

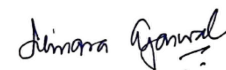
Independent Auditor's review report on review of Interim Standalone Financial Results

To The Board of Directors of Dr. Lal PathLabs Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Dr. Lal PathLabs Limited ("the Company"), for the quarter and nine months ended 31, December 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 specified under section 143(10) of the Companies Act, 2013 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 stated in paragraph 3 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Jitendra Agarwal

(Partner)

(Membership No. 87104)

(UDIN: 21087104AAAAAL1556)

Place: New Delhi
Date: 29 January, 2021

Statement of Standalone Unaudited Financial Results for the quarter and nine months ended 31 December, 2020

(Rs. in million except as stated)

Particulars	3 months ended 31 December, 2020	Preceding 3 months ended 30 September, 2020	Corresponding 3 months ended 31 December, 2019	Year to date figures for the current period ended 31 December, 2020	Year to date figures for the previous period ended 31 December, 2019	Previous year ended 31 March, 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income						
(a) Revenue from operations	4,271	4,043	3,104	10,864	9,861	12,736
(b) Other income	146	125	133	382	436	576
Total income	4,417	4,168	3,237	11,246	10,297	13,312
2 Expenses						
(a) Cost of materials consumed	1,028	1,016	708	2,774	2,183	2,869
(b) Employee benefits expense	653	646	587	1,862	1,732	2,321
(c) Finance costs	37	37	37	109	110	147
(d) Depreciation and amortisation expense	178	177	174	519	495	680
(e) Fees to collection centers/channel partners	594	553	411	1,435	1,311	1,696
(f) Other expenses	686	671	634	1,853	1,915	2,572
Total expenses	3,176	3,100	2,551	8,552	7,746	10,285
3 Profit before tax	1,241	1,068	686	2,694	2,551	3,027
4 Tax expense						
(a) Current tax	327	295	157	741	652	802
(b) Deferred tax	(13)	(26)	18	(61)	20	(7)
Total tax expense	314	269	175	680	672	795
5 Profit for the period (A)	927	799	511	2,014	1,879	2,232
6 Other comprehensive income						
-Items that will not be reclassified to profit or loss Remeasurement of the defined benefit obligations	-	14	-	2	14	(15)
-Income tax in relation to the items that will not be reclassified to profit or loss	-	(4)	-	(1)	(3)	4
Total other comprehensive income (B)	-	10	-	1	11	(11)
7 Total comprehensive income (A+B)	927	809	511	2,015	1,890	2,221
8 Paid-up equity share capital (Face Value of Rs. 10 per share)	833	833	833	833	833	833
9 Other equity						9,329
10 Earnings per share (Rs.) (Face value of Rs. 10 per share) (not annualised)						
- Basic	11.23	9.68	6.20	24.41	22.82	27.09
- Diluted	11.20	9.65	6.19	24.34	22.76	27.04



Dr. Lal PathLabs Limited


Notes:

- i. The above results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 29 January, 2021.
- ii. These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- iii. During the nine months ended 31 December, 2020 the Company has made a further investment of INR 225 million in its wholly owned subsidiary, Pathlabs Unifiers Private Limited, through subscription of additional equity shares.
- iv. During the nine months ended 31 December, 2020 the Company has made a further investment of INR 40 million (KSH 59 million) in its wholly owned subsidiary, Dr. Lal PathLabs Kenya Private Limited, through subscription of additional equity shares.
- v. The Board of Directors of the Company had approved first interim dividend of INR 6 per equity share (face value of INR 10 each) at their meeting held on 6 November, 2020 which has been paid during the quarter ended on 31 December, 2020.

The Board of Directors of the Company have approved second interim dividend of INR 6 per equity share (face value of INR 10 each) at their meeting held on 29 January, 2021.

- vi. The Board of Directors in their meeting held on 3 February, 2020 have approved the "Scheme of Amalgamation" of APL Institute of Clinical Laboratory & Research Private Limited with the Company w.e.f. 1 April, 2020 (the appointed date). As per the said scheme the undertaking of APL shall stand transferred to and vested in the Company on a going concern basis without any further act, deed of matter. The scheme of amalgamation is subject to approval by the shareholders, National Company Law Tribunal and other statutory approvals.
- vii. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore there is no reportable segment for the Company, in accordance with the requirements of Indian Accounting Standard 108 - 'Operating Segments', notified under the Companies (Indian Accounting Standard) Rules, 2015.
- viii. The Indian Parliament has approved the Code on Social Security, 2020 ('the Code') which, inter alia, deals with employee benefits during employment and post-employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors of
Dr. Lal PathLabs Limited



(Hony) Brig. Dr. Arvind Lal
Executive Chairman

Place: Gurugram
Date: 29 January, 2021



Independent Auditor's review report on review of Interim Consolidated Financial Results

To The Board of Directors of Dr. Lal PathLabs Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Dr. Lal PathLabs Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and nine months ended 31, December 2020 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Parent's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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. The Statement includes the results of the entities listed in Annexure A

5. Based on our review conducted and procedures performed as stated in paragraph 3 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Deloitte
Haskins & Sells LLP**

6. The consolidated unaudited financial results includes the interim financial results of five subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 46 million and Rs. 110 million for the quarter and nine months ended December 31, 2020, total profit/(loss) after tax of Rs. 1 million and Rs. (2) million for the quarter and nine months ended December 31, 2020 and total comprehensive income / loss of Rs. 0 million and Rs. (4) million for the quarter and nine months ended 31, December 2020, respectively as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Jitendra Agarwal
Partner
(Membership No. 87104)
(UDIN: 21087104AAAAAM6069)

Place: New Delhi
Date: 29 January, 2021

**Annexure A
List of entities consolidated**

a) Subsidiaries held directly

S. No.	Name of the Entity
1	Paliwal Diagnostics Private Limited
2	Paliwal Medicare Private Limited
3	APL Institute of Clinical Laboratory & Research Private Limited
4	Dr. Lal PathLabs Nepal Private Limited
5	Dr. Lal PathLabs International B.V. (liquidated on 20 October, 2020)
6	Dr. Lal PathLabs Bangladesh Pvt. Ltd.
7	Dr. Lal Ventures Private Limited
8	Pathlabs Unifiers Private Limited
9	Dr. Lal PathLabs Kenya Private Limited (w.e.f. 6 August, 2019)

b) Subsidiaries held indirectly

S. No.	Name of the Entity
1	Centrapath Labs Private Limited (w.e.f. 7 August, 2019)
2	APRL Pathlabs Private Limited (w.e.f 13 November, 2019)



Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended 31 December, 2020

(Rs. in million except as stated)

Particulars	3 months ended 31 December, 2020	Preceding 3 months ended 30 September, 2020	Corresponding 3 months ended 31 December, 2019	Year to date figures for the current period ended 31 December, 2020	Year to date figures for the previous period ended 30 December, 2019	Previous year ended 31 March, 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income						
(a) Revenue from operations	4,524	4,319	3,279	11,503	10,287	13,304
(b) Other income	135	129	138	378	430	550
Total income	4,659	4,448	3,417	11,881	10,717	13,854
2 Expenses						
(a) Cost of materials consumed	1,098	1,083	744	2,940	2,267	2,987
(b) Employee benefits expense	693	688	616	1,976	1,801	2,426
(c) Finance costs	39	40	39	116	114	153
(d) Depreciation and amortisation expense	195	195	188	569	528	728
(e) Fees to collection centers/channel partners	604	561	421	1,458	1,337	1,730
(f) Other expenses	741	715	675	1,986	2,019	2,725
Total expenses	3,370	3,282	2,683	9,045	8,066	10,749
3 Profit before tax	1,289	1,166	734	2,836	2,651	3,105
4 Tax expense						
(a) Current tax	336	308	166	765	679	838
(b) Deferred tax	(6)	(13)	19	(43)	22	(9)
Total tax expense	330	295	185	722	701	829
5 Profit for the period (A)	959	871	549	2,114	1,950	2,276
6 Other comprehensive income						
-Items that will not be reclassified to profit or loss Remeasurement of the defined benefit obligations	-	13	-	1	14	(17)
-Income tax in relation to the items that will not be reclassified to profit or loss	-	(3)	-	-	(3)	5
-Items that may be reclassified to profit or loss Exchange differences on translation of foreign operations	-	(1)	1	(1)	-	1
Total other comprehensive income (B)	-	9	1	-	11	(11)
7 Total comprehensive income (A+B)	959	880	550	2,114	1,961	2,265
Profit for the period attributable to:						
Owners of the Company	945	853	541	2,082	1,934	2,259
Non Controlling Interest	14	18	8	32	16	17
	959	871	549	2,114	1,950	2,276
Other comprehensive income for the period attributable to:						
Owners of the Company	-	9	1	-	11	(11)
Non Controlling Interest	-	-	-	-	-	-
	-	9	1	-	11	(11)
Total comprehensive income for the period attributable to:						
Owners of the Company	945	862	542	2,082	1,945	2,248
Non Controlling Interest	14	18	8	32	16	17
	959	880	550	2,114	1,961	2,265
8 Paid-up equity share capital (Face Value of Rs. 10 per share)	833	833	833	833	833	833
9 Other equity						9,495
10 Earnings per share (Rs.) (Face value of Rs. 10 per share) (not annualised)						
-Basic	11.44	10.34	6.56	25.23	23.48	27.42
-Diluted	11.41	10.31	6.55	25.16	23.42	27.37



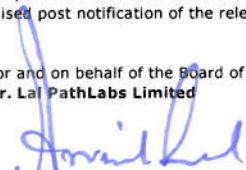
Dr. Lal PathLabs Limited

Notes:

- i. The above consolidated results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 29 January, 2021 respectively.
- ii. The above consolidated results represent consolidated results of the Company and its subsidiaries (together referred to as 'the Group').
- iii. These financial results of the Group have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34"), prescribed under 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- iv. The Board of Directors of the Parent Company had approved first interim dividend of INR 6 per equity share (face value of INR 10 each) at their meeting held on 6 November, 2020 which has been paid during the quarter ended on 31 December, 2020.

The Board of Directors of the Parent Company have approved second interim dividend of INR 6 per equity share (face value of INR 10 each) at their meeting held on 29 January, 2021.
- v. Subsequent to the quarter and nine months ended 31 December, 2020, pursuant to the approval, the Board of Directors of PathLabs Unifiers Private Limited ("PUPL"), (a wholly owned subsidiary), acquired an equity stake of 70% in Chanre Laboratory Private Limited engaged in pathology business for a purchase consideration of INR 175 million.
- vi. During the quarter and nine months ended 31 December, 2020, pursuant to approval of the Board of Directors of PathLabs Unifiers Private Limited ("PUPL"), (a wholly owned subsidiary), PUPL has purchased the business of Bindish Diagnostic Laboratory LLP ("BDL") engaged in the business of providing pathological diagnostic services in Jamnagar, Gujarat on a going concern basis for a purchase consideration not exceeding INR 40 million for which the business purchase agreement was signed on 1 December, 2020.
- vii. The Board of Directors of the Parent Company and one of the subsidiary company's 'APL Institute of Clinical Laboratory & Research Private Limited' ("APL"), in their respective meetings held on 3 February, 2020 have approved the "Scheme of Amalgamation" of APL with the Parent Company w.e.f. 1 April, 2020 (the appointed date). As per the said scheme the undertaking of APL shall stand transferred to and vested in the Parent Company on a going concern basis without any further act, deed of matter. The scheme of amalgamation is subject to approval by the shareholders, National Company Law Tribunal and other statutory approvals.
- viii. The Board of Directors of the Parent Company in their meeting held on 13 August, 2019, had approved the closure of Dr. Lal PathLabs International BV, Netherlands a subsidiary, pursuant to which it was liquidated on October 20, 2020.
- ix. The Board of Directors of the Group, which has been identified as being the chief operating decision maker (CODM), evaluates the Group's performance, allocates resources based on the analysis of the various performance indicators of the Group as a single unit. Therefore, there is no reportable segment for the Group, in accordance with the requirements of Indian Accounting Standard 108 - 'Operating Segments', notified under the Companies (Indian Accounting Standard) Rules, 2015.
- x. The Indian Parliament has approved the Code on Social Security, 2020 ('the Code') which, inter alia, deals with employee benefits during employment and post-employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors of
Dr. Lal PathLabs Limited


(Hon'ble) Brig. Dr. Arvind Lal
Executive Chairman

Place: Gurugram
Date: 29 January, 2021

