



Certificate No. : MC-2471

Dr Lalchandani  **abs**
Since 1986

Pathology | Radiology | Consultations

(A Brand of Dr Lalchandani Labs Limited)

(On CGHS Panel)

13/11/2018

To
The Secretary,
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001
Scrip Code – 541299

Dear Sir/ Madam,

Sub: Compliance under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, please find enclosed Annual Report for the year ended March 31, 2018.

This is for your information and records.

Yours Faithfully

Dr Lalchandani Labs Limited



Tanvi Malhotra
Company Secretary
& Compliance Officer
M.No- A46127

Encl: As Above



Dr Lalchandani Labs Limited

Annual Report 2017-2018



bs
986

Contents

- *Message From the Chairman*
- *Board of Directors*
- *Notice of Annual General Meeting*
- *Statutory Reports*

Board's Report

Annexures to Board's Report

- *Annexure I- MGT-9*
- *Annexure II- Composition of the Board*
- *Annexure III-CFO Certification*
- *Annexure IV- Declaration Regarding Code Of Conduct*
- *Annexure V- Management Discussion and Analysis Report*
- *Annexure VI-Secretarial Audit Report*
- *Independent Auditor's Report*
- *Balance Sheet*
- *Profit & Loss Statement*
- *Notes to Financial Statements*
- *Cash Flow Statement*
- *Attendance Slip, Proxy Form, Route Map to the venue of AGM*



Dr Arjan Lalchandani
Chairman & Managing Director

From the Chairman's Desk

Dear Shareholders,

It is my pleasure to welcome you all to the 1st Annual General Meeting of Dr Lalchandani Labs Limited for the year 2017-2018.

Dr Lalchandani Labs Limited is an NABL accredited lab functional in the area of pathology, radiology, hospital lab management, doctor consultation, corporate health check-ups since inception of our pathology lab as a proprietorship firm in the year 1986 and we have been trying to cater our clients with excellent pathology and diagnostic services. In order to achieve the said goal we arrange various training programs for our staff members to equip them with the latest technologies and amendments to cope up with the changing needs of the market.

We have set up a full fledged pathology lab at Punjabi Bagh in west Delhi region and we further wish to expand our operations to various other parts of the city. We expect Dr Lalchandani Labs limited to be one of the top listed laboratories offering pathology and diagnostic services in next 5 years with various labs and diagnostic centers at different regions of the country.

At the end I would like to thank you all for your support and belief in us further allowing us to cater health needs of our society.

Dr Arjan Lalchandani
Chairman & Managing Director
Dr Lalchandani Labs Limited

Board of Directors



Dr Arjan Lalchandani
Chairman & Managing Director



Mohit Lalchandani
Whole Time Director



Anchal Gupta
Non-Executive Director



Dr Rajiv Handa
Independent Director

CORPORATE IDENTITY NUMBER (CIN) - L85320DL2017PLC321605

Board of Directors

Dr. Arjan Lalchandani
Mr. Mohit Lalchandani
Mrs. Anchal Gupta
Mr. Rajiv Handa

Registered Office

M-20, Basement, Greater Kailash,
Part-1, South Delhi-110048
Email: info@lalchandaniathlab.com
Tel: 011-49057058/59; web: http://www.lalchandaniathlab.com/

Registrars & Share Transfer

Agents

M/s. Cameo Corporate
Services Ltd.
Subramanian Building,
1 Club House Road,
Chennai - 600 002
Tel No.: +91-44-2846 0390/1989
Fax No.: +91-44-2846 0129
Website: www.cameoindia.com
E-mail ID: cameo@cameoindia.com

Statutory Auditors

M/s. AASM & Co.,
Chartered Accountants
H-7, Green Park Extension, South Delhi- 110016
Tel : 011-46566386
Contact Person: CA Ashish Arora

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to update their email address with the Company or M/s. Cameo Corporate Services Ltd. (RTA), to enable us to send all the documents through electronic mode in future.

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of **Dr Lalchandani Labs Limited** will be held on Friday, 2nd Day of November, 2018 at 3 p.m. at Golden Palms Hotel situated at 6 C, Opposite Police Headquarter, Patparganj, New Delhi-110092 to transact with or without modification(s), as may be permissible, the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2018 including Audited Balance Sheet as at 31st March, 2018 and the Statement of Profit & Loss Account and Statement of Cash Flow, for the year ended as on that date together with the reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the Report of the Auditors thereon.

2. Re-appoint Mrs. Anchal Gupta (DIN: 07873466) who retires by rotation.

To re-appoint a director Mrs. Anchal Gupta (DIN: 07873466) who retires by rotation at this annual general meeting and being eligible offers herself for re-appointment.

3. To approve appointment of Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s. AASM & Co., Chartered Accountants (Firm Registration No. 030481N), is being appointed as the Statutory Auditor of the Company to hold office from the date of conclusion of this meeting till the conclusion of the sixth Annual General Meeting on such terms and conditions as may be fixed by the board of directors of the company in consultation with them, in addition to the GST and actual out of pocket expenses incurred in connection with the audit of the accounts of the Company to be reimbursed for the financial year ending March 31, 2018.”

SPECIAL BUSINESS

4. To approve appointment of Dr Prakash Jhuraney as Independent Director of the company to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR/ Listing Regulations) including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for time being in force, appointment of Dr Prakash Jhuraney (DIN- 08211777), who has given declaration of independence and has shared his consent to act as Independent Director of the company is approved for a period of 5 consecutive years and whose office shall not be liable to retire by rotation.

5. To approve appointment of Mr. Mohit Lalchandani, Whole Time Director of the Company as Chief Executive Officer of the company to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section-2(18) & Section- 203 read with the rule and other applicable provisions, if any, of the Companies Act, 2013(including any statutory modification(s) or re-enactment(s) thereof for the time being in force consent of shareholders is hereby accorded for appointment of Mr. Mohit Lalchandani (DIN- 07873508) as the Chief Executive Officer of the Company at a monthly remuneration of Rs. 1,20,000 (One Lacs and Twenty Thousand only)per month to perform the duties assigned to him by the Board of Directors from time to time.

**For & on behalf of the Board
For Dr Lalchandani Labs Limited**

**Tanvi Malhotra
Company Secretary &
Compliance Officer
ACS-46127**

New Delhi, 4th September, 2018
CIN- L85320DL2017PLC321605
Registered Office:-
M-20, Basement, Greater Kailash, Part-1,
South Delhi- 110048
Website- <http://www.lalchandaniplab.com/>

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

INSTRUMENT APPOINTING PROXY/PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT M-20, BASEMENT, SOUTH DELHI-110048, NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE ANNUAL GENERAL MEETING.

2. A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share Capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. During the period beginning twenty-four (24) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hour of the company, provided not less than three (3) days' written notice in this respect is given to the company.
5. MEMBERS, PROXIES AND AUTHORISED REPRESENTATIVES ARE REQUESTED TO CARRY TO THE MEETING, THE ATTENDANCE SLIPS ENCLOSED HERewith DULY COMPLETED AND SIGNED MENTIONING THEREIN DETAILS OF THEIR DP ID AND CLIENT ID/ FOLIO NO.
6. In case of Joint-holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Company has notified closure of register of members and transfer books from Wednesday 31st October, 2018 to Friday 2nd November, 2018 (both days inclusive).
8. The related Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item no. 4 and 5 of the Notice, is annexed hereto.
9. The register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and the Register of Contracts and Arrangements in which directors are interested maintained under section 189 of the Act, shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the meeting.
10. Cut-off date for dispatching notice and Annual Report for the Annual General Meeting for Financial Year 2017-2018 has been considered to be 5th of October, 2018.
11. The voting rights of the members shall be in proportion to their shares of the Paid up equity share capital of the company as on the cut-off date i.e. 26.10.2018.
12. Company is exempted from conducting E - Voting vide Rule 20(2) of Companies (Management & Administration) Amendment Rule, 2015. So voting will be conducted by means of Ballot papers at the Annual General Meeting. A person, whose name is recorded in the register of the members or in the register of Beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to vote at the AGM.
13. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
14. Members are requested to bring their copy of Annual Report and the Attendance Slip which is duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. with them at the Annual General Meeting as a measure of economy as the same will not be supplied again at the meeting.
15. All documents mentioned in the accompanying notice are open for inspection at the registered office of the Company between 10 A.M. to 4 P.M. on all working days except Saturday and Sunday up to and including the date of this Annual General Meeting.

16. To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of the Corporate Affairs, to contribute towards the Greener Environment and to receive all documents, Notices, including Annual Reports and other communications of the Company, investors should register their Email Address with RTA if shares are held in physical mode or with the depository participants if the shares held in electronic mode.
17. Electronic Copy of the Notice of the 1st Annual General Meeting (AGM) along with Attendance slip, Proxy Form, and Annual report for F.Y. 2017-18, is being sent to all the members whose email ids are registered with the Company/ Depository Participant(s)/ RTA for communication purposes, unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copy of the Annual Report for F.Y.2017-18 and Notice of AGM are being sent in the permitted mode. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send request to the email id: cs@lalchandaniathlab.com SHAREHOLDERS ARE REQUESTED TO PLEASE NOTE THAT ALL THE QUERIES SHOULD BE GIVEN IN WRITING TO THE COMPANY BEFORE 48 HOURS OF THE ANNUAL GENERAL MEETING.
18. Members may also note that the notice of the 1st AGM and the Annual Report for the Financial year 2017-18 will also be available on the Company's website www.drlalchandaniathlab.com for download. The physical copy of the aforesaid documents will be available at the Company's registered office in New Delhi at M-20, GK-1, South Delhi- 110048 for inspection during normal business hours on all working days except Saturday, upto and including the date of AGM.
19. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA).
20. The Shareholders holding Shares in Physical form are advised to get their shares dematerialized as no physical shares can be traded in the Stock Exchanges in terms of SEBI and Stock Exchange guidelines.
21. This is to bring to the notice of the Shareholders that the request for effecting transfer of securities held in Physical form (except in case of transmission or transposition) would not be entertained and shall not be processed by the Company/ RTA of the Company w.e.f. 5th December, 2018 pursuant to SEBI Notification No. SEBI/LADNRO/GN/2018/24 dated 8th June, 2018. Hence Shareholders are advised to get their physical shares transferred / dematerialized.
22. Members may please note that no gifts, gift coupons, or cash in lieu of gifts will be distributed at meeting, in compliance with Section 118(10) of the Companies Act, 2013 and the Secretarial Standards issued by Institute of Company Secretaries of India.
23. To comply with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 it is mandatory for all the investors including transferors to complete their KYC information. The Company have to update the member's PAN No., Phone No., e-mail address and signature in the records. Kindly furnish the same via email at "CS@lalchandaniathlab.COM" or via hand delivery or courier the same to the registered office of the Company.
24. **Voting**
 - i. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting will be able to exercise their right at the meeting through ballot paper. The Cut-off Date for determining the members who are entitled to vote through ballot Paper process is 26th October, 2018, only Members as on the cut-off date, would be entitled to vote at the meeting.
 - ii. Ms. Rupali Arora (Membership No. -ACS 50163 & COP No.-18441) of M/s. R Arora & Associates, Practicing Company Secretaries, a sole proprietorship firm bearing Proprietorship No- S2018DE595700 has been appointed as the Secretarial Auditor of the Company for Financial Year 2017-2018 to conduct the secretarial audit.
 - iii. The Scrutinizer shall after the conclusion of voting at the general meeting, will count the votes cast at the meeting in the presence of at least two witnesses not in the employment of the Company and shall make, within a period not exceeding 48 hours from the conclusion of meeting, a Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
25. Route Map showing directions to reach the Venue of the 1st Annual General meeting is annexed herewith.

26. Information of Director seeking re-appointment at the Annual General Meeting to be held on 2nd November, 2018.

Name of Director	Mrs. Anchal Gupta
DIN	07873466
Designation	Non-Executive Director
Date of Appointment	02/08/2017
Date of Birth	12/11/1986
Qualification	Master of Science of Humanities and Social Science in International Business
Expertise in specific functional area	She is having more than 4 years of experience in operations and Human Resource Management.
Relationship between Directors inter-se	Mr. Mohit Lalchandani, Whole Time Director is husband of Mrs. Anchal Gupta, Mr. Arjan Lalchandani, Managing Director and Chairman is Father in Law of Mrs. Anchal Gupta
Directorships held in other listed companies	NIL
Membership/ Chairmanship of Committees of other public companies - includes only audit committee and stakeholder relationship committee	NIL
Shareholding in the company	36152

27. Details of Independent Director appointed in Board Meeting subject to approval by shareholders in Annual General Meeting of the Company-

Name of Director	Dr Prakash Jhuraney
PAN	AAHPJ8811B
DIN	08211777
Date of Birth Age	28/06/1955
Date of Appointment in Board Meeting	4 th September, 2018
Relationship with Directors and Key Managerial Personnel	Nil
Expertise in Specific Functional Area	Around 30 years of Experience as a Physician
Qualification	MBBS
Board Membership of other listed companies	NIL
No of shares held in the company as on the date of appointment	NIL

28. Details of Chief Executive Officer appointed in Board Meeting subject to approval by shareholders in Annual General Meeting of the Company-

Name of Director	Mohit Lalchandani
PAN	AISPC0481F
DIN	07873508
Date of Birth Age	30/04/1986
Date of Appointment	4 th September, 2018
Relationship with Directors and Key Managerial Personnel	Dr Arjan Lalchandani, Managing Director & Chairman is father and Mrs. Anchal Gupta, Non-Executive Director, is wife of Mr. Mohit Lalchandani
Expertise in Specific Functional Area	He is having more than 5 years of experience in the Operations and Management
Qualification	He is having post graduate Diploma in Management from Lal Bahadur Shastri Institute of Management, Delhi. He is also Bachelor of Technology in the field of Electronics and Communication Engineering from Jaypee Institute of Information Technology University
Board Membership of other listed companies	NIL
No of shares held in the company as on the date of appointment	210807 Equity Shares

For & on behalf of the Board

For Dr Lalchandani Labs Limited

Tanvi Malhotra
Company Secretary &
Compliance Officer
ACS-46127

Date- 4th September' 2018
Place- Delhi

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND (2) OF THE COMPANIES ACT, 2013

Item No- 4 : Approval of appointment of Dr Prakash Jhuraney as Independent Director of the company.

Board of Directors at its meeting held on 4th September, 2018 approved appointment of Dr Prakash Jhuraney, bearing (DIN- 08211777) as Independent Director of the company for a period of 5 consecutive years and who has given declaration of independence and has shared his consent to act as Independent Director of the company to fulfil vacancy caused by resignation of Mr. Jagmohan Gupta, Independent Director of Dr Lalchandani Labs Limited.

The resolution contained in Item no. 4 of the accompanying Notice; accordingly, seek members' approval for ratification of appointment of Independent Director of the Company. The Board commends this resolution for your approval.

None of the Directors, Key Managerial Personnel and/or their relative is in anyway deemed to be concerned or interested in the proposed resolution.

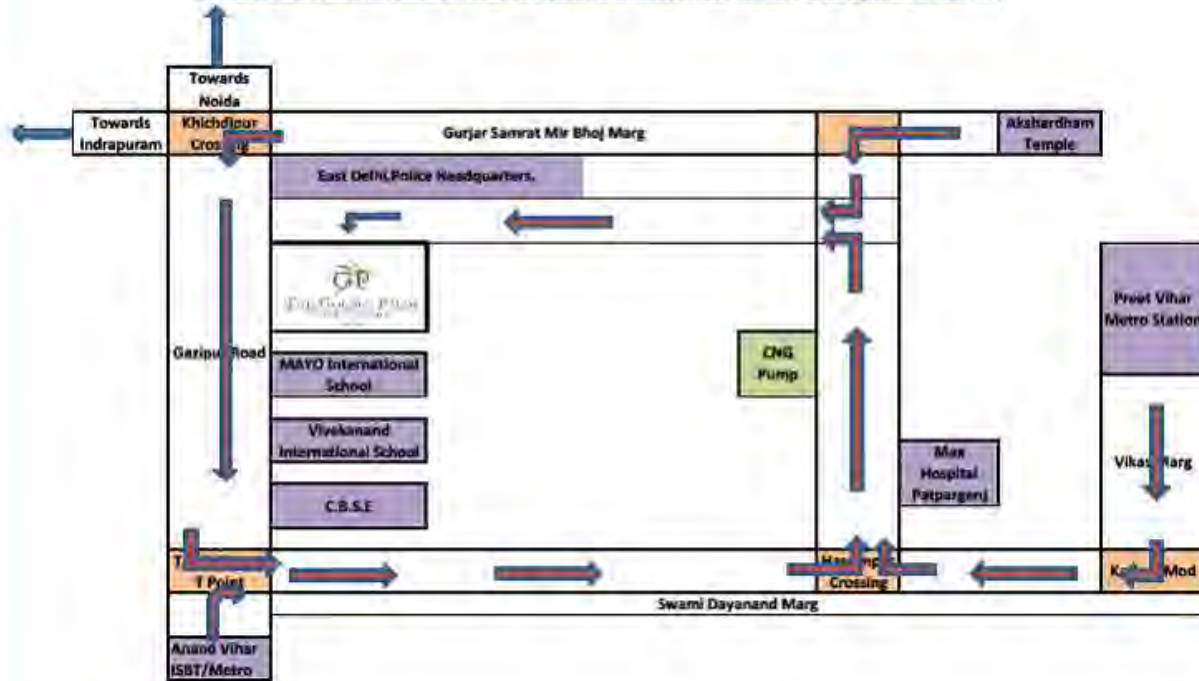
Item No-5 : Approval of appointment of Mr. Mohit Lalchandani, Whole Time Director of the Company as the Chief Executive Officer (CEO) of the company.

Board of Directors at its meeting held on 4th September, 2018 approved appointment of Mr. Mohit Lalchandani, Whole Time Director of our Company, as the Chief Executive Officer of the Company for a period of 5 consecutive years.

The resolution contained in Item no. 5 of the accompanying Notice; accordingly, seek members' approval for ratification of appointment of Chief Executive Officer of the Company. The Board commends this resolution for your approval.

Mr. Arjan Lalchandani, Managing Director and Chairman, Mrs. Anchal Gupta, Non- Executive Director of the Company being relative to the appointee- Mr. Mohit Lalchandani are deemed to be concerned or interested in the proposed resolution and hence not allowed to vote for this resolution.

Location MAP - The Golden Palms Hotel & Spa, Delhi.



DIRECTORS REPORT

Dear Members,

The Directors of your Company have pleasure in presenting Annual Report together with the Audited Accounts and Auditors' Report for the year ended 31st March, 2018.

A. Financial Performance:-

The financial performance of the Company for the Year ended 31st March, 2018 is as summarized below:-
(In Lacs)

Particulars	2017-18
Gross Turnover & Other Income	281.51
Profit before Interest, Depreciation & Taxation	64.47
Less - Interest	15.93
Profit / (Loss) before Depreciation & Taxation	48.54
Less - Depreciation	13.08
Profit / (Loss) before tax	35.46
Less- Provision for Taxation (Incl. Deferred Tax)	9.22
Net Profit / (Loss) for the year	26.24
Balance Carried to Balance Sheet	26.24

2. Performance Review:-

Your directors report that for the year under review, your Company has been able to achieve Turnover of Rs. 281.51 Lakhs. The revenue from operations for the year is Rs.278.64 lakhs.

3. Capital Structure:-

During the year under review, the Authorised Share Capital of the Company was increased from Rs. 1,00,000 (Rupees One Lakh) to Rs. 4,50,00,000 (Four Crore and Fifty Lakhs Rupees).

During the year under review, the Company issued 5, 50,000 (Five Lakh Fifty Thousand) Rights Equity Share of Rs. 10/- (ten) each, at a premium of Rs. 20 (twenty) each.

The Paid up Equity Share Capital of the Company as on March 31, 2018 is Rs. 2,93,30,680 (Rupees Two Crore Ninety Three Lakhs Thirty Thousand and Eighty) divided into 29, 33,068 (Twenty Nine Lakhs Thirty Three Thousand and Sixty Eight) Equity Shares of Rs. 10/- (ten) each.

Note- Company also raised money from public through IPO by issue and allotment of 14,00,000 equity shares thereby increasing its paid up equity share capital to Rs. 4,33,30,680 after the end of the Year under review & got its securities listed on BSE SME Platform.

4. Bonus Issue:-

During the year under review, the Company issued 9, 77,691 (Nine Lakh Seventy Seven Thousand Six Hundred and Ninety One) Bonus Equity Shares of Rs. 10/- (ten) each, in the proportion of 1 (One) Bonus Equity Share of Rs 10/- (Rupees Ten) each, for every 2 (Two) fully paid-up Equity Shares of Rs 10/- (Rupees Ten) each.

5. Dividend:-

Your Directors do not recommend any dividend for the year under review.

6. Reserve:-

The Company has transferred current year's profit of Rs. 26.24 Lakhs to the Reserve & Surplus and the same is in compliance with the applicable provisions prescribed under the Companies Act, 2013.

7. Details of Directors and Key Managerial Personnel

During the year under review, following changes in Directors and Key Managerial Personnel are mentioned below-

- Dr. Arjan Lalchandani was designated as Managing Director
- Mr. Mohit Lalchandani was designated as Whole Time Director
- Mrs. Anchal Gupta was designated as Non-Executive Director
- Mr. Jagmohan Gupta and Mr. Rajiv Handa was appointed as Independent Directors
- Mrs. Tanvi Malhotra was appointed as Company Secretary & Compliance Officer
- Mr. Himanshu Mishra was appointed as Chief Financial Officer for the Company

Mrs. Anchal Gupta, (DIN-07873466) Director, retire from board by rotation and being eligible has offered herself for re-appointment at the ensuing Annual General Meeting.

*As on 31st March, 2018 shareholding of directors in the company is given below-

S.No.	Name of Director	Shares Held	Holding (in %)
1	Dr Arjan Lalchandani	2386851	81.38
2	Mr. Mohit Lalchandani	210807	7.18
3	Mrs. Anchal Gupta	36152	1.23

* The shareholding mentioned above is as at 31st March, 2018 i.e. before the Public Issue of equity shares made by the company and the date of listing of the company on BSE SME Platform.

Brief composition of Board of Directors of the Company is annexed to this report as Annexure-II

8. Directors' Responsibility Statement:-

Your Directors state that:

- a) In the preparation of the annual accounts for the financial year 2017-18, the applicable accounting standards read with requirements set out under Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b) Appropriate accounting policies have been selected and applied consistently and such judgments & estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as 31st March, 2018 and of the Profit of the Company for the accounting year ended on that date;
- c) Proper & sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities; and
- d) The annual accounts of the Company have been prepared on a going concern basis.
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

9. Auditors:-

M/s. AASM & Co., Chartered Accountants (Firm Registration Number- 030481N), is being appointed as the Statutory Auditor of the company from the conclusion of this Annual General Meeting till the conclusion of the Sixth Annual General Meeting of the company to be held in the Financial Year 2022-2023. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for re-appointment.

10. Auditors' Report:-

The Notes on Financial statement referred to in the Auditors report are self - explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation or adverse remark.

11. Subsidiary Company:-

Currently, your company does not have any subsidiary.

12. Secretarial Auditors Report:-

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors of the Company have appointed M/s. R Arora & Associates, Practicing Company Secretary firm (ACS 50163 & COP No.-18441) as Secretarial Auditor to conduct Secretarial audit of the Company for the financial year ended on March 31, 2018. Secretarial Audit Report issued by M/s. R Arora & Associate, Practicing Company Secretary firm in form MR-3 is enclosed as **Annexure - VI** to this Annual Report.

13. Tax Provisions:-

The Company has made adequate provisions as required under the provisions of Income Tax Act, 1961 as well as other relevant laws governing taxation on the company.

14. Fixed Deposits:-

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

15. Corporate Governance:-

Company is listed on BSE-SME. Hence, Corporate Governance Report is not applicable to the Company for financial year 2017-2018.

16. Conservation of energy, technology absorption and foreign exchange earnings and outgo:-

The particular as prescribed under sub-Section (3)(m) of section 134 of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014,

(i) Part A and B of the Rules, pertaining to conservation of energy and technology absorption, are not applicable to the Company.

(ii) Foreign Exchange Earnings and Outgo:

Foreign Exchange Earned	- NIL
Foreign Exchange Used	-NIL

17. Corporate Social Responsibility:-

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on Corporate Social Responsibility.

18. Particulars of Employees:-

None of the employee has received remuneration exceeding the limit as stated in Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

*Note-

1-Directors have been paid remuneration greater than allowed under Section 197 of Companies Act, 2013 which was concluded after calculations of profits at the end of the year under review.

2-Directors agree to return the amount paid in excess of maximum managerial remuneration allowed to be paid under Section 197 & 198 of Companies Act, 2013.

19. Number of Meetings of the Board of Directors:-

During the year ended March 31, 2018, Thirteen (13) Board Meetings were held. The dates on which the Board meetings were held are 21st August, 2017, 25th August, 2017, 31st August, 2017, 30th September, 2017, 30th November, 2017, 23rd December, 2017 and 28th December, 2017, 3rd January, 2018, 25th January, 2018, 29th January, 2018, 30th January, 2018, 7th February, 2018 and 23rd February, 2018.

20. Statement on Declaration Given By Independent Directors Under Sub-Section (6) Of Section 149:-

The independent directors have submitted the declaration of independence as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-Section (6).

21. Particulars of Loan, Guarantees and Investments by Company:-

During the financial year ended March 31, 2018, no loan, guarantee and investment under Section 186 of the Companies Act, 2013 was made by the Company.

22. Related Party Transactions:-

During the year under review, besides the transactions reported in Notes to Accounts, forming part of the Annual Report. There were no other related party transactions with its promoters, directors, directors and management that had a potential conflict of interest of the Company at large.

23. Extract of Annual Return:-

The Extract of Annual Return is prepared in **Form MGT-9** as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as **Annexure - I** to this Report.

24. Significant and Material Orders Passed By the Regulators or Court:-

There are no Significant and Material orders passed by the regulators or Courts that would impact the going concern status of the Company and its future operations.

25. Audit Committee:-

In accordance with the provisions of Section 177 of the Companies Act, 2013 the Company has constituted an Audit Committee comprising of the following Directors viz., Mr. Jagmohan Gupta (Chairman), Mr. Mohit Lalchandani and Mr. Rajiv Handa. Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

There is no such incidence where Board has not accepted the recommendation of the Audit Committee during the year under review.

26. Nomination and Remuneration Committee:-

In accordance with the provisions of Section 178(1) of the Companies Act, 2013, the Company has constituted a Nomination and Remuneration Committee comprising of the following Directors viz., Mr. Rajiv Handa (Chairman), Mr. Jagmohan Gupta and Mrs. Anchal Gupta. Nomination and Remuneration Committee acts in accordance with the terms of reference specified from time to time by the Board.

27. Stakeholders Relationship Committee:-

In accordance with the provisions of Section 178(5) of the Companies Act, 2013, the Company has constituted a Stakeholders Relationship Committee comprising of the following Directors viz., Mr. Rajiv Handa (Chairman), Mr. Jagmohan Gupta and Mrs. Anchal Gupta. Stakeholders Relationship Committee acts in accordance with the terms of reference specified from time to time by the Board.

28. Reporting Under The Provisions Of Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013.

The Company has framed proper policy to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. As per Section 22 and 28 of the Sexual harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013, the Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

No Sexual harassment complaints have been received and disposed off during the financial year 2017-18.

29. Compliance With The Code of Conduct

The Board of Directors has laid down a Code of Conduct to be followed by the board members and all senior managerial personnel of the company.

All Board Members and senior management Executives have affirmed compliance with the code of conduct for the Financial Year 2017-2018.

30. CEO/CFO Certification

In compliance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from the Chief Financial Officer to the Board of Directors is annexed as Annexure -III to the Board's report.

31. Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report and is annexed herewith as Annexure- V.

32. Details in Respect of Adequacy of Internal Financial Controls with Reference to the Financial Statement:-

Internal Control Systems has been designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance's with management's authorization and properly recorded and accounting records are adequate for preparation of financial statements and other financial information. Internal check is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems.

Further, the testing of such controls shall also be carried out independently by the Statutory Auditors as mandated under the provisions of the Companies Act, 2013.

In the opinion of the Board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company.

33. Risk Management Policy:-

The Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring of the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. The Company on various activities also puts necessary internal control systems in place across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources.

34. Nomination and Remuneration policy of Directors, Key Managerial Personnel And other Employees:-

In adherence of Section 178(1) of the Companies Act, 2013, the Board of Directors of the Company in its Meetings, approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are - Company Philosophy, Guiding Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel (other than Managing/ Whole-time Directors), Key-Executives and Senior Management and the Remuneration of Other Employees.

35. Acknowledgement:-

The Board wishes to place on record its sincere appreciation for the assistance and co-operation received from Bankers, Government Departments and other Business Associates for their continued support towards the conduct of operations of the Company efficiently.

The Directors express their gratitude to the shareholders for their continuing confidence in the Company. The Directors also acknowledge the hard work and persuasive efforts put in by the employees of the Company in carrying forward Company's vision and mission.

**On behalf of the Board of Directors,
For Dr Lalchandani Labs Limited**

**Place : New Delhi
Date: 4thSep,2018**

**Dr Arjan Lalchandani
Chairman and Managing Director
DIN-07014579**

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

Standalone Financial Statements

Independent Auditor's Report

To the members of Dr Lalchandani Labs Limited

Report on the consolidated financial statements

We have audited the financial statements of Dr Lalchandani Labs Limited comprising of the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the preparation of these financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as at March 31, 2018, their profit, and their cash flows for the year ended on that date.

Report on other legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we enclose in the "Annexure 1", a statement on the matters specified in Paragraph's 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, based on our audit, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid financial statements;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the financial statements;

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position except for the arbitration claim filed by the company against Shanti Mukund Hospital for recovery of pending dues.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For AASM & CO.
Chartered Accountants
FRN: 030481N

CA ASHISH ARORA
(Partner)
Membership No: 516241

Place: NEW DELHI
Date: September 04, 2018

Financial Statements

Annexure 1 to the Independent Auditor's report of even date on the Financial Statements of Dr Lalchandani Labs Limited

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Dr Lalchandani Labs Limited for the year Ended on 31.03.2018. We report that:

S. No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes, the company is maintaining the proper records.
	b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes
	(c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	The company has acquired a property by way of an agreement to sell during the financial year 2017-18. As per the representations from the management, the sale deed shall be entered in the name of the company during financial year 2018-19.
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	Yes
(iii)	whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	No such loans have been granted by the company during the financial year 2017-18.
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	Not applicable
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	Not applicable
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	Not applicable
(iv)	in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	Yes
(v)	in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	Not applicable
(vi)	whether maintenance of cost records has been specified by the	Not applicable

AASM & Co.

Chartered Accountants



	Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	
(vii)	(a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	The company has been generally regular in deposit of statutory dues except for delays on few instances.
	(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	No such dues
(viii)	whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	The company has been generally regular in repayment of installments of loans from various financial institutions & banks except for delays of few days on few instances.
(ix)	whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	Not applicable
(x)	whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	No such instance
(xi)	whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	Yes
(xii)	whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	Not applicable
(xiii)	whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	Yes
(xiv)	whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	The company has made a right issue of shares during the financial year under review. The company has complied with the applicable provisions of the Companies Act, 2013 in regards to this issue. The amount raised by this issue has been utilized for the specified purposes.
(xv)	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with	No such transactions have been entered during the year.

AASM & Co.

Chartered Accountants



(xvi)	whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	Not applicable
-------	--	----------------

For AASM & CO.
Chartered Accountants
Firm's registration number: 030481N

Place: Delhi
Date: September 04, 2018

CA ASHISH ARORA
Partner
Membership number:516241

"Annexure 2" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Dr Lalchandani Labs Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Dr Lalchandani Labs Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with

Corporate Office - H-7, Lower Ground Floor, Green Park Extension, New Delhi - 110016

Contact - +91-11-46566386

Email - info.aasm@gmail.com



generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For AASM & CO.
Chartered Accountants
FRN: 030481N

CA ASHISH ARORA
(Partner)
Membership No: 516241
Place: DELHI
Date: September 04, 2018

DR. LALCHANDANI LABS LIMITED
Balance Sheet as at 31st March, 2018
CIN:L85320DL2017PLC321605

Particulars	Note No.	As at 31st March, 2018
I. Equity and Liabilities		
(1) Shareholders' Funds		
(a) Share Capital	A	293,30,680
(b) Reserves and Surplus	B	39,98,032
(2) Non-Current Liabilities		
(a) Long-Term Borrowings	C	129,23,271
(b) Deferred Tax Liabilities		2,38,904
(3) Current Liabilities		
(a) Trade Payables	D	68,17,170
(b) Other Current Liabilities	E	75,00,703
(c) Short Term Provision	F	7,03,080
(d) Short term Borrowings	G	5,06,291
Total		620,18,131
II. Assets		
(1) Non-Current Assets		
(a) Fixed Assets	H	
(i) Tangible Assets		205,36,424
(ii) Intangible Assets		45,088
(c) Other Non-Current Investments	J	24,10,072
(d) Other Non-Current Assets	K	19,49,790
(e) Deferred Tax Assets		-
(2) Current Assets		
(a) Inventories	L	27,12,219
(b) Trade Recieveable	M	112,05,622
(c) Cash and Cash Equivalents	N	90,85,650
(d) Other Current assets	O	32,84,224
(e) Short Term Loans and Advances	P	107,89,043
Total		620,18,131

Significant Accounting Policies and Note to Accounts annexed hereto

This is the balance sheet referred to in our report of even date.

For AASM & CO.
Chartered Accountants
FRN 030481N

For Dr Lalchandani Labs Limited

CA. Ashish Arora
Partner
Mem No. 516241

Dr Arjan Lalchandani
Chairman & Managing Director
DIN - 07014579

Mohit Lalchandani
Whole time Director
DIN - 07873508

Place : New Delhi
Date : September 04 2018

Himanshu Mishra
Chief Financial Officer

CS Tanvi Malhotra
Company Secretary
M.No- A46127

DR. LALCHANDANI LABS LIMITED
Statement of Profit and Loss for the year ended on 31st March, 2018

Particulars	Note No.	As at 31st March, 2018
Income		
Revenue from Operations	Q	278,63,525
Other Income	R	2,87,700
Total Revenue		281,51,225
Expenditure		
Cost of Material Consumed	S	62,53,396
Employee Benefits Expenses	V	49,58,971
Finance Costs	W	15,93,016
Depreciation and Amortisation Expenses	X	13,07,888
Operations & Other Expenses	Y	104,91,852
Total Expenses		246,05,123
Profit Before Tax		35,46,102
Less: Tax expense		
(1) Current Tax		6,83,083
(2) Deferred Tax		2,38,904
Profit After Tax		26,24,115
Earnings per equity share		
(1) Basic		0.89
(2) Diluted		0.89

Significant Accounting Policies and Note to Accounts

This is the balance sheet referred to in our report of even date.

For AASM & CO.
Chartered Accountants
FRN 030481N

For Dr Lalchandani Labs Limited

CA. Ashish Arora
Partner
Mem No. 516241

Dr Arjan Lalchandani
Chairman & Managing Director
DIN - 07014579

Mohit Lalchandani
Whole time Director
DIN - 07873508

Place : New Delhi
Date : September 04 2018

CS Tanvi Malhotra
Company Secretary
M.No- A46127

Himanshu Mishra
Chief Financial Officer

DR. LALCHANDANI LABS LIMITED
Notes forming part of Balance Sheet as at 31st March, 2018

Note "A"
SHARE CAPITAL

Particulars	As at 31st March, 2018	
	Number	Amount
Authorised 45,00,000 Equity Shares of Rs. 10/- each	45,00,000	450,00,000
Issued 29,33,068 Equity Shares of Rs. 10/- each	29,33,068	293,30,680
Subscribed and Paid up 29,33,068 Equity Shares of Rs. 10/- each	29,33,068	293,30,680
Total	29,33,068	293,30,680

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2018	
	Number	Amount
Shares outstanding at the beginning of the year	7	70
Shares Issued during the year	29,33,061	293,30,610
(a) Due to Business Transfer :- 14,05,370 Shares*		
(b) Due to Right Issue :- 5,50,000 Shares**		
(c) Due to Bonus Issue :- 9,77,691 Shares***		
Shares bought back during the year	-	-
Shares outstanding at the end of the year	29,33,068	293,30,680

* The company has acquired the running business of Dr A Lalchandani Pathology Laboratories (Partnership firm) on going concern basis with effect from August 31, 2017 in lieu of which 14,05,370 shares of Rs. 10/- each has been issued to the partners of the aforesaid firm. The aforesaid takeover of the business has been approved by the board of directors vide their meeting held on August 31, 2017.

**The company vide its board meeting held dated & the EGM held dated had approved an offer for right issue for 5,50,000 shares at Rs. 30/- each to its existing shareholders in ratio of. The company had issued 5,50,000 shares of Rs. 10/- each at a share premium of Rs. 20/- each to the rightholders or the persons in whose favour the rights have been renounced.

*** The company vide its board meeting held dated & the EGM held dated have approved & declared for a bonus issue in the ratio of to all its existing shareholders. The company has issued 9,77,691 bonus shares by utilising the share premium balance lying in the account of the company.

DR. LALCHANDANI LABS LIMITED

Notes forming part of Balance Sheet as at 31st March, 2018

Shares in the company held by each shareholder holding more than 5 percent shares

Name of the shareholder	As at 31st March, 2018	
	No. of shares held	% of holding
Dr. Arjan Lalchandani	23,86,851.00	81.37
Mohit Lalchandani	2,10,807.00	7.18
Dr Harsh Kapoor	1,50,000	5.11
Total	27,47,658	93.66

Dr Arjan Lalchandani
Chairman & Managing Director
DIN - 07014579

Mohit Lalchandani
Whole time Director
DIN - 07873508

Himanshu Mishra
Chief Financial Officer

CS Tanvi Malhotra
Company Secretary
M.No- A46127

DR. LALCHANDANI LABS LIMITED
Notes forming part of Balance Sheet as at 31st March, 2018

Particulars	As at 31st March, 2018
Note "L"	
INVENTORIES	
Stock of Reagents, chemicals, surgicals and laboratory supplies (As taken, valued and certified by management)	27,12,219
Total	27,12,219

The company's business does not involve any conversion process for materials. Reagents and chemicals are used to conduct various pathology tests and are consumed in the business.

Note "M"

TRADE RECEIVABLES

(a) Due over six months:	
Considered good(unsecured)	89,01,434
Considered doubtful	-
	89,01,434
Less: Provision for doubtful debts	-
	89,01,434
(b) Others:	
(a) Due for less than six months:	
Considered good(unsecured)	23,04,188
Considered doubtful	-
	23,04,188
Less: Provision for doubtful debts	-
	23,04,188
Total	112,05,622

The average credit period from service is 0-60 days. No interest is charged on the trade receivables for the amount overdue above the credit period.

Note "N"

CASH AND CASH EQUIVALENTS

(a) Balance with Banks:	
(i) Andhra Bank	1,321
(ii) Icici Bank	6,856
(iii) Yes Bank	10,44,083
(b) Cash in hand	80,33,391
Total	90,85,650

Note "O"

OTHER CURRENT ASSETS

TDS recievable	21,69,921
Testing Fees Receivable	2,03,029
Advance for advertisement	8,48,368
Prepaid Maintenance	22,290
Prepaid Insurance	40,616
Total	32,84,224

DR. LALCHANDANI LABS LIMITED
Notes forming part of Balance Sheet as at 31st March, 2018

Particulars	As at 31st March, 2018
Note "P"	
SHORT TERM LOANS AND ADVANCES	
Loans & advances to related parties	8,40,250
Loans & advances to employees	9,79,708
Loans & advances to others	89,69,085
Total	107,89,043

Arjan Lalchandani
Chairman & Managing Director
DIN : 07014579

Mohit Lalchandani
Whole Time Director
DIN : 07873508

Himanshu Mishra
Chief Financial Officer

CS Tanvi Malhotra
Company Secretary
M.No- A46127

DR. LALCHANDANI LABS LIMITED
Notes forming part of Balance Sheet as at 31st March, 2018

Particulars	As at 31st March, 2018
Note "B"	
RESERVES & SURPLUS	
(a) Securities Premium Account	
Opening Balance	-
Add: Amount Received during the year*	110,00,000
Less: Utilised during the year	-
Issue of Bonus shares	97,76,910
Closing Balance	<u><u>12,23,090</u></u>
* The company has received a security premium of Rs. 1,10,00,000/- i.e. Rs. 20/- each on 5,50,000 shares issued at the time of right issue in the month of January 2018. Out of the total security premium of Rs. 1,10,00,000/- available with the company, they have utilised Rs. 97,76,910/- in the issuance of bonus shares in the month February 2018.	
(b) Revaluation Reserve	
Opening Balance	-
Add: Additions during the year**	1,50,827
Less : Utilised during the year	-
Closing Balance	<u><u>1,50,827</u></u>
** The company has revalued as on the date of Balance Sheet the investment in Jewellery transferred to them by way of takeover of running business of Dr A Lalchandani Pathology Laboratories.	
(c) Surplus / (Deficit) in Statement of Profit and Loss	
Opening balance	-
(+) Net Profit/(Net Loss) For the current year	26,24,115
Closing balance	<u><u>26,24,115</u></u>
Total	<u><u><u>39,98,032</u></u></u>

Note "C"

LONG-TERM BORROWINGS

Loans and Advances from related parties

Secured

Unsecured

-

-

-

Loans and Advances from other parties

Secured *

Unsecured **

111,58,829

70,77,398

182,36,227

Less: Current Maturities

53,12,956

Total

129,23,271

DR. LALCHANDANI LABS LIMITED
Notes forming part of Balance Sheet as at 31st March, 2018

Particulars	As at
	31st March, 2018

* The secured long term borrowings of the company from other parties includes the business loan taken from HDB Financial Services Limited. The said loans are secured against the personal property of the promoter of the company viz. Dr Arjan Lalchandani and the personal guarantees of the promoter directors of the company.

** The unsecured long term borrowings of the company from other parties includes the various business loans availed from Bajaj Finance, Seimens Financial Services Limited, etc.

Note "D"

TRADE PAYABLES

	68,17,170
Total	68,17,170

Note:

Trade payables are non-interest bearing and are normally settled upto 30-45 days terms.

Based on the information available with the company, there are no balances due to micro and small enterprises as defined under Micro, Small and Medium Enterprises development (MSMED) Act, 2006 and no interest has been paid or is payable during the year under the terms of MSMED Act, 2006.

Note "E"

OTHER CURRENT LIABILITIES

(a) Audit Fees Payable	2,41,000
(b) Salary Payable	2,41,654
(c) Other Payable	17,05,093
(d) Current Maturities of Long term borrowings	53,12,956
Total	75,00,703

Note "F"

SHORT TERM PROVISION

(a) Provision for Interest on TDS	19,997
(b) Provision for Tax	6,83,083
Total	7,03,080

Income Tax:

The Company is subject to Indian Income Tax Act, 1961. The Company is assessed for tax on taxable profits determined for each fiscal year beginning on 1 April and ending on 31 March. For each fiscal year, the respective entities' profit or loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT"). Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India ("Indian GAAP") adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of property, plant and equipment, disallowances of certain provisions and accruals, deduction for tax holidays and similar exemptions, the use of tax losses carried forward and retirement benefit costs. Statutory income tax is charged at 25% plus applicable surcharge and education cess.

DR. LALCHANDANI LABS LIMITED
Notes forming part of Balance Sheet as at 31st March, 2018

Particulars	As at 31st March, 2018
Note "G"	
SHORT TERM BORROWINGS	
(a) Andhra Bank -Overdraft*	5,06,291
Total	5,06,291

* The Short term borrowings of the company includes the Overdraft limit availed from Andhra Bank. These limits are secured against the personal guarantee of the promoter directors of the company.

Note "J"	
OTHER NON-CURRENT INVESTMENTS	
Non-Trade Investments	24,10,072
Total	24,10,072

Note:

The non-trade investments includes the investment in jewellery which has been transferred to the company at the time of takeover of running business of Dr A Lalchandani Pathology Laboratories with effect from August 31, 2017.

Note "K"	
OTHER NON-CURRENT ASSETS	
(a) Preliminary Expenses*	8,25,278
(b) Security Deposits**	11,24,512
Total	19,49,790

*The preliminary expenses includes the expenses incurred by the company for the proposed initial public issue brought out on BSE SME exchange in the month of May 2018. As per the accounting policy followed by the company, these expenses shall be amortised over a period of 5 years.

** Security deposits includes various deposits kept by the company for rentals, licences & approvals.

Arjan Lalchandani
Chairman & Managing Director
DIN - 07014579

Mohit Lalchandani
Whole Time Director
DIN - 07873508

Himanshu Mishra
Chief Financial Officer

CS Tanvi Malhotra
Company Secretary
M.No- A46127

DR. LALCHANDANI LABS LIMITED
Notes forming part of Profit & Loss Account as at 31st March, 2018

Particulars	As at 31st March, 2018
Note "Q"	
REVENUE	
(a) Sales from Services	278,63,525
Add: Duties, taxes and cess paid in respect of Goods sold	-
Total	278,63,525
Note:	
The company has taken over the business of the Dr A Lalchandani Pathology Laboratories with effect from August 31, 2017 on going concern basis. The commercial operations have started from September 01, 2017 in this public limited company.	
Note "R"	
OTHER INCOME	
(a) Miscellaneous Income	
(i) Franchisee Fee	1,00,000
(ii) Interest on Security Deposit	77,700
(iii) Professional Income	1,10,000
Total	2,87,700
Note "S"	
COST OF MATERIAL CONSUMED	
Opening Stock of Consumables	20,55,600
Add: Purchases During the Year	65,71,740
Add: Direct Expenses	3,38,275
Less: Closing Stock	27,12,219
Total	62,53,396
Note "V"	
EMPLOYEE BENEFITS EXPENSE	
(a) Salaries and Wages	
(i) Salaries, wages and bonus	29,33,870
(ii) Director remuneration	19,20,000
(b) Staff Welfare Expenses	1,05,101
Total	49,58,971
Note "W"	
FINANCE COSTS	
(a) Interest Expenses	14,37,771.00
(b) Bank Charges	1,55,245
Total	15,93,016
Note "X"	
DEPRECIATION & AMORTISATION EXPENSES	
(a) Depreciation of property, plant and equipments	13,03,039
(b) Amortisation of Intangible assets	4,849

DR. LALCHANDANI LABS LIMITED
Notes forming part of Profit & Loss Account as at 31st March, 2018

Particulars	As at 31st March, 2018
Total	13,07,888
Note "Y"	
OPERATING AND OTHER EXPENSES	
Advertisement Expenses	7,11,223
Audit Fees	1,00,000
Statutory Audit Fees	50,000
Tax Audit Fees	50,000
Business Promotion Expense	2,93,717
Conveyance	2,04,813
Consumable Stores	33,500
Electricity & Water Expenses	6,73,107
Office Expenses	53,063
Insurance Expenses	43,480
Professional Expenses	12,72,500
Legal Charges	65,555
Laboratory Testing Charges	34,74,365
Rent	10,19,000
Repair & Maintenance	3,86,120
Telephone and Internet Expenses	1,45,154
Newspaper and Periodicals	4,450
Printing and Stationery	1,57,663
Contractual Charges	12,43,286
Other Expenses	6,10,855
Total	104,91,852

Arjan Lalchandani
Chairman & Managing Director
DIN : 07014579

Mohit Lalchandani
Whole Time Director
DIN : 07873508

Himanshu Mishra
Chief Financial Officer

CS Tanvi Malhotra
Company Secretary
M.No,- A-46127

Balance Sheet as at 31st March, 2018
Notes forming part of Balance Sheet as at 31st March 2018

Note "H" : Tangible Assets / Depreciation

Description of Tangible Assets	Rate of Depreciation	Gross Block				Depreciation			Net Block	
		As at 01.09.2017	Additions	Deletions	As at 31.03.2018	As at 01.04.2017	For the Year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Tangible Assets										
Centaur Xp	4.94%	26,42,498	-	-	26,42,498	-	1,30,435	1,30,435	25,12,063	-
Xray Polysko-5	4.89%	3,24,573	-	-	3,24,573	-	15,886	15,886	3,08,687	-
Cr System (Digital)	4.97%	5,50,375	-	-	5,50,375	-	27,330	27,330	5,23,045	-
Mobile Xray	4.59%	1,02,881	-	-	1,02,881	-	4,722	4,722	98,159	-
Ultrasound Machine Accusen Pe 300	6.61%	6,54,465	-	-	6,54,465	-	43,237	43,237	6,11,228	-
S Part Bechman Coulter	6.79%	1,80,625	-	-	1,80,625	-	12,259	12,259	1,68,366	-
Autoclave	6.56%	19,914	-	-	19,914	-	1,306	1,306	18,608	-
Semi Automated Coagulation Analyzer	5.25%	1,07,364	-	-	1,07,364	-	5,639	5,639	1,01,725	-
Desktop Computers	17.81%	2,08,000	-	-	2,08,000	-	37,042	37,042	1,70,958	-
Air Conditioners Split	5.45%	5,68,385	-	-	5,68,385	-	30,971	30,971	5,37,414	-
Air Conditioners(Vrv)			-	-		-				-
Genset	4.18%	2,52,875	-	-	2,52,875	-	10,562	10,562	2,42,313	-
Civic Car	27.05%	7,48,140	-	-	7,48,140	-	2,02,385	2,02,385	5,45,755	-
Mobile Phones Executives	21.77%	-	27,000	-	27,000	-	5,877	5,877	21,123	-
D10	4.26%	-	9,02,701	-	9,02,701	-	38,481	38,481	8,64,220	-
Attendance Machine	5.54%	8,000	-	-	8,000	-	443	443	7,557	-
Barcode Printer	5.59%	48,000	-	-	48,000	-	2,683	2,683	45,317	-
Lab Software	10.64%	2,63,848	30,000	-	2,93,848	-	31,257	31,257	2,62,591	-
UPS	5.54%	70,599	9,500	-	80,099	-	4,439	4,439	75,660	-
Heater	5.54%	-	11,495	-	11,495	-	637	637	10,858	-
Tritek 1 Qc	5.83%	41,724	-	-	41,724	-	2,434	2,434	39,290	-
Car Battery	2.49%	-	16,400	-	16,400	-	408	408	15,992	-
Building	3.49%	-	97,92,000	-	97,92,000	-	3,41,911	3,41,911	94,50,089	-
Renault Car	13.57%	-	7,23,000	-	7,23,000	-	98,146	98,146	6,24,854	-
Bus	11.67%	1,17,031	-	-	1,17,031	-	13,654	13,654	1,03,377	-
Other Plant And Machinery	7.01%	15,24,570	2,55,004	1,95,717	15,83,857	-	1,11,026	1,11,026	14,72,831	-
Furniture, Fixture And Fittings	7.08%	18,16,664	18,330	781	18,34,213	-	1,29,870	1,29,870	17,04,343	-
Intangible Assets										
Website	9.71%	24,937	25,000	-	49,937	-	4,849	4,849	45,088	-
Total		102,75,468	118,10,430	1,96,498	218,89,400	-	13,07,888	13,07,888	205,81,512	-

Notes to accounts forming part of the Balance Sheet as at 31st March, 2018 and Statement of Profit and Loss for the year ended on that date.

Notes on Accounts

GENERAL INFORMATION

Dr. Lalchandani Labs Limited (“the Company”) is a public company domiciled in India and incorporated on August 02, 2017 under the provisions of the Companies Act, 2013. The Company is engaged in the business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, hematology, histopathology, microbiology, electrophoresis, immunology, virology, cytology, and other pathological and radiological investigations.

The Company was incorporated as a Public Limited Company with effect from August 02, 2017 and consequently the Company has taken over the running business of Dr A Lalchandani Pathology Laboratories (Partnership firm) on going concern basis with effect from August 31, 2017. The equity shares of the Company are listed on the Bombay Stock Exchange.

The registered address and principal place of business of the Company is M-20, Basement, Greater Kailash –I, New Delhi- 110048.

SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

In accordance with the notifications issued by the Ministry of Corporate Affairs, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 & read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

2.2 Basis of preparation and presentation

These financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for trade allowances for deduction, rebates and other similar allowances. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

2.3.1 Laboratory income

Medical testing charges consists of fees received for various tests conducted in the field of pathology and radiology and are recognized on accrual basis when the samples are registered for the purpose of conducting the tests, net of discounts, if any.

2.3.2 Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.4 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

2.4.1 The Company as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

2.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

2.6 Employee benefits

Employee benefits include provident fund, gratuity, ESIC, Group Health Insurance, Accidental Insurance for runners and compensated absences.

2.6.1 Defined contribution plan

Employee benefit under defined contribution plan comprising of provident fund is recognised based on the amount of obligation of the Company to contribute to the plan. The provident fund contribution is paid to provident fund authorities. The amounts are expensed during the year.

2.6.2 Defined benefit plan

The Company's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the prevailing market yields on government securities as at the balance sheet date.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement

recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in Statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The company was incorporated in August 2017 and had recruited the employees with effect from September 01, 2017. The company has not provided for any provision for gratuity in their books of accounts for the financial year ended March 31, 2018.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The Company intends to take the various policies with insurer managed funds to meet its obligation towards gratuity. Liability with respect to the gratuity plan is determined based on an actuarial valuation done by an independent actuary.

The gratuity benefit obligation recognised in the standalone Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months from the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- a) In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- b) In case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months from the end of the period in which the employee renders the related service are recognised as a liability at the present value of the obligation as at the Balance Sheet date.

Income tax expense represents the sum of the tax currently payable and deferred tax

2.7.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.7.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternate Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.8 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

The cost of Property, plant and equipment (PPE) comprises its purchase price net of any

trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The other repairs and maintenance of revenue nature are charged to profit or loss during the reporting period in which they are incurred.

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment. If the reasons for previously recognised impairment losses no longer exists, such impairment losses are reversed and recognised in income. Such reversal shall not cause the carrying amount to exceed the amount that would have resulted had no impairment taken place during the preceding periods.

Depreciation methods, estimated useful lives and residual value

Depreciation on all assets is provided using the Written Down Value (WDV) Method at the rates computed based on the useful lives of the assets estimated by the management on a pro-rata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives.

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

S.No	Asset Description	Estimated Life of Asset (in years)
1.	Building	15
2.	Plant and Equipment	8-13
3.	Computers	3
4.	Office Equipment	5
5.	Vehicles	8-10
6.	Furniture and Fixtures	8-10
7.	Intangible Assets	3-5

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

All assets, the individual written down value of which at the beginning of the year is Rs. 5,000 or less, are depreciated at the rate of 100%. Assets purchased during the year costing Rs. 5,000 or less are depreciated at the rate of 100%.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

2.9 Intangible assets

2.9.1 Intangible assets acquired separately

Trademarks and software are carried at cost which is incurred and stated in the relevant license agreement with the technical know-how provider less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.9.2 Amortisation methods and useful lives

Trademarks and software are amortised on a straight line basis over its estimated useful life i.e. 5 years. An intangible asset is derecognised when no future economic benefits are expected from use.

2.10 Inventories

Inventories comprise of reagents, chemicals, surgical and laboratory supplies and stores and others and are valued at lower of cost and net realizable value. Cost is determined on moving weighted average basis.

2.11 Provisions, contingent liability and contingent asset

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

2.12. Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

2.12.1 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.13 Earning per share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.14 Operating cycle

The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

2.16 Dividends

The company has not declared any dividend for the financial year 2017-2018.

2.17 Use of estimates and judgements

The preparation of financial statements in conformity with AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

2.18 Related Party Disclosures

I. Names of related parties and related party relationship

a. Entities in which key managerial personnel can exercise significant influence

1 CPC Blood Bank

b. Key Managerial Personnel

- 1 Dr Arjan Lalchandani - Chairman and Managing Director
- 2 Mr. Mohit Lalchandani - Whole time Director
- 3 Mr. Himanshu Mishra - Chief financial officer
- 4 Mrs. Tanvi Malhotra - Company Secretary

c. Relatives of Key Managerial Personnel

- 1 Sh. Vishnu Lalchandani
(Brother of Dr. Arjan Lalchandani)
- 2 Ms. Geetika Bhatia
(Daughter of Dr. Arjan Lalchandani)
- 3 Mrs. Anchal Gupta
(Wife of Mr. Mohit Lalchandani)

Information on related party transactions as required by Accounting Standard (AS)-18 for the year ended 31st March, 2018

S.No.	Particulars	Associated Enterprises where Influence / control exist (Rs.)		Relatives to Director/MD/Key persons (Rs.)		Key Managerial Persons(Rs.)	
		Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year
1	Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	19,20,000
2	Expenses Reimbursements	NIL	NIL	NIL	NIL	NIL	3,18,636
3	Sale of Goods	NIL	NIL	NIL	NIL	NIL	NIL
4	Purchase of Goods	NIL	NIL	NIL	NIL	NIL	NIL
5	Commission to Non-Executive Director	NIL	NIL	NIL	NIL	NIL	NIL
6	Sitting Fees Paid to Non-Executive	NIL	NIL	NIL	NIL	NIL	10,000

	Director						
7	Other Services	NIL	NIL	NIL	NIL	NIL	NIL
8	Donation	NIL	NIL	NIL	NIL	NIL	NIL
9	Purchase of Assets	NIL	NIL	NIL	NIL	NIL	NIL
10	Amount Receivables	NIL	NIL	NIL	NIL	NIL	NIL
11	Amount Payable	NIL	NIL	NIL	NIL	NIL	7,17,636

For AASM & CO.
Chartered Accountants
FRN: 030481N

For and on behalf of DR LALCHANDANI LABS LIMITED

CA Ashish Arora
Partner
Membership No. 516241
H-7, Green Park Extension,
New Delhi-110016
Place : New Delhi
Date : September 04, 2018

Arjan Lalchandani
Chairman & Managing Director
DIN: 07014579

Mohit Lalchandani
Whole Time Director
DIN: 07873508

DR LALCHANDANI LABS LIMITED

Cash Flow Statement for the Year Ended 31.03.2018

(Rs. In Lakhs)

	<u>Particulars</u>	<u>Amount</u>
A	<u>Cash Flow From Operating Activities</u>	
	Net Profit/(Loss) Before Tax	35.46
	Adjustment For:	
	Preliminary Expenses	2.06
	Provision for Interest on TDS	0.20
	Depreciation	13.08
	Interest Expenses	14.38
	Interest Income	-0.78
	<u>Operating Profit Before Working Capital Changes</u>	64.40
	 <u>Changes in Working Capital</u>	
	Change in Sundry Debtors	-51.12
	Change in Other Current Assets & Non Current Assets	24.03
	Change in Trade Payables	30.51
	Change in Inventory	-8.65
	Change in Other Current Liabilities	5.23
	Changes in Security Deposits	-11.32
	Change in Short Term Loans and Advances	5.11
	Direct Taxes Paid	0.00
	<u>Net Cash Flows From Operating Activities(A)</u>	58.19
B	<u>Cash Flow From Investing Activities</u>	
	Purchase of Fixed Assets (Net)	-129.59
	Purchase of Intangible Assets (Net)	-0.50
	Loans repaid	0.00
	Interest Received	0.78
	<u>Net Cash Flow From Investing Activities (B)</u>	-129.31
C	<u>Cash Flow From Financing Activities</u>	
	Proceeds From Issue of Equity Shares	213.62
	Proceeds From Long Term Borrowings	-32.87
	Proceeds from Short Term Borrowings	-9.87
	Interest Paid	-14.38
	<u>Net Cash Flow From Financing Activities (C)</u>	156.51
	 <u>Net Change in Cash (A+B+C)</u>	85.38
	Cash and Cash Equivalents at the Beginning of Year	5.48
	<u>Cash and Cash Equivalents at the End of Year</u>	90.86

Total shareholding of Promoter (A) (A)(1)+(A)(2)	0	3	3	42.86	0	2633810	2633810	89.80	46.94
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign	0	0	0	0	0	0	0	0	0
i) Venture Capital Funds	0	0	0	0	0	0	0	0	0
j) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	4	4	57.14	0	30006	30006	1.02	(56.12)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	269252	269252	9.18	9.18
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	4	4	57.14	0	299258	299258	10.20	(46.94)

Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	7	7	100	0	2933068	2933068	100	0

(ii) Shareholding of Promoters and Promoters group

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Dr. Arjan Lalchandani	1	14.29	0	2386851	81.38	0	67.09
2	Mr. Mohit Lalchandani	1	14.29	0	210807	7.19	0	(7.10)
3	Mrs. Anchal Gupta	1	14.29	0	36152	1.23	0	(13.06)

(iii). Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	3	42.86	2633810	89.80
Sale				
Purchase				
At the End of the year	2633810	89.80	2633810	89.80

(iii) Shareholding Pattern of top ten Shareholders (other than Directors and Promoters):

Sr.No.		Shareholding at the beginning of the year 02/08/2017		Cumulative Shareholding during the year 31/03/2018	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Dr. Harsh Kapoor				
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the year	-	-	150000	5.11
2	Manav Kapoor	-	-	-	-
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the Year	-	-	50252	1.71
3	Ajay Kumar Sehgal	-	-	-	-
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the Year	-	-	25500	0.87
4	Ramesh Kumar Thapar				
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the Year	-	-	18000	0.61

5	Dinesh Sharma				
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the Year	-	-	15000	0.51
6	Ramesh Kumar Gambhir				
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the Year	-	-	10500	0.36
7	Saurabh Sehgal				
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the Year	-	-	7502	0.26
8	Asha Rani Kahar				
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the Year	-	-	7500	0.26
9	Anil Khosla				
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the Year	-	-	7500	0.26
10	Niraj Kishore Jain				
	At the beginning of the year	-	-	-	-
	Purchase	-	-	-	-
	At the end of the Year	-	-	4500	0.15

(iv) Shareholding of Directors and Key Managerial Personnel:

Sr.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dr. Arjan Lalchandani	1	14.29	2386851	81.38
	At the beginning of the year				
	At the End of the year	-	-	2386851	81.38
2.	Mr.Mohit Lalchandani	1	14.29	210807	7.18
	At the beginning of the year				
	At the End of the year			210807	7.18
2.	Mrs. Anchal Gupta	1	14.29	36152	1.23
	At the beginning of the year				
	At the End of the year	-	-	36152	1.23

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
*Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	N.A	-
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	-	-	NA	-
Change in Indebtedness during the financial year				
• Addition	-	-		-
• Reduction	-	-	N.A	-
Net Change	-	-	N.A	-
Indebtedness at the end of the financial year				
i) Principal Amount	111,58,828.64	70,77,398.23	NA	182,36,226.87
ii) Interest due but not paid	-	1,97,631.00		1,97,631.00
iii) Interest accrued but not due	68,193.00	57,990.00		1,26,183.00
Total (i+ii+iii)	112,27,021.64	73,33,019.23	NA	1,85,60,040.87

* Dr Lalchandani Labs Limited has taken over business of Dr A Lalchandani Pathology Laboratories on 31st August, 2017 after being incorporated as a Public Limited Company on 2nd August, 2017.

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Directors:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Executive Director			Total Amount
		Dr Arjan Lalchandani (Managing Director)	Mohit Lalchandani (Whole Time Director)	Anchal Gupta (Executive Director) From August 2017- January, 2018	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act,	7,20,000	9,00,000	3,00,000	19,20,000
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total (A)	7,20,000	9,00,000	3,00,000	19,20,000
	Ceiling as per the Act	10% of Net Profit for all Executive Directors - Managing and Whole Time Director; 5% of Net profit to any one Managing or Whole Time Director			

B. Remuneration to other directors:

Sr. no.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Mr. Rajiv Handa	Mr. Jagmohan Gupta	
	• Fee for attending board / committee meetings	Nil	10,000	10,000
	• Commission	Nil	Nil	Nil
	• Others, please specify			
	Total (1)	Nil	10,000	10,000
2	Other Non-Executive and Non-Independent Directors	Mrs. Anchal Gupta		
	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	10,000	10,000	10,000
	Total Managerial Remuneration	10,000		10,000
	Overall Ceiling as per the Act	1% of Net Profit of the Company for all Non- Executive Directors		

B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NA	54,000	75,000	1,29,000
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	NA	54,000	75,000	1,29,000

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Against the Company, Directors and other Officer in Default under the Companies Act, 2013: NONE

Annexure-II

COMPOSITION OF THE BOARD OF DIRECTORS

The composition of the Board of as on 31st March 2018 was as follows:

Category	No. of Directors
Executive Directors	2
Non-Executive Women Director	1
*Independent Non-Executive Directors	2
Total	5

During the year under review, Mr. Mohit Lalchandani was designated as Whole time director of the company and Dr Arjan Lalchandani was designated as Managing Director for the Company. Further, Mrs. Anchal Gupta have been re-designated as Non-Executive Director during the year under review.

During the year, Mr. Rajiv Handa and Mr. Jagmohan Gupta were appointed as Independent Directors for the company.

* Mr. Jagmohan Gupta resigned from the company on 18th day of August, 2018 and above numbers are as at 31st March, 2018. Appointment of Independent Director to fill vacancy caused due to resignation of Mr. Jagmohan Gupta is awaiting shareholders' approval in the ensuing Annual General Meeting.

By the order of Board of
For Dr Lalchandani Labs Limited
Date : 4th September, 2018
Place : New Delhi

Dr Arjan Lalchandani
Managing Director
DIN : 07014579

ANNEXURE-III

CFO CERTIFICATION

To,
Board of Directors,
DR LALCHANDANI LABS LIMITED

In accordance with Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we certify that:

- A. I have reviewed financial statements and the cash flow statement for the year ending 31st March, 2018 and that to the best of their knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Himanshu Mishra
Chief Financial Officer

Date: - 4th September, 2018
Place:- New Delhi

ANNEXURE-IV

DECLARATION REGARDING CODE OF CONDUCT

All Board Members and Senior Management Personnel have, for the year ended March 31, 2018 have affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place:-New Delhi
Date: - 04th September, 2018

**FOR AND ON BEHALF OF BOARD OF
DIRECTORS**

DR ARJAN LALCHANDANI
(Managing Director)
(DIN: 07014579)

ANNEXURE V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

India has been one of the fastest growing diagnostic and pathology laboratories markets over the past few years. Several factors that are acting as drivers for the market are rise in spending's for health care, increasing awareness of health related concerns, high prevalence of diseases and penetration of health care insurance.

On the basis of the tests performed by various laboratories, the overall India diagnostic and pathology laboratory market has been segmented into radiology and pathology tests by test type. These test types are further segmented on the basis of type of test and source for tests. By source of test, pathology tests have been segmented into blood, urine, stool, and body tissue.

Also, in the developed markets, the diagnostics business is of a B2B kind. The touch point for patients is primarily the hospitals, which in turn outsource their test processing requirements to the laboratories. In India, the diagnostics business is of a B2C kind, as patients here directly approach the pathology labs to get themselves tested. At times, tests are also conducted without a doctor's prescription.

BUSINESS OVERVIEW

Our Company was originally incorporated as partnership firm at New Delhi vide Partnership Agreement dated 15th Day of September, 2011 in the name of Dr. A Lalchandani Pathology Laboratories. Thereafter, the Partnership Firm was taken over by Dr Lalchandani Labs Limited incorporated under the provisions of Companies Act, 2013 vide certificate of Incorporation dated 2nd August, 2017 issued by the Registrar of Companies, Delhi vide agreement dated 31st August, 2017. The Corporate Identification Number of our Company is L85320DL2017PLC321605.

Our Company is formed to set up, engage, collaborate, acquire, purchase, maintain, open collection centres, conduct, manage, administer, own, run laboratories for the purposes of carrying out pathological investigations of various branches of Bio-Chemistry, Hematology, Histopathology, Microbiology, Electrophoresis, Virology, Cytology, other pathological Investigations and Immunoassay, Immuno-Histochemistry, Molecular Pathology, DNA & Genetic Testing etc.

We are a provider of diagnostic and related healthcare tests and services in Delhi/NCR. Through our integrated network, we offer patients and healthcare providers a broad range of diagnostic and related healthcare tests and services for use in core testing, patient diagnosis and the prevention, monitoring and treatment of disease and other health conditions. Our customers include individual patients, hospitals and other healthcare providers and corporate customers.

Diagnostic healthcare testing is an essential element in the delivery of healthcare services, as it provides healthcare service providers with useful information for the diagnosis and treatment of diseases.

We focus on providing patients quality diagnostic and related healthcare tests and services. We believe our focus on the patient as a customer is a critical differentiator in the diagnostic and healthcare industries and, together with what we believe is our brand's recognition for quality diagnostic services, results in individuals and healthcare providers choosing us as their diagnostic healthcare service provider.

Our Company, a NABL Accredited Lab has established itself within Delhi/NCR various self-sufficient Labs and multiple collection centers.

Our Company has its own Blood Banking services through its sister concern CPC blood bank founded by Dr A Lalchandani himself in 1987.

Our setup at Greater Kailash-Part 1 is having technology in Diagnostics and boasts of being aesthetically one of the most beautiful diagnostic centers in India offering one-stop complete services such as pathology, X-ray, TMT, Ultrasound, 2D-echo, Doctor Consultations, Medical Fitness Examinations etc.

We have recently set up a new lab and a diagnostic centre at Punjabi Bagh New Delhi to cater customers from the West Delhi region.

SEGMENT WISE AND PRODUCT WISE PERFORMANCE

SEGMENT WISE DETAILS

Segment	Sales (in figures) ₹.	Sales (in %)
B2B Sales	1,79,25,317.80	64.33
B2C Sales	99,38,206.20	35.67
Total	2,78,63,524.00	100

PRODUCT WISE DETAILS

Since our company deals with provision of services of a pathology lab and a diagnostic centre, this section is not applicable to our company.

FINANCIAL PERFORMANCE

Since the Company got incorporated in August 2017 it does not have anything to compare with its past performance.

As far as the Financial Year 2017-2018 is concerned the company has earned revenue of Rs. 2,78,63,525 (Two Crores Seventy Eight Lakhs Sixty Three Thousand Five Hundred and Twenty Five rupees) from its operational activities. Our Earnings before Interest, Depreciation and Taxes for the year under review is Rs. 64,47,006 (Sixty Four Lakhs Forty Seven Thousand and Six).

Our company has a Net profit of Rs. 26,24,115 (Twenty Six Lakhs Twenty Four Thousand and One Hundred and Fifteen rupees) after accounting for interest, taxes and depreciation.

Opportunities and Threats

Opportunities

There are many aspects in the diagnostics industry in our country which provide huge growth opportunity. These are-

- Corporate Health Check ups
- Consistently increasing sample load at main lab strengthens negotiation with suppliers to give better prices for reagents improving costings and better profit margins
- Increasing B2C presence
- Lack of customer centricity in many labs
- Lack of awareness of quality parameters in consumers is an opportunity for Good Labs like us to take charge in awareness campaigns for building good reputation with consumers.

Threats

- Few VC funded Online Startups eroding prices in market with negative cash flows and discount funded strategies.
- B2B clients such as Hospital Lab management businesses not reliable as key position changes in hospital may influence change of lab vendors OR the hospital may choose to bring departments in-house.
- Low Barriers to entry
- Lack of regulation and licensing of Labs and lack mandatory quality norms hampers opportunities for quality labs.
- Highly competitive market with presence of both local and national players everywhere
- Highly price sensitive market.
- Lack of awareness of quality parameters to differentiate between labs

STRENGTHS

- Company Experience of 32 years with highly experienced staff retained
- Good Personal Brand Name of Dr A Lalchandani in Delhi/NCR
- Strong ties with many hospitals, doctors and nursing homes
- Customization of services for greater customer satisfaction
- Home Collection of Samples across Delhi/NCR
- Good customer follow up in dormant Stages - reminders for periodic health check-ups
- Good Online & Social Media presence in South Delhi currently
- Good Word of mouth from Doctors network about Dr Lalchandani labs Limited
- Nimble organization & management eager to adopt and change to respond to changing needs of market and customers.
- Personal Touch and active involvement of Founder and chief pathologist Dr Arjan Lalchandani
- Management is young and enterprising and open to explore all business opportunities with open mind.
- Highly Customer centric and constantly thinking of improving user experience.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Company has adequate internal financial controls in place. Our board of Directors ensure efficient conduct of business and adhere to the policies of the company thereby ensuring maintenance of timely and reliable accounting records and disclosures.

DETAILS OF MATERIAL DEVELOPMENTS AFTER THE BALANCE SHEET DATE

Our company has raised a sum of Rs. 4,20,00,000 (Four Crores and Twenty Lakhs) by allotting 14,00,000 (Fourteen Lakh) equity shares of Rs. 10 each at a premium of Rs. 20 per share through Initial Public Offer and successfully listed securities of our company on BSE-SME platform.

We have also inaugurated our newly set up pathology laboratory and diagnostic centre at Punjabi Bagh in West Delhi which started its commercial operation in the month of August, 2018.

R ARORA & ASSOCIATES | Company Secretaries

Phone No: 9654799269 | E-mail id: csrupaliarora2992@gmail.com

SECRETARIAL AUDIT REPORT

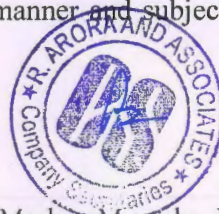
For the Financial Year ended on 31/03/2018

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To
The Members
Dr Lalchandani Labs Limited
M-20 Basement, Greater Kailash-1,
New Delhi-110048

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dr Lalchandani Labs Limited** [CIN-L85320DL2017PLC321605] (hereinafter called the company). Secretarial Audit is conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification pertaining to **Dr Lalchandani Labs Limited's** books, papers, minute books, forms and returns filed & other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in my/our opinion, the company has during the audit period covering the financial year ended on 31/03/2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:



We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31/03/2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) On the basis of various information, documents, records, etc. produced before us, we have formed an opinion that various provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under in relation to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the company as these events have not occurred in the company;
- (v) The following Regulations and Guidelines prescribed by the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **[Not applicable as there was no reportable event during the period under review/consideration]**
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and



H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015. [Not applicable for the period under review/consideration]

We have also examined compliance with the applicable clause of the following:

- 1) Secretarial Standards with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- 2) Labour Laws.
- 3) As declared by the management, company has planned to set up provisions for Gratuity for employees as per The Payment of Gratuity Act, 1972 and the process for setting up a gratuity fund are under process.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and as informed to us the following other Laws are specifically applicable to the Company:

- a) Medical waste management and handling rules, 1998

We report that:

In respect of other laws specifically applicable to the Company, We have relied on information/records produced by the Company during the course of our audit and the reporting is limited to that extent.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda and a system exists for seeking and obtaining further



- information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the board were unanimous and recorded as part of the minutes.

On the basis of information provided, we further report that during the audit period the company has done some major activities pertaining to the increase in authorised capital & paid up capital. The Company has also made a right issue and bonus issue of shares during the financial year under review. The company has complied with all the applicable provisions of the Companies Act, 2013 in regards to this issue. The amount raised by this issue has been utilized for the specified purposes and further there were no instances of:

- a. Redemption / buy-back of securities
- b. Merger / amalgamation / reconstruction, etc.
- c. Foreign technical collaborations

It is further informed for reporting purposes that the Company does not have any pending litigations which would impact its financial position except for the arbitration claim filed by the company against Shanti Mukund Hospital for recovery of pending dues.

It is further informed for reporting purposes that the company has acquired a property by way of an agreement to sell during the financial year 2017-18. As per the representations from the management, the sale deed shall be entered in the name of the company during financial year 2018-19.

We further report that there is scope to improve the systems and processes in the company and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For R Arora & Associates
Company Secretaries**




Rupali Arora
(Proprietor)
ACS - 50163
COP - 18441

Date: 04/09/2018
Place: New Delhi

DR LALCHANDANI LABS LIMITED
CIN - L85320DL2017PLC321605
Regd. Off.: M-20, 20 BASEMENT, GREATER KAILASH-1, NEW DELHI
Email: info@lalchandaniopathlab.com, Website:
www.lalchandaniopathlab.com , #-01149057058/59

ATTENDANCE SLIP

(To be presented at the entrance)

ANNUAL GENERAL MEETING ON FRIDAY, NOVEMBER 2, 2018 AT 3.00 P.M.
6C, EAST DELHI, OPPOSITE POLICE HEAD QUARTERS, PATPARGANJ, NEW DELHI-110092
Email: info@lalchandaniopathlab.com

Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member _____ Signature _____

Name of the Proxy holder _____ Signature _____

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014 - Form No.MGT-11)

Name of the Member(s):
 Registered address:
 E-mail Id:
 Folio No. / Client ID No. :
 DP ID No

I / We, being the holder(s) ofShares of Dr Lalchandani Labs Limited, hereby appoint:

1. Name:
 E-mail Id:
 Address:
 Signature: _____; or failing him
2. Name:
 E-mail Id:
 Address:
 Signature: _____; or failing him
3. Name:
 E-mail Id:
 Address:
 Signature: _____.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company to be held on Friday, 2nd November, 2018 at 3.00 P.M. at 6C, East Delhi, Opp. Police Headquarter, Patparganj, Delhi-110092 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

For Vote-See Note No-3

Resolution No.	Resolutions	Nature of Business	For	Against
1	To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March,2018 including Audited Balance Sheet as at 31st March, 2018 and the Statement of Profit & Loss Account and Statement of Cash Flow, for the year ended as on that date together with the reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the Report of the Auditors thereon.	Ordinary		
2	To re-appoint a director Mrs. Anchal Gupta (DIN: 07873466) who retires by rotation at this annual general meeting and being eligible offers herself for re-appointment.	Ordinary		
3	To approve appointment of Statutory Auditors.	Ordinary		
4	To approve appointment of Dr Prakash Jhuraney as Independent Director of the company to pass with or without modification(s),	Special		

5	To approve appointment of Mr. Mohit Lalchandani, Whole Time Director of the Company as Chief Executive Officer of the company to pass with or without modification(s).	Special		
---	--	---------	--	--

Affix
Re.1/-
Revenue
Stamp

Signed thisday of 2018

Signature of shareholder

Signature of Proxy holder(s)

NOTES:

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at M-20 Basement, Greater Kailash, Part-1 South Delhi-110048, not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy.
3. It is optional to put a "X" in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against the Resolutions, your Proxy will be entitled to vote in the manner as He/ She thinks appropriate.

DR LALCHANDANI LABS LIMITED

CIN - L85320DL2017PLC321605

Regd. Off.: M-20 Basement, Greater Kailash-1, New Delhi-110048

Email: info@lalchandanipathlab.com, Website: www.lalchandanipathlab.com

Tel: 011-49057058
