

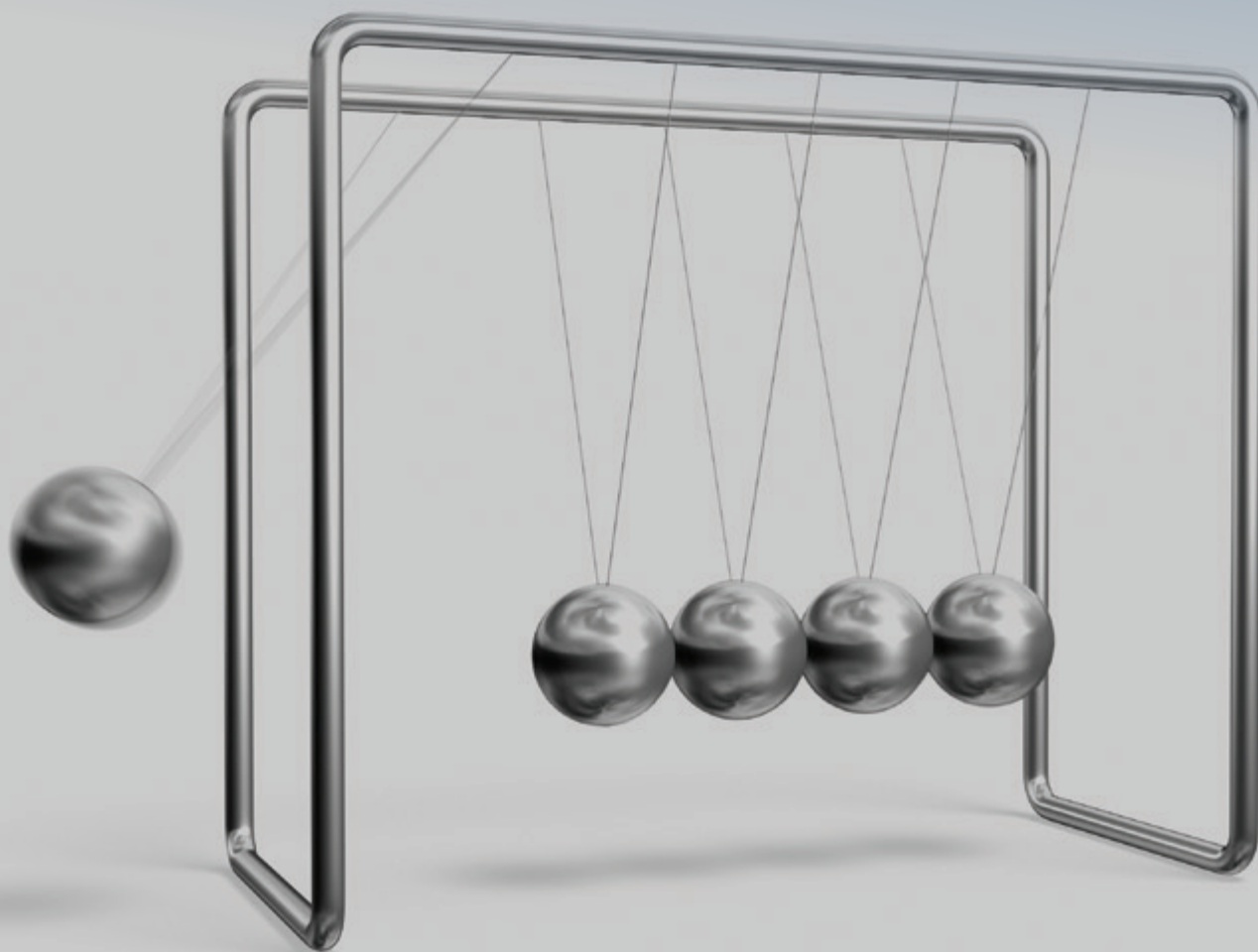


ALKEM

ALKEM LABORATORIES LIMITED

Building Momentum

for a Healthier Tomorrow





Mr. Samprada Singh
2nd May, 1930 to 27th July, 2019

Remembering Our Founder & Chairman Emeritus

A true visionary and an impactful leader, Mr. Samprada Singh's story and life are full of wonderful lessons of courage, resolve, hard work and indomitable willpower.

He overcame the financial difficulties that his family had to face to become the first graduate from his village in Bihar. He then braved the challenges of venturing into newer avenues – from selling umbrellas to opening a medical store to setting up his own pharmaceutical distribution company in the late 50s.

Our beloved founder was determined to use his vast knowledge and deep understanding of the Indian pharmaceutical industry garnered over nearly two decades to champion change in an era when the market was dominated by international companies. The bold step came in 1973 with his decision to establish Alkem Laboratories. Guided by his visionary leadership and extraordinary business acumen, our Company not only competed successfully with global giants but also emerged as one of India's largest pharmaceutical companies.

Mr. Samprada Singh's imprint extended well beyond our business. His guiding principle of striving for excellence in all that we do has been an inspiration to all who had the privilege of knowing him. His life is a testimony to the fact that with zeal, determination and hard work, no dream is unattainable. While he is physically not present amongst us today, his life, achievements and deep-rooted virtues will continue to guide Alkemites to scale new heights. We stand committed to his vision and building on his legacy.

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Key Figures - FY 2019-20

₹ **83,444 Mn**

Revenue from
Operations

₹ **14,734 Mn**

EBITDA

₹ **11,271 Mn**

Profit After Tax

₹ **94.26**

Earnings Per Share



To view the online version of this report or for other information, log on to: www.alkemlabs.com

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Corporate Information

Board of Directors

Mr. Basudeo N. Singh

Executive Chairman

Mr. Sandeep Singh

Managing Director

Mr. Dhananjay Kumar Singh

Joint Managing Director

Mr. Balmiki Prasad Singh

Executive Director

Mr. Mritunjay Kumar Singh

Executive Director

Mr. Sarvesh Singh

Executive Director

Mr. Arun Kumar Purwar

Independent Director

Mr. Ranjal Laxmana Shenoy

Independent Director

Mr. Narendra Kumar Aneja

Independent Director

Ms. Sangeeta Singh

Independent Director

Ms. Sudha Ravi

Independent Director

Dr. Dheeraj Sharma

Independent Director

Key Managerial Personnel

Mr. Rajesh Dubey

President - Finance and Chief Financial Officer

Mr. Manish Narang

President – Legal, Company Secretary and Compliance Officer

Auditors

M/s. B S R & Co. LLP, Chartered Accountants

Bankers

SBI Bank	Syndicate Bank
HDFC Bank	Barclays Bank
Citi Bank	IDBI Bank
BNP Paribas Bank	ICICI Bank
DBS Bank	MUFJ Bank (Bank of Tokyo)
Yes Bank	Emirates NBD
Mizuho Bank	Firststrand Bank
Kotak Mahindra Bank	Shinhan Bank
Saraswat Co-op Bank	Federal Bank
HSBC Bank	HDFC Limited (NBFC)
Axis Bank	

Registered Office

Alkem House, Senapati Bapat Marg, Lower Parel,

Mumbai - 400 013, Maharashtra, India

CIN: L00305MH1973PLC174201

Telephone: +91 22 3982 9999

Fax: +91 22 2495 2955

Website: www.alkemlabs.com

Email: investors@alkem.com

Registrar & Share Transfer Agents

M/s Link Intime India Private Limited

Unit: Alkem Laboratories Limited

C-101, 247 Park, L.B.S. Marg,

Vikhroli (West), Mumbai - 400 083

Telephone: +91 22 4918 6270

Fax: +91 22 4918 6060

E-mail id: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

Plant Locations

- Unit I & II, Daman, India
- Mandva, Gujarat, India
- Ankleshwar, Gujarat, India
- Unit I & II, Baddi, Himachal Pradesh, India
- Kumrek, East Sikkim, India
- Alkem Health Science, (Unit of the Company) Unit I, II & III, Samardung, South Sikkim, India
- California, U.S.A.
- Missouri, U.S.A.
- Indchemie Health Specialities Private Limited, Somnath, Daman, India
- Indchemie Health Specialities Private Limited, Amaliya, Daman, India
- Indchemie Health Specialities Private Limited, Baddi, Himachal Pradesh, India
- Unit I & II, Indchemie Health Specialities Private Limited, Kumrek, East Sikkim, India
- Cachet Pharmaceuticals Private Limited, Baddi, Himachal Pradesh, India
- Alkem Labs Ltd, Unit 5, South Sikkim, India
- Alkem Labs Ltd., S.E.Z., Indore, Madhya Pradesh, India
- Enzene Biosciences Limited, Chakan, Pune, Maharashtra, India

Major Research Centres

- R&D Centre, MIDC, Talaja, Maharashtra, India
- R&D Centre, Mandva, Gujarat, India
- Enzene Biosciences Limited, T-Block, MIDC, Bhosari, Pune, Maharashtra, India
- Enzene Biosciences Limited, MIDC, Bhosari, Pimpri-Chinchwad, Pune, Maharashtra, India
- S&B Pharma Inc., California, U.S.A.
- S&B Pharma Inc., Missouri, U.S.A.

About Alkem

Leading Today

Headquartered in Mumbai, Alkem Laboratories is one of India's foremost global pharmaceutical company. The Company is engaged in the development, manufacture and marketing of pharmaceuticals with operational footprints across 40+ countries. In India, it has a formidable presence in several therapy segments and consistently features amongst the top ten pharmaceutical companies.

Steered by its industry experience of over four decades, Alkem offers high-quality branded generics, generic drugs, active pharmaceutical ingredients and nutraceuticals. The Company's product portfolio features over 800 brands encompassing all major therapeutic segments.

On Course for Tomorrow

Making a difference to patients' lives is an intrinsic element of Alkem's philosophy. Powered by this purpose, the Company pursues R&D with vigour and continues to expand its operations both beyond its shores and within. This momentum for a healthier tomorrow is supported by the Company's robust infrastructure. It has 21 manufacturing facilities and 6 R&D centres located across India and the US. An extensive pan-India sales and distribution network, forte in brand building and marketing, a large and talented workforce, and an experienced management team further reinforce its capabilities.

Inspiring us Towards Tomorrow


Our Vision

➔

To achieve value-driven leadership in the Indian Healthcare Industry and beyond through:



Quality that is infinite



Service that cares



Hard work that endures

Key Facts About the Company

Four decades Incorporated in 1973 – More than four decades of experience in pharmaceutical industry	Successfully completed Initial Public Offering (IPO) in December 2015	₹ 278.1 billion Market capitalisation as on 31 st March, 2020*	5th Largest pharmaceutical company in India in terms of market share **	21 Manufacturing facilities across India and US	6 R&D centres across India and US
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Established India Business

# 1 Anti-Infective company in India for over 15 years**	# 3 Rank in Gastro-intestinal and Analgesic therapy segments in India**	800+ Brands in India	10 Brands with annual sales of more than ₹ 1 billion**	7 Brands Feature amongst top 100 pharmaceutical brands in India**	Pan India distribution network with 40+ sales depots / warehouses and >7,000 stockists
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Fast-growing International Business

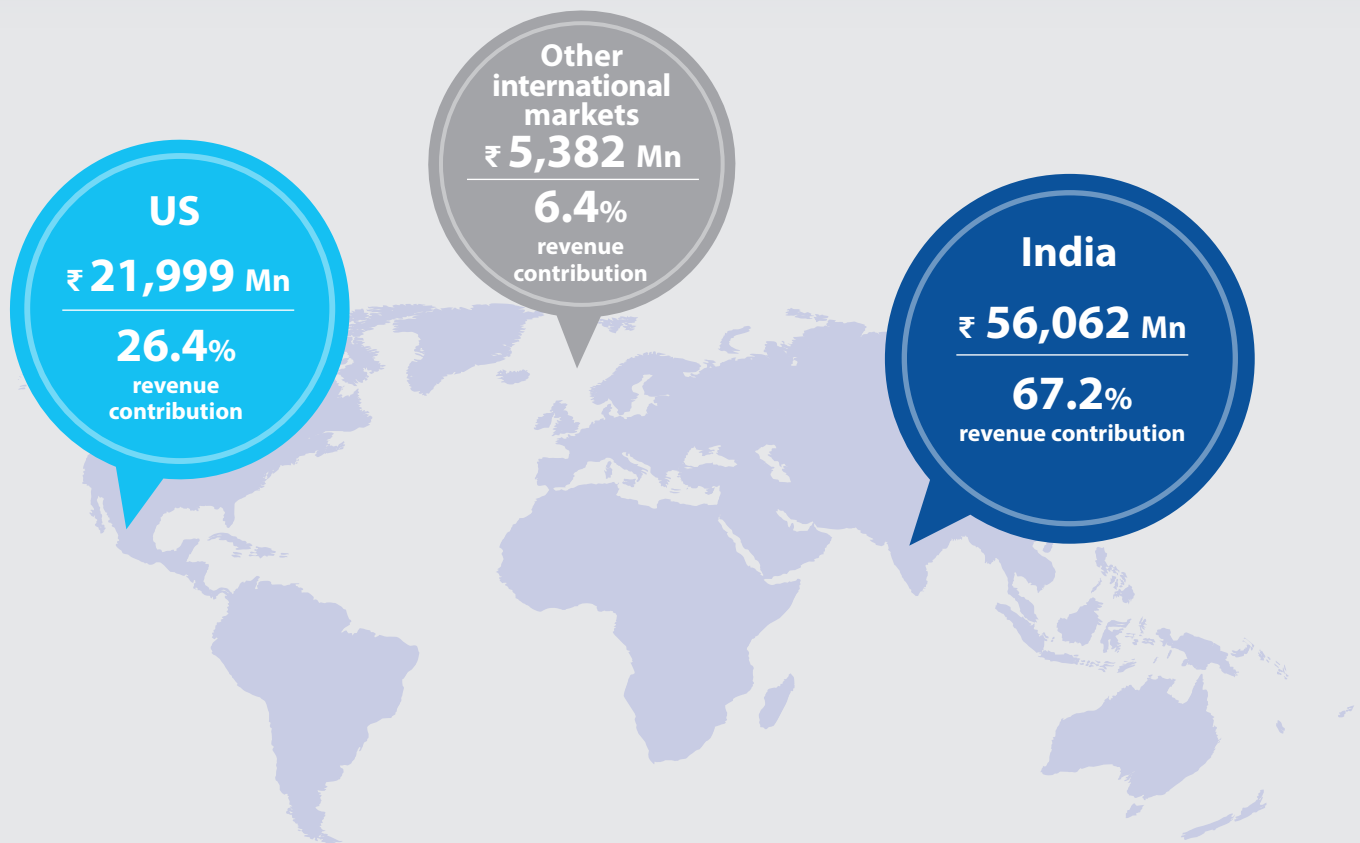
40+ Countries Global presence	US\$300+ million Revenues from US business	6 USFDA approved facilities in India and US	>1,100 Filings across various international markets	144 Cumulative Abbreviated New Drug Applications (ANDA) filings with the US FDA [#]	89 ANDA approvals from the US FDA [#]
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*Source: NSE website

**Source: IQVIA data

[#]Includes 2 NDA, as on 31st March, 2020

Market-Wise Revenue Segmentation



Map not to scale. For illustrative purposes only.

Manufacturing Facilities & Capabilities in India

Location	No. of Facilities	Manufacturing Capabilities
Baddi	4	Formulations - Tablets, Injectables, Dry Syrup
Sikkim	7	Formulations - Tablets, Injectables, Dry Syrup
Daman	4	Formulations - Capsules, Tablets, Injectables, Dry Syrup
Mandva	1	Active Pharmaceutical Ingredients (APIs)
Ankleshwar	1	Active Pharmaceutical Ingredients (APIs)
Indore	1	Formulations - Capsules, Tablets, Dry Syrup
Pune	1	Biosimilars

R&D Facilities in India

Location	No. of Facilities
Taloja	1
Pune	2
Mandva	1

Manufacturing Facilities & Capabilities in the US

Location	No. of Facilities	Manufacturing Capabilities
California	1	Active Pharmaceutical Ingredients (APIs)
St. Louis (Missouri)	1	Formulations - Liquids, Nasal Sprays, Semi-solids, Solids

R&D Facilities in the US

Location	No. of Facilities
California	1
St. Louis (Missouri)	1

Building Momentum in Biologics

Taking a big stride towards the manufacturing of the most promising class of drugs in the world, Alkem's subsidiary Enzene Biosciences opened its first fully connected continuous biologics manufacturing facility in Pune, India.



Alkem's Subsidiary Enzene Biosciences Facility in Pune, Maharashtra

The demand for biologics (also known as biopharmaceuticals) is growing at a brisk pace driven by its improved efficacy over conventional drugs in the treatment of chronic health conditions. While the demand for biologics is growing rapidly, there is, however, a shortage of high-quality biologics manufacturing facilities around the world. Also, as biologics are made from living organisms or cells, their development and production is highly complex and costly.

Alkem has forayed into the space of biopharmaceuticals through its subsidiary, Enzene Biosciences – an innovation-driven biotech company. In India, Enzene is amongst the first movers in end-to-end connected bio-manufacturing to have set up a fully automated continuous cGMP compliant manufacturing plant for monoclonal antibody (mAb) production. Formally opened in November 2019, this first-of-its-kind facility was built in half the time as compared to the conventional biologics manufacturing plants. The state-of-the-art infrastructure includes:

- Most advanced equipment in the field of mAb and therapeutic protein manufacturing
- Single use technology for drug substance (unformulated active pharmaceutical ingredient) manufacturing
- Fully automated fill and finish machine for drug product (final marketed dosage form of the drug substance) manufacturing

Backed by these world-class features, the Enzene facility can deliver higher production in comparison to a traditional biologics manufacturing facility. Additionally, this innovative facility has the potential to lower the cost of manufacturing, thereby facilitating the entry of biologics into this price sensitive market. It will also enable Enzene as well its potential clients to rapidly move their early/pre-clinical assets to the later stage of development or to the commercial stage.

The fast pace of growth of the biologics industry versus the insufficient internal capacity of biopharmaceutical companies has resulted in outsourcing of biologics manufacturing. Through fostering strategic global alliances, Enzene aims to be a contract development and manufacturing partner and broaden its client footprint. The Company has already secured clients from Europe and USA for multiple projects involving cGMP manufacturing of clinical material. Minimal solid waste and carbon emission due to continuous bio-manufacturing supports Enzene's focus to be environmentally responsible.

Building Momentum for International Business

Sensing growing opportunities in its International Business, the Company is investing in its manufacturing capacity today to ensure that it is ready to power its momentum tomorrow.

Alkem's International business has grown significantly in recent years and continues to be a powerful driver of future growth. To build on this momentum, Alkem has set up a new manufacturing facility at Indore which will predominantly serve the US market along with some key international markets. The facility enjoys the strategic advantage of being situated within a SEZ (Special Economic Zone) area, enabling it to receive tax exemptions on export orders and hence cater to overseas markets more efficiently. The facility would manufacture tablets, capsules, dry syrups and semi-solids with significant scope of expansion in a phased manner in accordance with the growth needs of the International business.



Alkem's Manufacturing Facility in Indore, Madhya Pradesh

Chairman's Message

Our unflinching focus on regulatory compliance and ensuring adherence to the best global practices in quality and safety further strengthen our value proposition.

