Dr Lal PathLabs

February 08, 2018

The National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

The Bombay Stock Exchange Limited
15th Floor, Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai – 400001

Subject: Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2017

Dear Sir/Madam,

Please take note that the Board of Directors in their meeting held today i.e. February 08, 2018 approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the Quarter and Nine Months ended December 31, 2017.

A copy of the Results along with Limited Review Report issued by the Statutory Auditors M/s Deloitte Haskins & Sells LLP on financials for the Quarter and Nine Months ended December 31, 2017, is attached herewith.

The Board Meeting commenced at 11:45 AM concluded at 2.00 PM.

We request you to please take the same on record.

Thanking You,

Yours Faithfully,

For **Dr. Lal PathLabs Limited**

Dr Lal PathLabs Limited

Rajat Kalra
Company Secretary & Legal Head

Encl: As above

Deloitte
Haskins & Sells LLP

Chartered Accountants
7th Floor, Building 10, Tower B
DLF Cyber City Complex
DLF City Phase - II
Gurugram - 122 002
Haryana, India

Tel: +91 124 679 2000
Fax: +91 124 679 2012

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

To the Board of Directors of
Dr. Lal PathLabs Limited (formerly Dr. Lal PathLabs Private Limited)

1. We have reviewed the accompanying Statement of Consolidated Unaudited Ind AS Financial Results of **Dr. Lal PathLabs Limited (formerly Dr. Lal PathLabs Private 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, 2017 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016.

   This Statement which is the responsibility of the Parent's Management and approved by the 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 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

   As stated in Note iii of the Statement, we have not performed a review or audit of the figures relating to the corresponding quarter and nine months ended 31 December, 2016 and of the figures relating to year ended 31 March, 2017, including the reconciliation of net profit for the quarter and nine months ended 31 December, 2016 and for the year ended 31 March, 2017 between the previous GAAP and the Indian Accounting Standards ("Ind AS").

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. The Statement includes the results of the entities listed in Annexure A.

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Deloitte
Haskins & Sells LLP

5. 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. 20 million and Rs. 55 million for the quarter and nine months ended 31 December, 2017, respectively, and total loss after tax of Rs. 3 million and Rs. 5 million for the quarter and nine months ended 31 December, 2017, respectively, and total comprehensive loss of Rs. 4 million and Rs. 6 million for the quarter and nine months ended 31 December, 2017, respectively, as considered in the consolidated unaudited Ind AS financial results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

   Our report 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)

Place: New Delhi
Date: 8 February, 2018

Deloitte
Haskins & Sells LLP

Annexure A

List of entities consolidated

S. No.	Name of the Entity
1	Paliwal Medicare Private Limited
2	Paliwal Diagnostics Private Limited
3	APL Institute of Clinical Laboratory & Research Private Limited
4	Delta Ria & Pathology Private Limited
5	Dr. Lal PathLabs Nepal Private Limited
6	Dr. Lal PathLabs International B.V.
7	Dr. Lal Path Labs Bangladesh (Pvt) Limited (w.e.f. 16 October, 2017)

Dr. Lal PathLabs Limited (formerly Dr. Lal PathLabs Private Limited)
CIN: L74899DL1995PLC065388
Regd. Office : Block E, Sector-18, Rohini, New Delhi- 110085, New Delhi
Corporate Office: 12th Floor, Tower B, SAS Tower, Medicity, Sector-38, Gurgaon – 122 001, Haryana
Phone: +91 124 3016500 | Fax: +91 124 4234468; Website: www.lalpathlabs.com; Email: cs@lalpathlabs.com

Statement of Consolidated Unaudited Ind AS Financial Results for the quarter and nine months ended 31 December, 2017

(Rs. in million except as stated)

	Particulars	3 months ended 31 December, 2017	Preceding 3 months ended 30 September, 2017	Corresponding 3 months ended 31 December, 2016	Year to date figures for current period ended 31 December, 2017	Year to date figures for period ended 31 December, 2016	Previous year ended 31 March, 2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
				(See note iii below)		(See note iii below)	(See note iii below)
1	(a) Revenue from operations	2,627	2,781	2,075	7,901	6,925	9,124
	(b) Other income	71	77	74	223	207	275
	Total Income	**2,698**	**2,858**	**2,149**	**8,124**	**7,132**	**9,399**
2	**Expenses**						
	(a) Cost of materials consumed	570	594	441	1,685	1,521	1,971
	(b) Employee benefits expense	459	446	384	1,341	1,127	1,520
	(c) Finance costs	2	3	3	6	5	7
	(d) Depreciation and amortisation expense	80	75	70	224	198	276
	(e) Fees to collection centers/channel partners	318	334	228	946	748	1,001
	(f) Other expenses	714	628	551	1,929	1,653	2,257
	Total expenses	**2,143**	**2,080**	**1,677**	**6,131**	**5,252**	**7,032**
3	**Profits before tax**	**555**	**778**	**472**	**1,993**	**1,880**	**2,367**
4	**Tax expense**						
	(a) Current tax	198	286	167	728	684	820
	(b) Deferred tax	(6)	(17)	(5)	(51)	(44)	(8)
	Total tax expense	**192**	**269**	**162**	**677**	**640**	**812**
5	**Profit for the period (A)**	**363**	**509**	**310**	**1,316**	**1,240**	**1,555**
6	**Other comprehensive income**						
	-Items that will not be reclassified to profit or loss Remeasurement of the defined benefit plan	2	2	(2)	5	(5)	(11)
	-Income Tax in relation to the items that will not be reclassified to profit or loss	1	1	(1)	2	(2)	(4)
	Total other comprehensive income (B)	**1**	**1**	**(1)**	**3**	**(3)**	**(7)**
7	**Total comprehensive income (A+B)**	**364**	**510**	**309**	**1,319**	**1,237**	**1,548**
	Profit for the year attributable to:						
	Owners of the Company	360	506	308	1,307	1,232	1,545
	Non Controlling Interest	3	3	2	9	8	10
	Other comprehensive income for the year attributable to:						
	Owners of the Company	1	1	(1)	3	(3)	(7)
	Non Controlling Interest	-	-	-	-	-	-
	Total comprehensive income for the year attributable to:						
	Owners of the Company	361	507	307	1,310	1,229	1,538
	Non Controlling Interest	3	3	2	9	8	10
8	Paid-up equity share capital (Face Value of Rs. 10/- per share)	833	833	828	833	828	831
9	Earnings per share (Rs.) (not annualised)						
	-Basic	4.40	6.19	3.78	16.01	15.13	18.92
	- Diluted	4.40	6.19	3.75	16.00	15.03	18.85

Dr. Lal PathLabs Limited (formerly Dr. Lal PathLabs Private 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 8 February, 2018.

ii. The above consolidated results represent consolidated results of the Company and its subsidiaries (together referred to as 'the Group').

iii. The consolidated financial results of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules 2015 (Ind AS) as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Beginning 1 April, 2017 the Company has for the first time adopted Ind AS with a transition date of 1 April, 2016. These consolidated financial results (including for all the periods presented in accordance with Ind AS 101 - First time adoption of the Indian Accounting Standards) have been prepared in accordance with the recognition and measurement principles in Ind AS 34- Interim Financial Reporting, prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The consolidated financial results include results for the quarter and nine months ended 31 December, 2016 and year ended 31 March, 2017 which have not been subject to limited review/ audit.

iv. Reconciliation of net profit between Indian GAAP as previously reported and the total comprehensive income as per Ind AS is as follows

(Rs. in million)

Nature of Adjustments	**Corresponding 3 months ended 31 December, 2016**	**Year to date figures for period ended 31 December, 2016**	**Previous year ended 31 March, 2017**
Net Profit as per previous GAAP	**310**	**1,240**	**1,552**
Reversal of amortisation of goodwill previously booked in prior GAAP (net of tax)	(3)	(10)	(13)
Effect of fair valuation of investments in mutual funds (net of tax)	3	7	9
Effect of recognising actuarial (gain)/ loss on employee defined benefit liability under other comprehensive income (net of tax)	1	3	7
Reversal of lease equalisation reserve created in previous GAAP (net of tax)	3	6	7
Effect of recognising employee stock options cost at fair value	(3)	(5)	(6)
Others	(1)	(1)	(1)
Net Profit as per Ind AS (A)	**310**	**1,240**	**1,555**
Other Comprehensive Income (B)	**(1)**	**(3)**	**(7)**
Total Comprehensive Income as per Ind AS (A+B)	**309**	**1,237**	**1,548**

v. The Board of Directors in their meeting, held on 12 May, 2017, approved the "Scheme of Amalgamation" of Delta Ria and Pathology Private Limited with the Company i.e.. 1 April, 2017 (the appointed date). As per the said scheme the undertaking of this company 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 National Company Law Tribunal and other statutory approvals.

vi. As approved in their Board Meeting dated 7 August, 2017, the Parent Company has acquired 70% investment in Dr. Lal Path Labs Bangladesh (Pvt) Limited, Bangladesh during the current quarter.

vii. The Board of Directors of Parent Company had approved an interim dividend of Rs. 1.50 per equity share (par value of Rs. 10/- each) at their meeting held on 9 November, 2017 which was subsequently paid in the current quarter.

viii. During the nine months ended 31 December, 2017, the Company has issued 266,560 equity shares of face value of Rs. 10 each to the employees on exercise of employee stock options.

ix. Based on the information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of performance there are no reportable segments in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segment Reporting', notified under the Companies (Indian Accounting Standard) Rules, 2015.

For and on behalf of the Board of Directors of Dr. Lal PathLabs Limited (formerly Dr. Lal PathLabs Private Limited)

(Hony) Brig. Dr. Arvind Lal
Chairman and Managing Director

Place: New Delhi
Date: 8 February, 2018

Deloitte
Haskins & Sells LLP

Chartered Accountants
7th Floor, Building 10, Tower B
DLF Cyber City Complex
DLF City Phase - II
Gurugram - 122 002
Haryana, India

Tel: +91 124 679 2000
Fax: +91 124 679 2012

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

To the Board of Directors of
Dr. Lal PathLabs Limited (formerly Dr. Lal PathLabs Private Limited)

1. We have reviewed the accompanying Statement of Standalone Unaudited Ind AS Financial Results of **Dr. Lal PathLabs Limited (formerly Dr. Lal PathLabs Private Limited)** ("the Company"), for the quarter and nine months ended 31 December, 2017 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016.

   This Statement which is the responsibility of the Company's Management and approved by the 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 issue a report on the Statement based on our review.

   As stated in Note ii of the Statement, we have not performed a review or audit of the figures relating to the corresponding quarter and nine months ended 31 December, 2016 and of the figures relating to year ended 31 March, 2017, including the reconciliation of net profit for the quarter and nine months ended 31 December, 2016 and year ended 31 March, 2017 between the previous GAAP and the Indian Accounting Standards ("Ind AS").

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016, 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)

Deloitte Haskins & Sells LLP Chartered Accountants

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 8 February, 2018

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Statement of Standalone Unaudited Ind AS Financial Results for the quarter and nine months ended 31 December, 2017

(Rs. in million except as stated)

	Particulars	3 months ended 31 December, 2017	Preceding 3 months ended 30 September, 2017	Corresponding 3 months ended 31 December, 2016	Year to date figures for current period ended 31 December, 2017	Year to date figures for previous period ended 31 December, 2016	Previous year ended 31 March, 2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
				(See note ii below)		(See note ii below)	(See note ii below)
1	(a) Revenue from operations	2,544	2,693	2,000	7,655	6,686	8,819
	(b) Other income	70	77	72	228	217	283
	Total Income	**2,614**	**2,770**	**2,072**	**7,883**	**6,903**	**9,102**
2	**Expenses**						
	(a) Cost of materials consumed	554	576	426	1,636	1,477	1,912
	(b) Employee benefits expense	446	434	371	1,303	1,094	1,473
	(c) Finance costs	2	3	3	6	5	7
	(d) Depreciation and amortisation expense	75	71	68	211	190	264
	(e) Fees to collection centers/channel partners	319	335	227	949	748	1,001
	(f) Other expenses	680	599	516	1,838	1,549	2,132
	Total expenses	**2,076**	**2,018**	**1,611**	**5,943**	**5,063**	**6,789**
3	**Profit before tax**	**538**	**752**	**461**	**1,940**	**1,840**	**2,313**
4	Tax expense						
	(a) Current tax	195	276	163	709	664	795
	(b) Deferred tax	(7)	(26)	(5)	(52)	(42)	(7)
	Total tax expense	**188**	**250**	**158**	**657**	**622**	**788**
5	**Profit for the period (A)**	**350**	**502**	**303**	**1,283**	**1,218**	**1,525**
6	**Other comprehensive income**						
	-Items that will not be reclassified to profit or loss Remeasurement of the defined benefit plan	2	2	(3)	5	(6)	(12)
	-Income Tax in relation to the items that will not be reclassified to profit or loss	1	1	(1)	2	(2)	(4)
	Total other comprehensive income (B)	**1**	**1**	**(2)**	**3**	**(4)**	**(8)**
7	**Total comprehensive income (A+B)**	**351**	**503**	**301**	**1,286**	**1,214**	**1,517**
8	Paid-up equity share capital (Face Value of Rs. 10/- per share)	833	833	828	833	828	831
9	Earnings per share (Rs.) (not annualised)						
	- Basic	4.28	6.15	3.71	15.72	14.95	18.67
	- Diluted	4.28	6.14	3.68	15.71	14.85	18.60

Dr. Lal PathLabs Limited (formerly Dr. Lal PathLabs Private 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 8 February, 2018.

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iii. Reconciliation of net profit between Indian GAAP as previously reported and the total comprehensive income as per Ind AS is as follows:

(Rs. in million)

Nature of Adjustments	**Corresponding 3 months ended 31 December, 2016**	**Year to date figures for previous period ended 31 December, 2016**	**Previous year ended 31 March, 2017**
Net Profit as per previous GAAP	**291**	**1,180**	**1,472**
Effect of recognising employee stock options cost at fair value	(3)	(5)	(6)
Effect of recognising actuarial (gain)/ loss on employee defined benefit liability under other comprehensive income (net of tax)	2	4	8
Effect of fair valuation of investments in mutual funds (net of tax)	4	8	9
Reversal of amortisation of goodwill previously booked in previous GAAP (net of tax)	9	28	37
Reversal of lease equalisation reserve created in previous GAAP (net of tax)	1	4	6
Others	(1)	(1)	(1)
Net Profit as per Ind AS (A)	**303**	**1,218**	**1,525**
Other Comprehensive Income (B)	**(2)**	**(4)**	**(8)**
Total Comprehensive Income as per Ind AS (A+B)	**301**	**1,214**	**1,517**

iv. The Board of Directors in their meeting, held on 12 May, 2017, approved the "Scheme of Amalgamation" of Delta Ria and Pathology Private Limited with the Company w.e.f. 1 April, 2017 (the appointed date). As per the said scheme the undertaking of this company 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 National Company Law Tribunal and other statutory approvals.

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vi. During the nine months ended 31 December, 2017, the Company has issued 266,560 equity shares of face value of Rs. 10 each to the employees on exercise of employee stock options.

vii. The Board of Directors had approved an interim dividend of Rs. 1.50 per equity share (par value of Rs. 10/- each) at their meeting held on 9 November, 2017 which was subsequently paid in the current quarter.

viii. Based on the information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of performance there are no reportable segments in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segment Reporting', notified under the Companies (Indian Accounting Standard) Rules, 2015.

For and on behalf of the Board of Directors of Dr. Lal PathLabs Limited
(formerly Dr. Lal PathLabs Private Limited)

(Hony) Brig. Dr. Arvind Lal
Chairman and Managing Director

Place: New Delhi
Date: 8 February, 2018