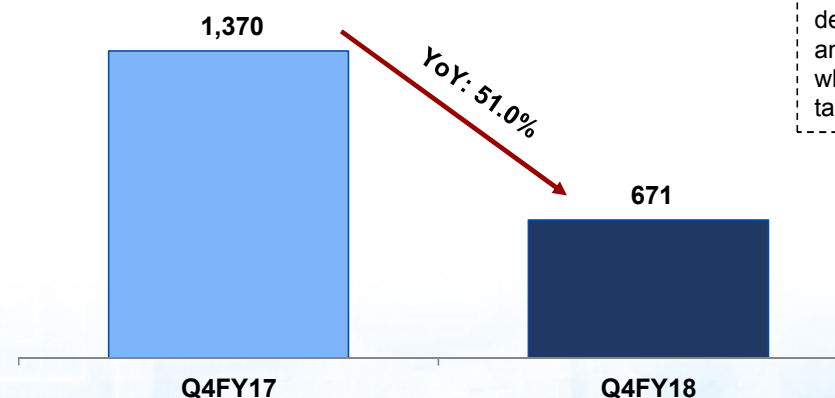


Other Expenses for Q4FY18 and FY18 includes net loss on fair valuation of current investments (Please refer our press release for details)

PBT (before Minority Interest)



PAT (after Minority Interest)



In Q4FY18, the Company utilized its previously derecognised MAT credit amount to Rs.218mn which is included under tax expenses

Key Financial Highlights – FY18 (Consolidated)

Particulars (Rs mn)	FY18	FY17	YoY growth
Revenue from Operations	64,312	58,525	9.9%
Gross Profit	39,183	36,310	7.9%
Gross Profit margin	60.9%	62.0%	
EBITDA	10,284	9,990	2.9%
EBITDA margin	16.0%	17.1%	
PBT	9,260	9,646	(4.0)%
PBT margin	14.4%	16.5%	
PAT (After Minority Interest)	6,309	8,920	(29.3)%
PAT margin	9.8%	15.2%	
EPS (Rs / share)	52.77	74.61	(29.3)%

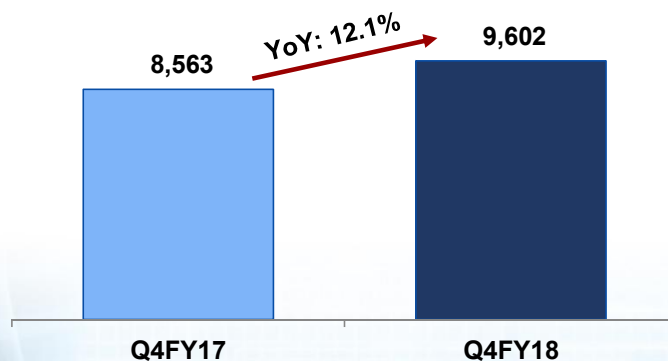
Notes: Post implementation of GST with effect from July 1, 2017 and as per Ind AS 18, Revenue from Operations is disclosed net of GST. Revenue from Operations for earlier periods includes excise duty. Accordingly, Revenue from Operations for the quarter and twelve months ended March 31, 2018 are not strictly comparable with those of previous period presented.

India Business

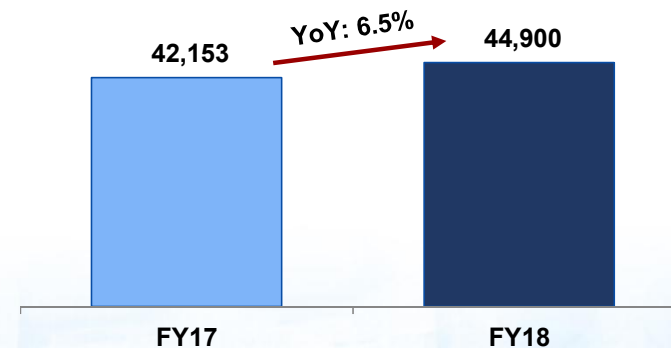
India Business: Q4FY18 Sales of Rs.9,602 million (12.1% growth YoY)

- India sales contributed 64.7% to total sales in Q4FY18
- Adjusting for the GST impact, YoY growth during the quarter and year ending March 31, 2018 was even higher
- During the quarter and year ended March 31, 2018, the Company outperformed the IPM across all the major therapy segments (Source: IMS data)
- The Company maintained its leading position in acute therapy areas of Anti-infectives, Gastro-intestinal, Pain / Analgesic and Vitamins / Minerals / Nutrients (Source: IMS data)
- The Company improved its market share and rankings in chronic therapy areas of Cardiac, Anti-diabetes and Neuro / CNS. The Company now ranks 8th (YoY improvement of 2 ranks) in the CNS / Neuro segment for Q4FY18 (Source: IMS data)

Q4FY18 – India Sales (Rs mn)



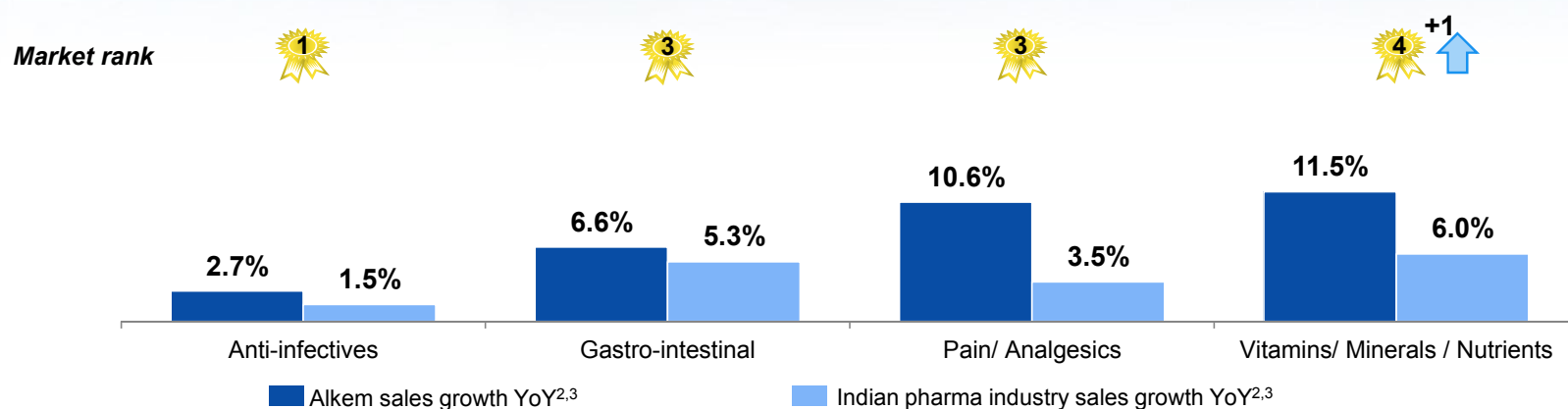
FY18 - India sales (Rs mn)



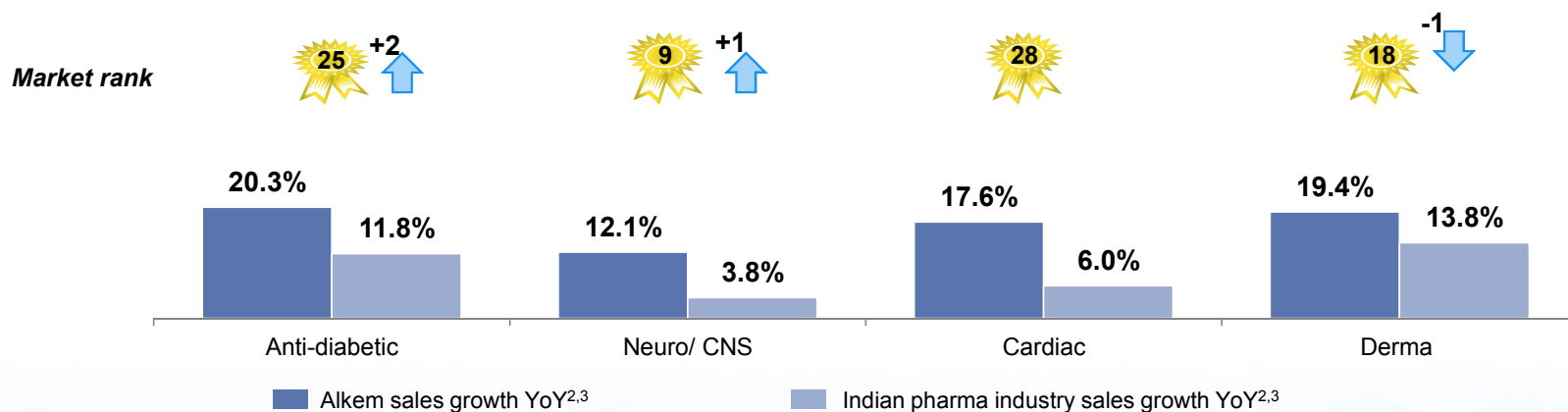
India Business – Secondary Sales Performance

Outperformance across all the major therapeutic areas in FY18

Established therapeutic areas of Alkem



Emerging therapeutic areas of Alkem



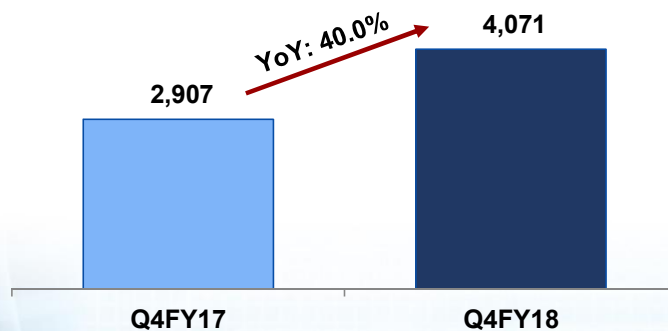
Source: IMS TSA data ² Domestic formulations sales; ³ For 12 months ended March 2018

US Business

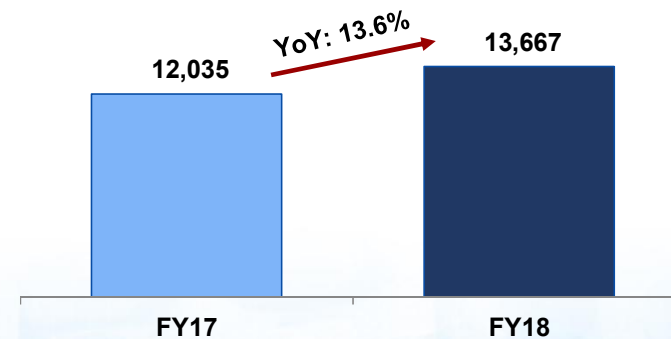
US Business: Q4FY18 Sales of Rs.4,071 million (40.0% growth YoY)

- US sales contributed 27.4% to total sales in Q4FY18
- In FY18, US revenues crossed US\$200mn
- In Q4FY18, the Company filed 11 ANDAs with the US FDA and received 1 approval
- As on March 31, 2018, the Company has filed a total of 108 ANDAs (including 1 NDA) with the US FDA and has received 50 approvals (including 6 tentative approvals and 1 NDA)
- **Status of US FDA inspection:** The Company has submitted a detailed corrective and prevention action plan to the US FDA within the stipulated timelines in response to the observations it received in Form 483 for its Daman (India) and St. Louis (US) plant

Q4FY18 – US Sales (Rs mn)



FY18 - US sales (Rs mn)

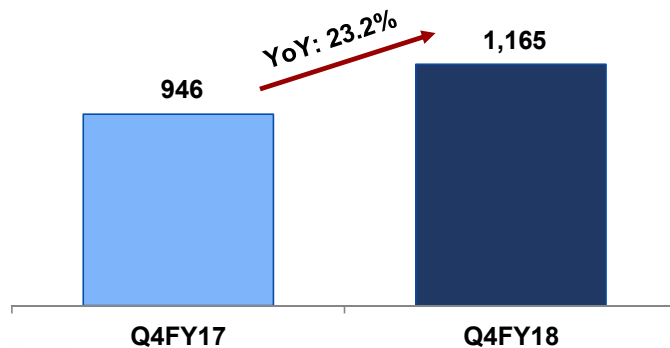


Other International Business

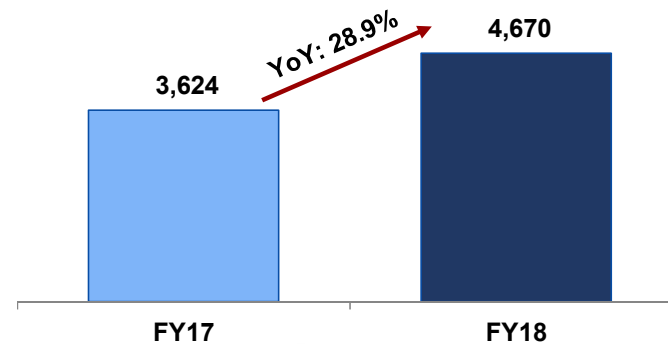
Other International Business: Q4FY18 Sales of Rs.1,165 million (23.2% growth YoY)

- Other International Market sales contributed 7.9% to total sales in Q4FY18
- Company's key markets including Australia, Philippines, Chile and Kazakhstan recorded healthy growth for the quarter and year ending March 31, 2018

Q4FY18 – Other International Sales (Rs mn)

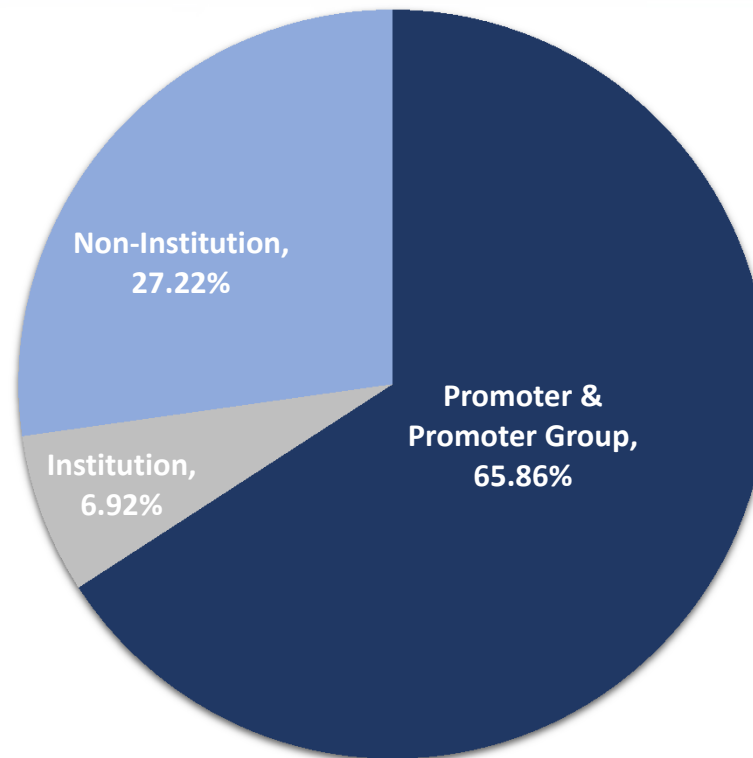


FY18 – Other International Sales (Rs mn)



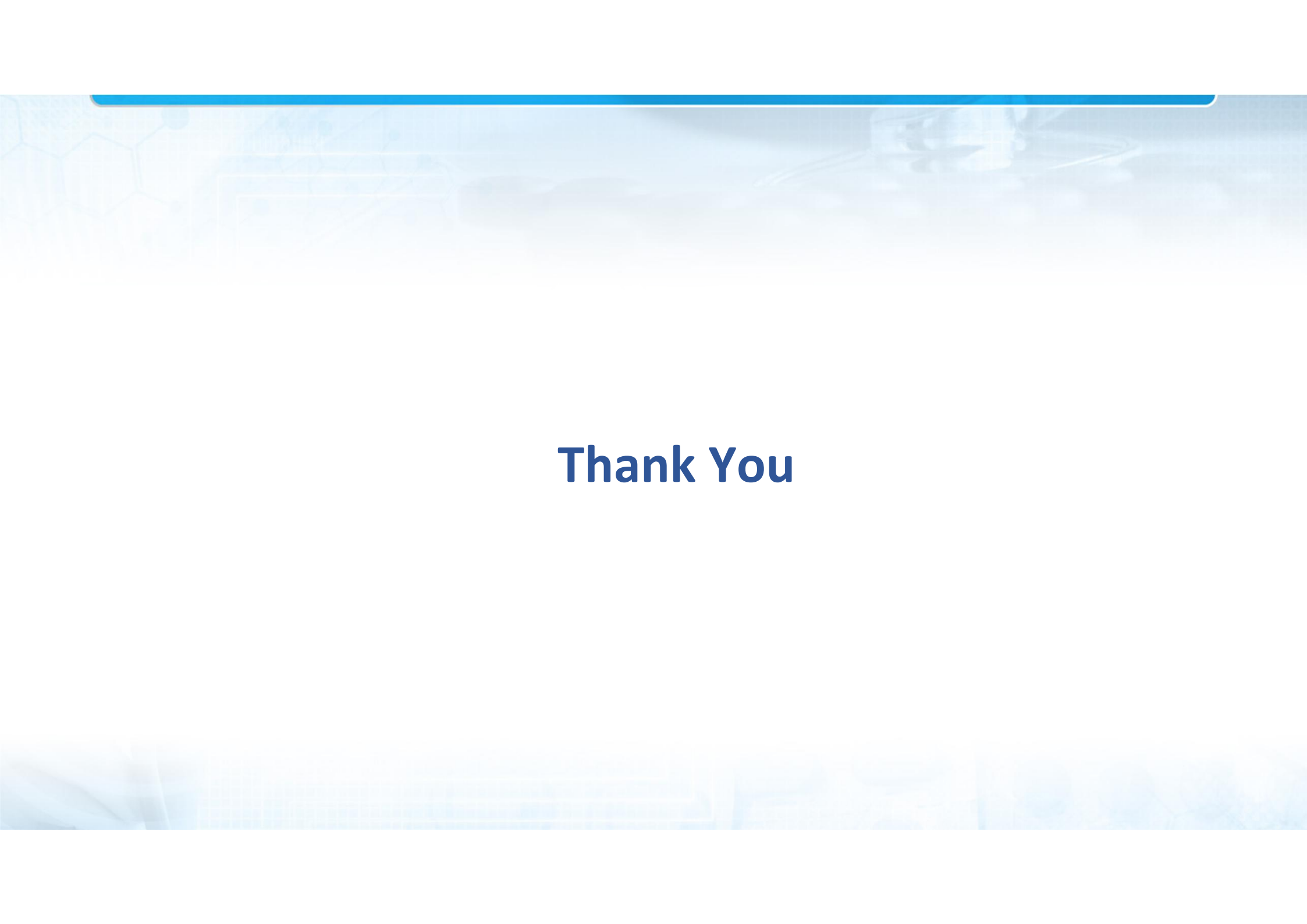
Latest Shareholding Pattern

Shareholding pattern as on March 31, 2018



Institution – Mutual Funds, Alternate Investment Funds, Foreign Portfolio Investors, Financial Institutions / Banks

Non-Institution – Public, Other Bodies Corporates, Clearing Members, Non Resident Indians, Hindu Undivided Family and Trusts



Thank You