

August 19, 2019

The National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

The Bombay Stock Exchange Limited
Corporate Relationship Department
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai – 400001

Subject: Disclosure of information under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulations"), please find attached herewith Corporate Presentation of the Company for Q1 FY 20, which the Company proposes to share with analysts/investors.

We request you to please take the same on record.

Thanking You,

Yours Faithfully,

For **Dr. Lal PathLabs Limited**



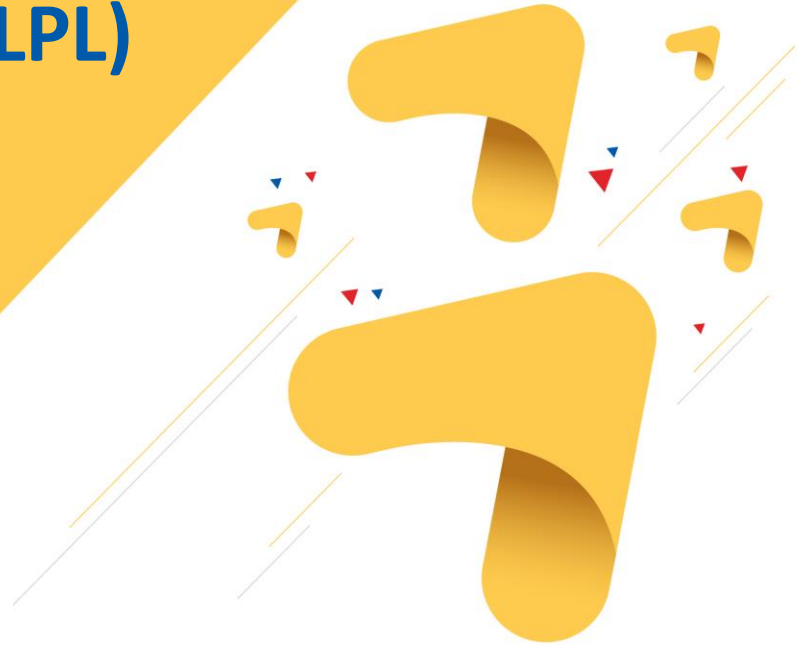
Rajat Kalra
Company Secretary and Legal Head

Encl: As above

Dr. Lal PathLabs Limited (DLPL)

Corporate Presentation

August 2019



Disclaimer

By attending the meeting / telephonic call where this presentation is made, or by reading the presentation materials, you agree to be bound by the following limitations:

The information in this presentation has been prepared by Dr. Lal PathLabs Limited (the "Company") for use in presentations by the Company at analyst and investor meetings and does not constitute a recommendation regarding the securities of the Company. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained herein. Neither the Company nor any of its advisors or representatives shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. Neither the Company nor any of its advisors or representatives is under any obligation to update or keep current the information contained herein. The information communicated in this presentation contains certain statements that are or may be forward looking. These statements typically contain words such as "will", "expects" and "anticipates" and words of similar import. By their nature forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Any investment in securities issued by the Company will also involve certain risks. There may be additional material risks that are currently not considered to be material or of which the Company and its advisors or representatives are unaware. Against the background of these uncertainties, readers should not unduly rely on these forward looking statements. The Company, its advisors and representatives assume no responsibility to update forward-looking statements or to adapt them to future events or developments.

This presentation has been prepared for informational purposes only. This presentation does not constitute a prospectus under the (Indian) Companies Act, 2013 and will not be registered with any registrar of companies. Furthermore, this presentation is not and should not be construed as an offer or a solicitation of an offer to buy securities for sale in the India. This presentation and the information contained herein does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities of the Company, nor should it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever. The securities of the Company have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered, sold or delivered within the United States or to U.S. persons absent from registration under or an applicable exemption from the registration requirements of the United States securities laws. This presentation and the information contained herein is being furnished to you solely for your information and may not be reproduced or redistributed to any other person, in whole or in part. In particular, neither the information contained in this presentation nor any copy hereof may be, directly or indirectly, taken or transmitted into or distributed in the U.S., Canada, Australia, Japan or any other jurisdiction which prohibits the same except in compliance with applicable securities laws. Any failure to comply with this restriction may constitute a violation of the United States or other national securities laws. No money, securities or other consideration is being solicited, and, if sent in response to this presentation or the information contained herein, will not be accepted.

By reviewing this presentation, you are deemed to have represented and agreed that you and any person you represent are either (a) a qualified institutional buyer (within the meaning of Regulation 144A under the Securities Act) or (b) not a U.S. person (as defined in Regulation S under the Securities Act) and are outside of the United States and not acting for the account or benefit of a U.S. person.

Table of Contents

Company overview	04
Investment highlights	10
Q1 FY20 highlights & financial performance	25
LPL strategy for future growth	35

DISCLAIMER: This presentation may contain 'forward-looking' statements at places. The Company's business operations remain subject to undetermined contingencies and risks. Dr. Lal PathLabs Limited would not be liable for any action undertaken based on such 'forward-looking' statements and does not commit to revising/updating them publicly.

Company Overview

[Dr. Lal PathLabs at a glance](#)

[Our Evolution](#)

[Dr. Lal PathLabs overview](#)

[Experienced Management team](#)



Dr. Lal PathLabs – At a glance



Professionally managed operations; 7 decades of experience in the world of diagnostics



Well diversified outside home market of 'Delhi NCR'



Created strong intrinsic shareholder value which continues till date



Longest track record of network build out, operational excellence and financial performance

**NO. 1
BRANDED
NATIONAL
DIAGNOSTICS
CHAIN WITH
HIGHEST
REVENUES
AND
PROFITABILITY**

16%

5-Year Revenue CAGR

20%

5-Year PAT CAGR

25%

Dividend Payout

70%+

ROCE
Excl. Investments

58%

Revenue
Contribution from
Rest of India

Zero

Net Debt

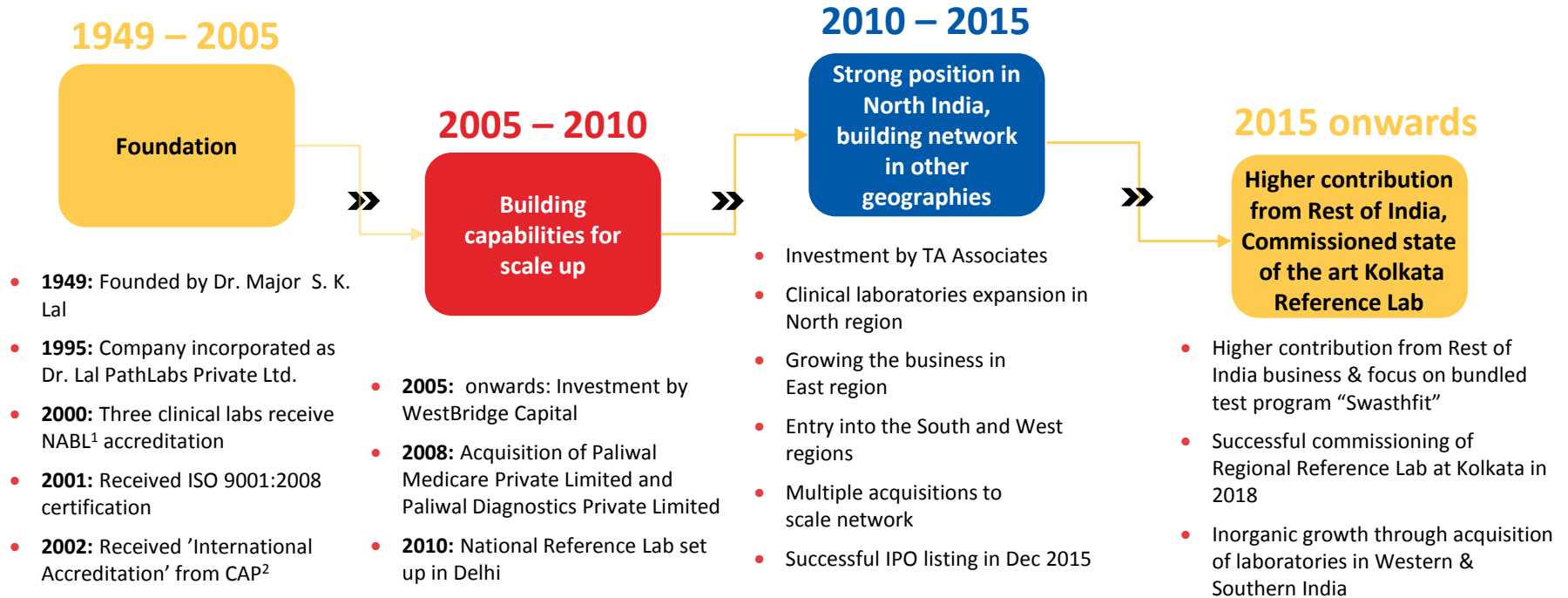
~4,900

Pathology &
Radiology tests
offered; **highest in
the industry**

**CRISIL AA-
/Stable**

Long Term Rating

Our Evolution



1. NABL: National Accreditation Board for Calibration and Testing Laboratories.
2. CAP: College of American Pathologists.

Dr. Lal PathLabs overview

Established **consumer healthcare brand in diagnostic services**

Pan-India integrated coverage with **200** clinical labs (including National Reference Lab¹ at Delhi and Regional Ref Lab at Kolkata), **2,569** Patient Service Centers (PSCs) and **6,426** Pick-up Points (PUPs)²

Catalogue of **459** test panels, **2,489** pathology tests and **1,946** radiology and cardiology tests²

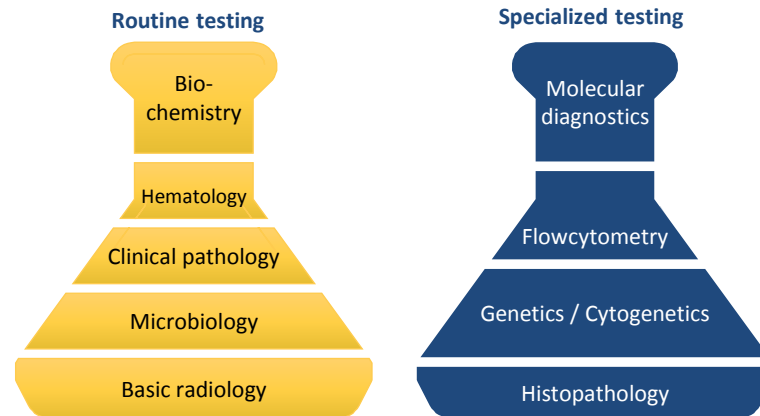
Collected and processed **~11.9 mn** samples from **~4.9 mn** patients in Q1 FY20; **~41.8 mn** samples from **~17.6 mn** patients in FY19; **~34.7 mn** samples from **~15.2 mn** patients in FY18

Customers include individual patients, corporates and institutions, healthcare providers as well as hospital and clinical labs (lab management)

~4,405 employees including full time consultants, pathologists, phlebotomists and radiologists²

FY19: Revenue: **INR 1,203.4 crore**; EBITDA: **INR 313.2 crore**³ (Margin: **26%**); PAT: **INR 200.5 crore** (Margin: **16.7%**);
FY18: Revenue: **INR 1,056.9 crore**; EBITDA : **INR 278.3 crore** (Margin: **26.3%**); PAT: **INR 171.8 crore** (Margin: **16.3%**)

Test Menu



Accreditations



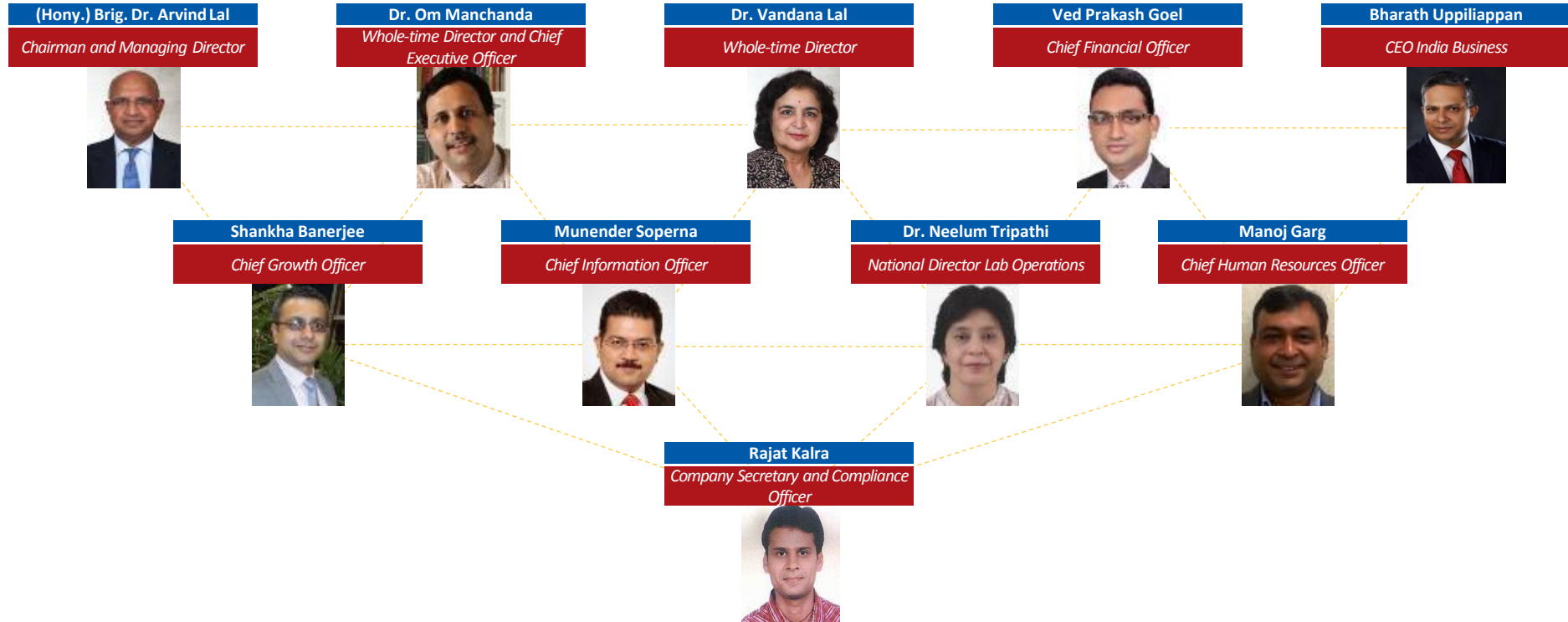
ISO15189:2007
ISO9001:2008
ISO27001:2013

1. Total area of 7,253 square meters

2. As on March 31, 2019.

3. Normalised EBITDA excl RSU and stock based comp. & CSR Cost

Experienced Management team



Investment Highlights



Investment Highlights

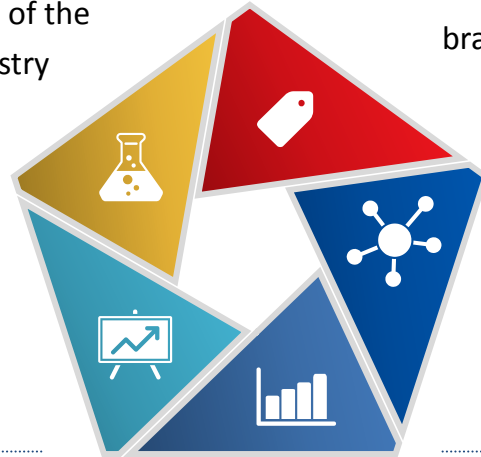
Well-positioned in one of the fastest-growing segments of the Indian healthcare industry

Established consumer healthcare brand in diagnostic services

Attractive operating metrics and multiple levers in place to drive next phase of growth

Scalable model integrated through centralized IT platform allows for network expansion

Robust financial performance and return on invested capital



Indian Healthcare Services is a large growth opportunity



1.42bn

India's expected population in 2022

USD 2,483 bn

India GDP in FY20¹

USD 273 bn

FY20 India healthcare expenditure

~74%

Private expenditure on healthcare in 2015

17.1%



US

11.2%



Germany

8.9%



Brazil

8.2%



South Africa

5.6%



Russian Federation

5.3%



China

4.3%



Singapore

3.9%



India

3.3%



Indonesia

Total Healthcare Expenditure as % of GDP (2015)

India, highly underpenetrated market

Source: CRISIL Report titled "Assessment of Diagnostics Industry in India".

1. Financial Year ending March 31st.

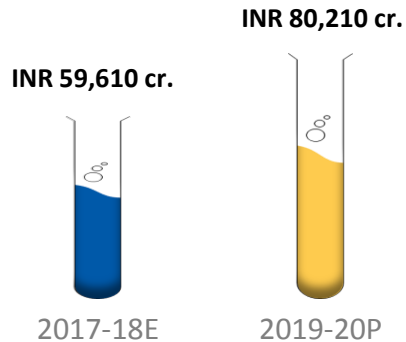
2. Source: Report of the Insurance Regulatory and Development Authority ("IRDA")

3. Source: World Health Organization Global Health Expenditure database, October 2017, 4. IMF

INR 59,610 cr. Diagnostic Services industry expected to grow to INR 80,210 cr. by FY20



Diagnostic Services Industry Size



Screening, early detection,
and monitoring reduce
downstream costs

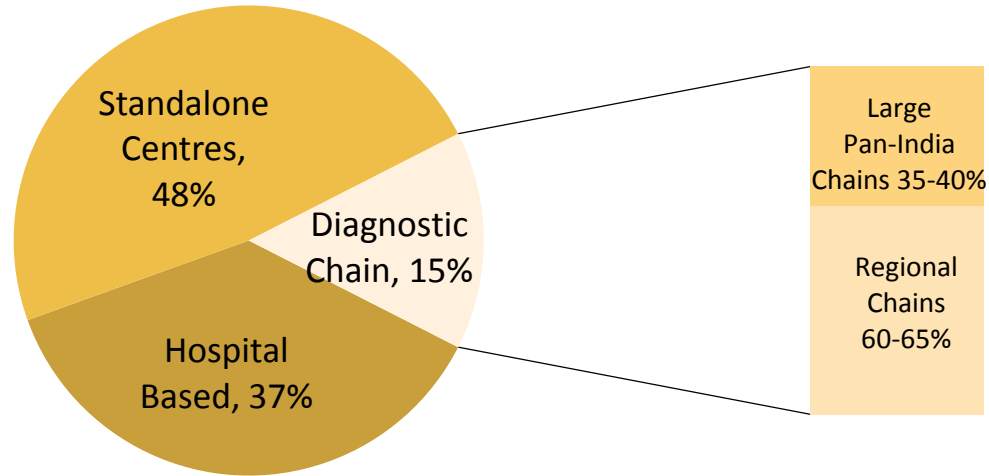
Growth Drivers



Diagnostic Services industry remains highly fragmented



Highly Fragmented Industry



Largely fragmented and unorganized

Established consumer healthcare brand in Diagnostic Services



Pillar of a Strong Brand

- Accreditations from CAP, NABL and ISO
- Centrally administered surveillance programs

Accreditations

- Coverage in metros, Tier 1 and Tier 2 cities
- Wide reach through PSCs and PUPs

Nationwide Network

- 24x7 access including online access and home collection
- Dedicated logistics team

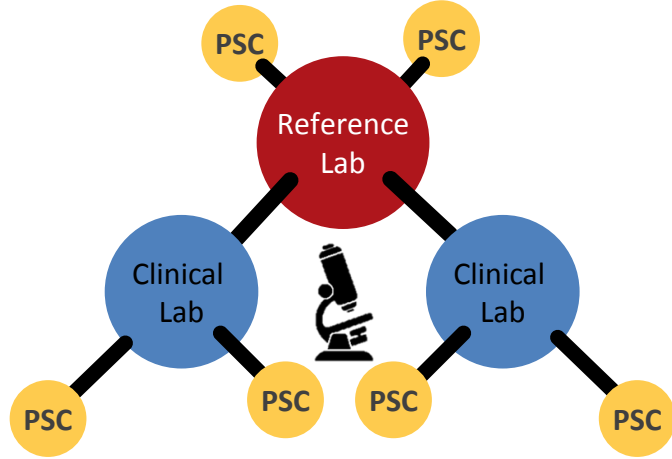
Fast Turnaround Time



Scalable Model integrated through centralized IT platform allows for network expansion

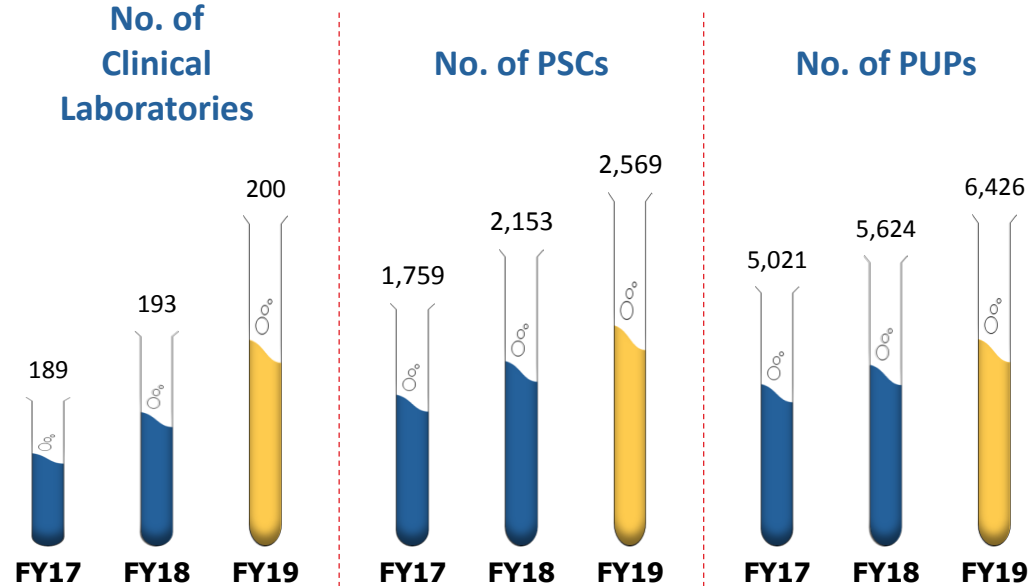


Hub and Spoke Model



- Centralized diagnostic testing provides greater economies of scale
- PSCs and PUPs facilitate penetration within region and expand reach

Network Expansion

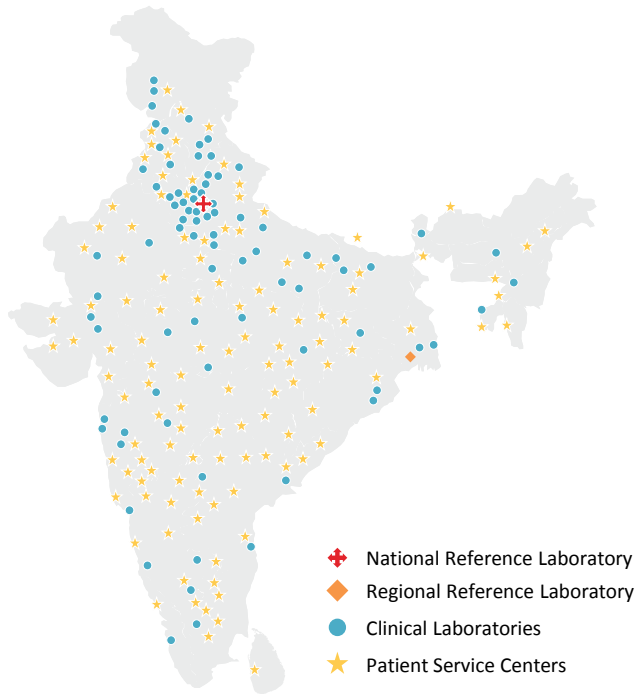


1. Includes National Reference Laboratory.

Scalable Model integrated through centralized IT platform allows for network expansion



Integrated National Network...



...backed by Centralized IT platform which fully integrated network

Enterprise Resource Planning (ERP) System

- Payables, receivables, inventory, ledgers etc.
- Scalability and connectivity – web-based

Laboratory Information Management System

- Bi-directional interface; tracks specimen collection, shipping and testing in real time
- Assigns unique ID / barcode for each sample

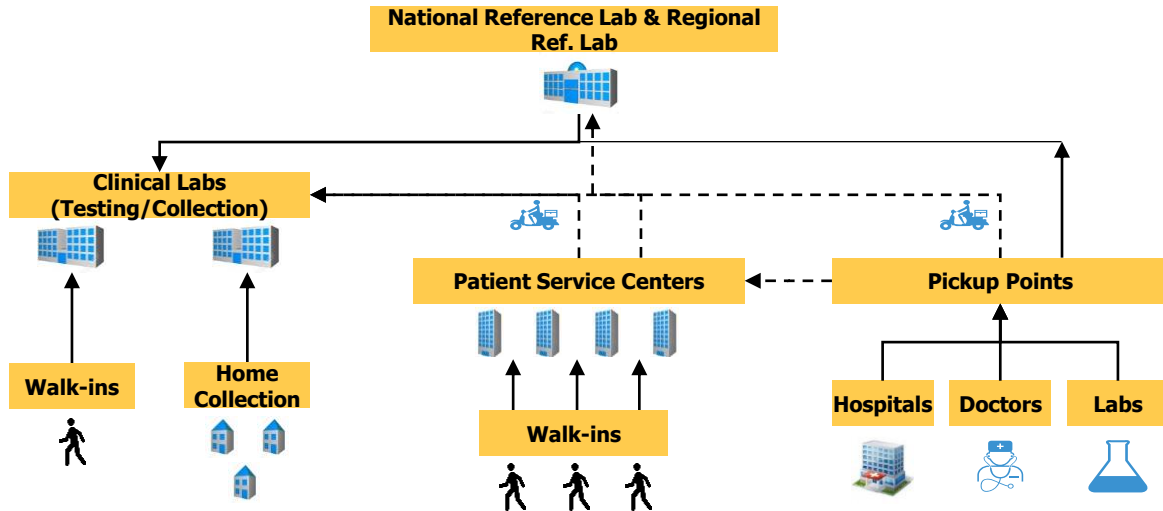
Data Collection and Analytics

- Improve diagnostic services via data analyses
- Demand for tests are analyzed using past data

Collection network



LPL's scalable business model provides strategic advantage for expansion and consolidation



Single brand pulls patients

Walk-in customers account for highest share of revenues

Diverse, large customer pool offers monetization opportunities

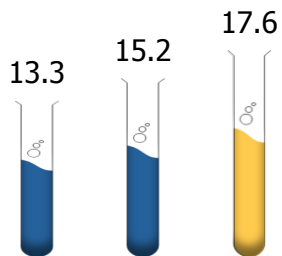
Attractive operating metrics



No. of patients

(Mn)

CAGR: 15.0%



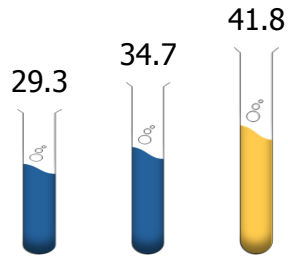
FY17 FY18 FY19

- Consumer brand and network expansion driving patient volumes

No. of samples

(Mn)

CAGR: 19.4%



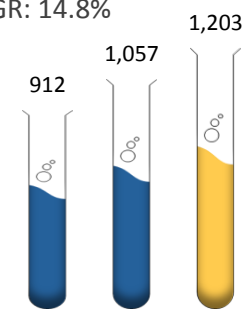
FY17 FY18 FY19

- Increase in samples with patient volumes growth

Total Revenue

(INR crore)

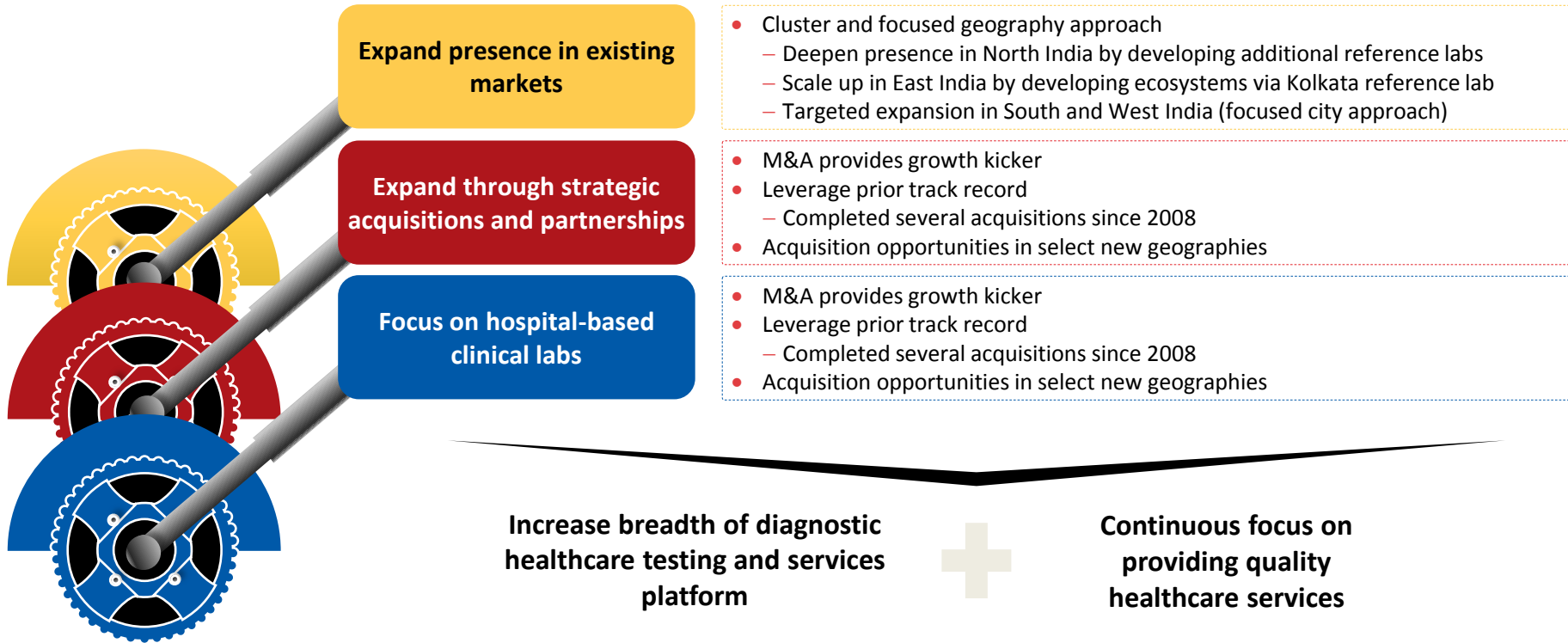
CAGR: 14.8%



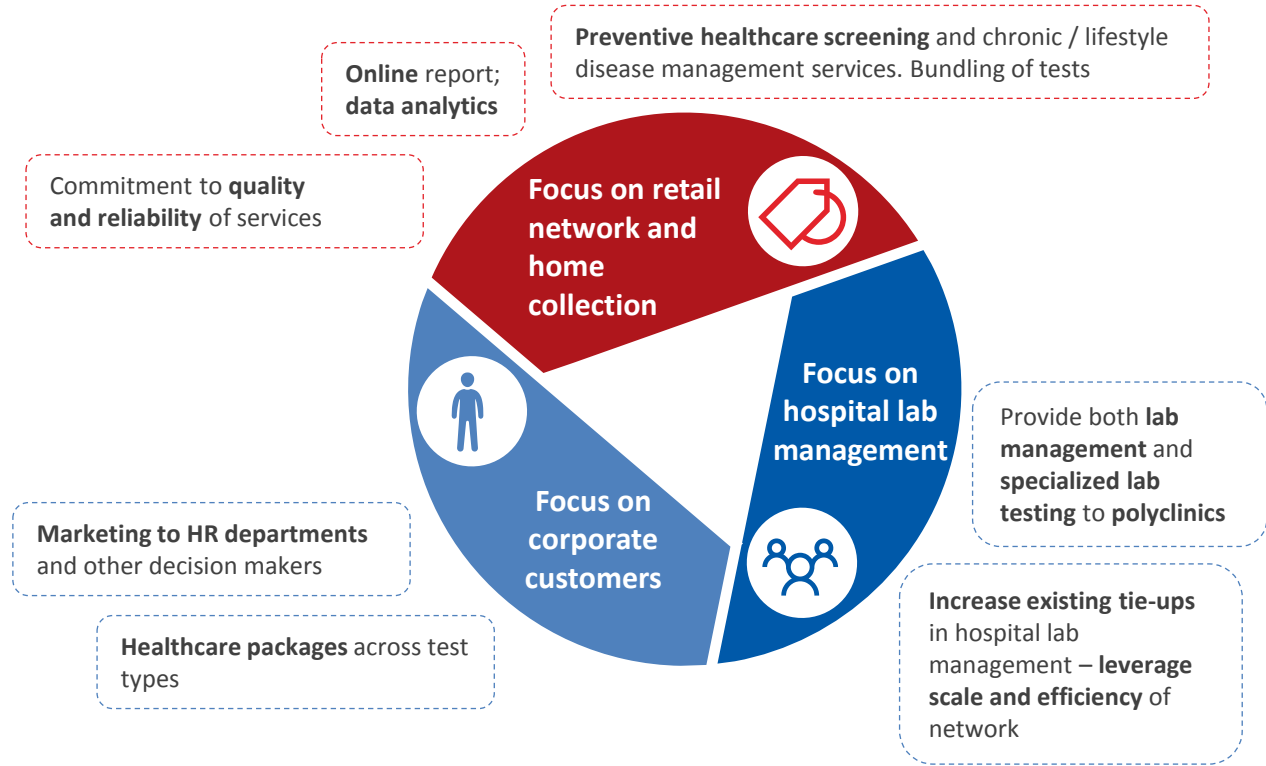
FY17 FY18 FY19

- FY19 Revenues increased on account of :
 - Marked gains in patient volumes at 15.3%
 - Increase in tests per patient at 2.4 vs 2.3

Multiple levers in place to drive next phase of growth



Strategies to deepen our presence

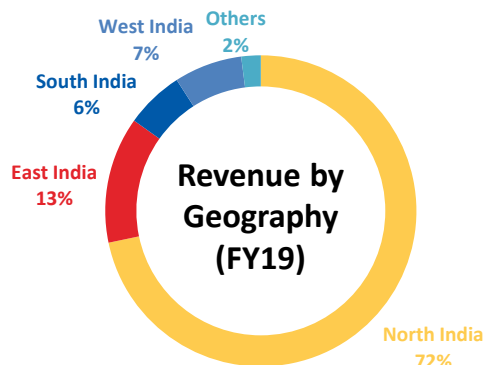
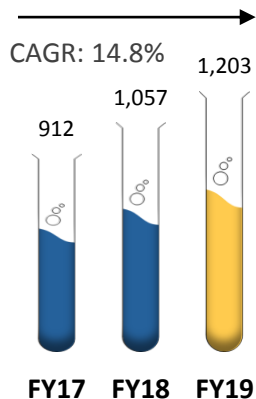


Robust financial performance



Total Revenue

INR (crore)

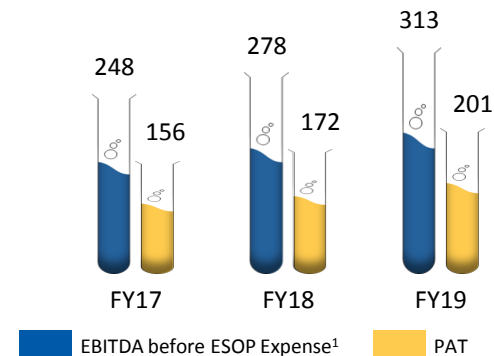


Geography	FY 17-19 CAGR
North India	14%
East India	21%
South India	13%
West India	11%
Others	33%

EBITDA¹, PAT and Return on Net Worth

(INR crore/%)

EBITDA Margin Before ESOP & CSR charge ¹	27.2%	26.3%	26.0%
PAT Margin	17.1%	16.3%	16.7%
RONW	29.1%	24.7%	23.0%



- Growth driven primarily by increasing patient volumes and samples
- Increase in operating margin due to economies of scale

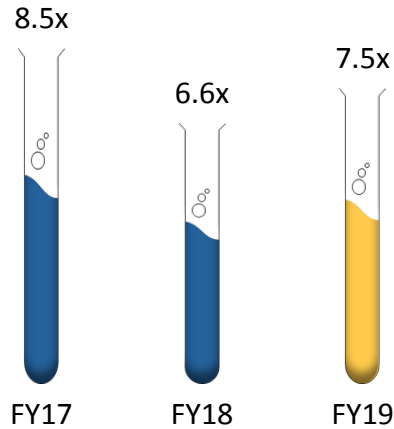
1. During FY14, LPL had reassessed the ESOP scheme as cash settled basis as against equity settled basis treated in earlier years' financial statements. As a result, LPL accounted for additional compensation cost of INR 0.89 crore in FY16. ESOP/RSU/ESPS charge of INR 8.61 crore in FY17 is also excluded. FY16 & FY17 also excluded the impact of CSR Expense of INR 0.38 crore and INR 1.87 crore respectively for ease of comparison.

Robust financial performance (Cont'd)



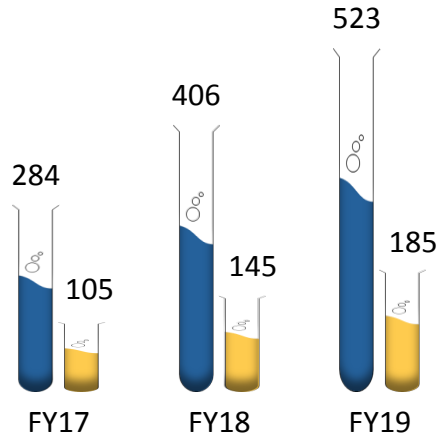
Fixed Asset Turnover¹

Times



Cash and Cash Equivalents

(INR crore)



■ Cash and Bank Balance ■ Current Investments

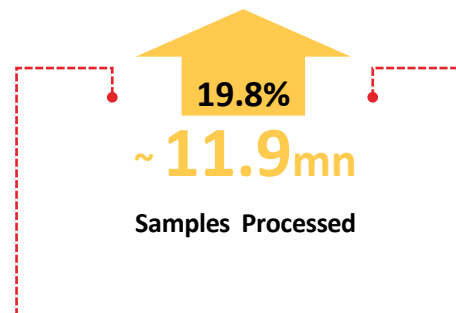
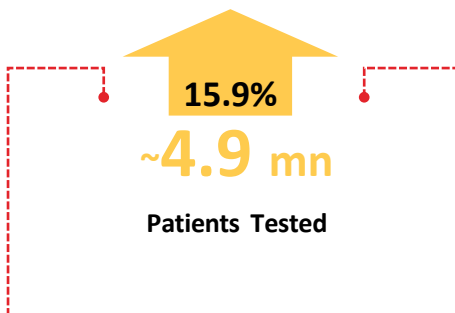
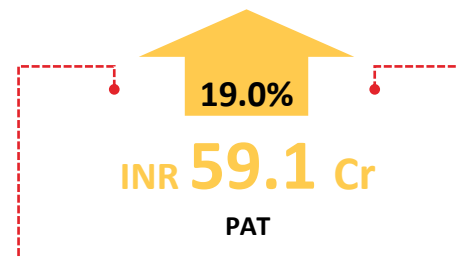
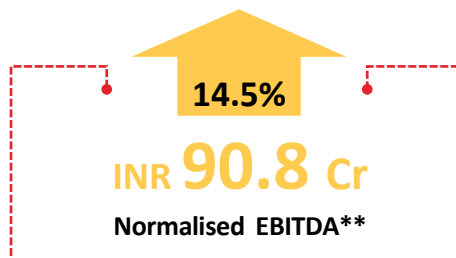
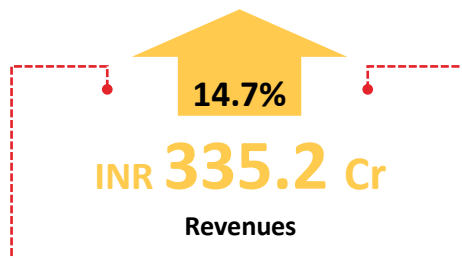
- Self funded growth on account of strong cash flow generation
- Attractive fixed asset turnover ratio given asset-light model
- Current net cash position and internal accruals expected to fund next phase of growth

1. Fixed Asset Turnover = Total Revenue / Net Fixed Assets as per IndAS

Q1 FY20 Highlights & Financial Performance



Q1 FY20 Snapshot



* As on March 31, 2019

** Excluding Ind AS 116 impact

Overview of Dr. Lal PathLabs



Established brand

Established consumer healthcare brand in diagnostic services



Pan-India integrated coverage

200 clinical labs (including National Reference Lab at Delhi and Regional Reference lab at Kolkata), 2,569 Patient Service Centers (PSCs) and 6,426 Pick-up Points (PUPs)*



Varied Offerings

Catalogue of 459 test panels, 2,489 pathology tests and 1,946 radiology and cardiology tests*



Unique and successful operating model

Scalable model integrated through centralised IT platform allows for network expansion

Well-positioned in one of the fastest-growing segments of the Indian healthcare industry

*As on March 31, 2019

Key Performance Highlights

Healthy improvement in patient volume trends during Q1 at 15.9% supporting sustained momentum in revenues

During Q1 FY20:

- Revenues showed increase of 14.7% YoY at Rs 335.2 Cr
- Number of patients tested were at 4.9 million
- Normalised EBITDA (after eliminating the impact of stock based remuneration and CSR) at Rs 99 Cr
- PAT for Q1 at Rs 59.1 Cr which is a growth of 19.0% over Q1 FY19

Investments in FDs and Mutual Funds at Rs. 791.6 Cr as on June 30, 2019, up from Rs. 707.7 Cr as on March 31, 2019

Focused on deepening presence in existing geographies and following distinct strategy for newer cities. Emphasis on creating sustainable volumes across routine & specialized tests. Methodical efforts to enhance productivity and contain costs to support margins

- Acquired 70% stake in Centrapath Labs Private Limited which owns the business of Central Labs Indore and M/S Vinita Kothari to augment presence in Central India. Continuing to evaluate inorganic opportunities that offer the right organization and operational fit
- Witnessing improvement in SwasthFit and other bundled test offerings

Financials

Particulars (Rs. Cr.)	Q1 FY20 (With IND-AS 116)	Q1 FY20 (W/O IND-AS 116)	Q1 FY19 (W/O IND-AS 116)	Gr % (With IND AS)	Gr % (W/O IND-AS 116)	FY'19
Revenue	335.2	335.2	292.3	14.7%	14.7%	1,203.4
Other Income	14.4	14.4	9.4	53.2%	53.2%	46.0
Total Income	349.6	349.6	301.7	15.9%	15.9%	1,249.4
Raw Material Consumed	71.2	71.2	64.1			262.4
Personnel Expense	58.3	58.3	49.4			208.3
Rent Expense	4.2	12.4	11.7			47.8
Other Expenses	106.4	106.4	92.1			391.3
Total Expenditure	240.1	248.3	217.3	10.5%	14.3%	909.8
EBITDA	95.1	86.9	75.0	26.8%	15.9%	293.6
<i>Margins</i>	28.4%	25.9%	25.7%			24.4%
Adj for Stock based comp. & CSR cost	3.9	3.9	4.3			19.6
Normalised EBITDA	99.0	90.8	79.3	24.9%	14.5%	313.2
<i>Normalised Margins</i>	29.5%	27.1%	27.1%			26.0%
Interest Cost	3.8	0.1	0.2			0.8
Depreciation Cost	16.3	9.3	8.8			38.2
PBT	89.4	91.9	75.4	18.6%	21.9%	300.6
<i>Margins</i>	26.7%	27.4%	25.8%			25.0%
PAT	59.1	60.7	49.7	19.0%	22.2%	200.5
<i>Margins</i>	17.6%	18.1%	17.0%			16.7%
EPS (Basic) - In Rs.	7.14		6.00	19.0%		24.19
EPS (Diluted)- In Rs.	7.13		6.00	18.8%		24.15

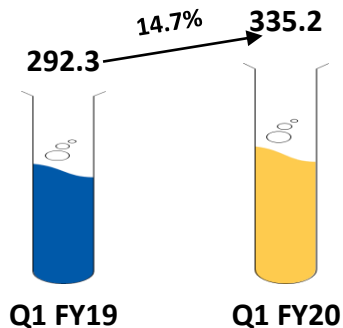
The current quarter reported numbers are as per Ind AS 116. The company has adopted Modified Retrospective Approach for transition to IND AS 116 from 1st April 2019. This approach does not require restatement of comparative information for Q1 FY19. However for the purpose of comparison Q1 FY 20 numbers in this slide have also been presented without Ind AS 116

Note: Financial results of the Company are best monitored on a year to date basis, as there is a certain level of seasonality in business and specific quarter performance may be influenced by certain occurrences in that quarter.

Financial Highlights

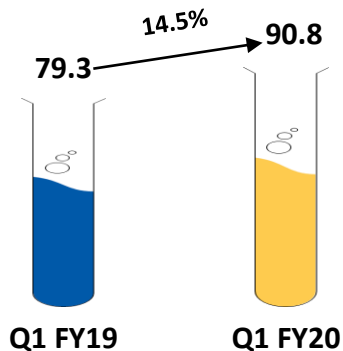
All figures in Rs. Cr

Revenue



- Q1 FY20 delivered 14.7% increase in revenues at Rs. 335.2 Cr. This followed:
 - Healthy trend in volume growth at 15.9%
 - Increase in tests per patient from 2.3 to 2.4
- Q1 FY20 realisation per patient is at Rs. 684 from Rs. 691 in Q1 FY19

Normalised EBITDA (after eliminating the impact of stock based compensation, CSR and Ind AS 116)



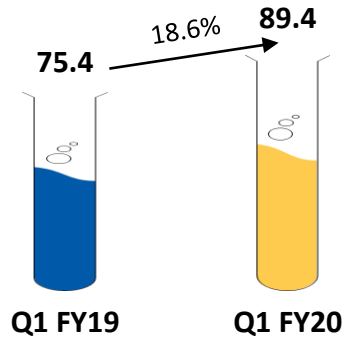
- Q1 FY20 normalised operating EBITDA (after eliminating the impact of stock based compensation, CSR and Ind AS 116) improved 14.5%
- Q1 FY20 normalised EBITDA margin (after eliminating the impact of stock based compensation, CSR and Ind AS 116) is at 27.1%, same as Q1 FY19

Financial Highlights

All figures in Rs. Cr



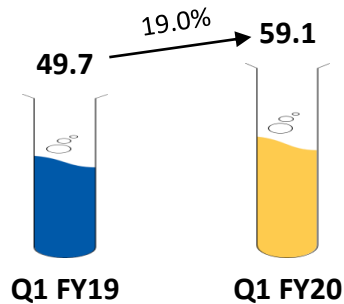
PBT



- Q1 FY20 PBT at Rs 89.4 Cr vs. Rs. 75.4 last year
- Q1 FY20 PBT margin at 26.7 % vs. 25.8% last year



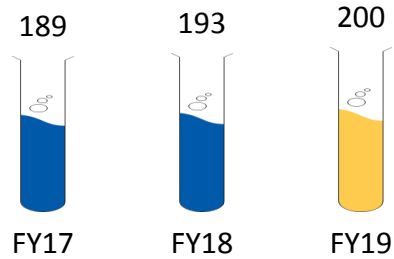
PAT



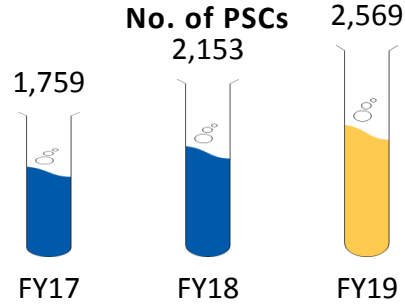
- Q1 FY20 PAT at Rs. 59.1 Cr vs Rs. 49.7 Cr, a growth of 19.0%
- Q1 FY20 PAT margin at 17.6% vs. 17.0% last year

Operating Highlights

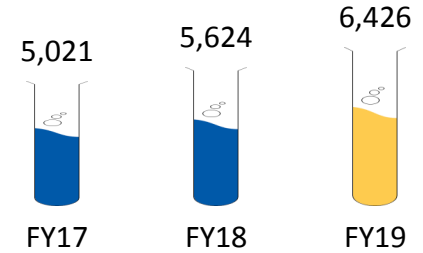
No. of Clinical Laboratories



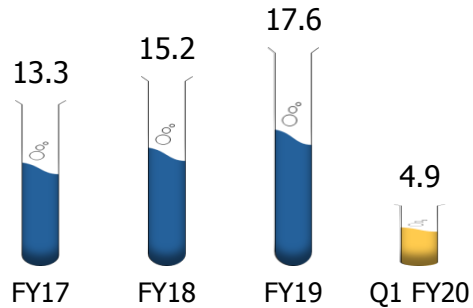
No. of PSCs



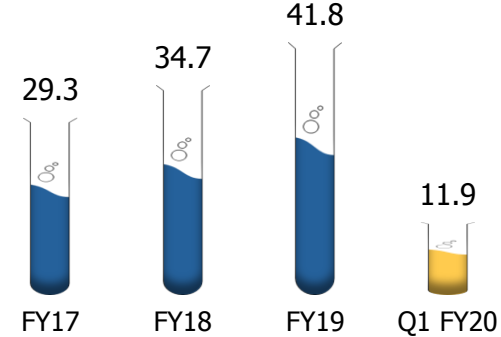
No. of PUPs



No. of Patients



No. of Samples



Management Commentary

Commenting on the results announcement, Dr. Arvind Lal - Chairman and Managing Director said;

“We have grown as a national healthcare services brand on the back of patient centric solutions that we have developed. As we move to the next phase, we will strive to strengthen our network presence and test menu, both to enhance accessibility to existing and new patients. The diagnostics sector remains attractive for brands like DLPL where we can offer differentiated service and accurate diagnoses. As the country moves towards access to healthcare for all, we will play a strong role in the development of the sector.”

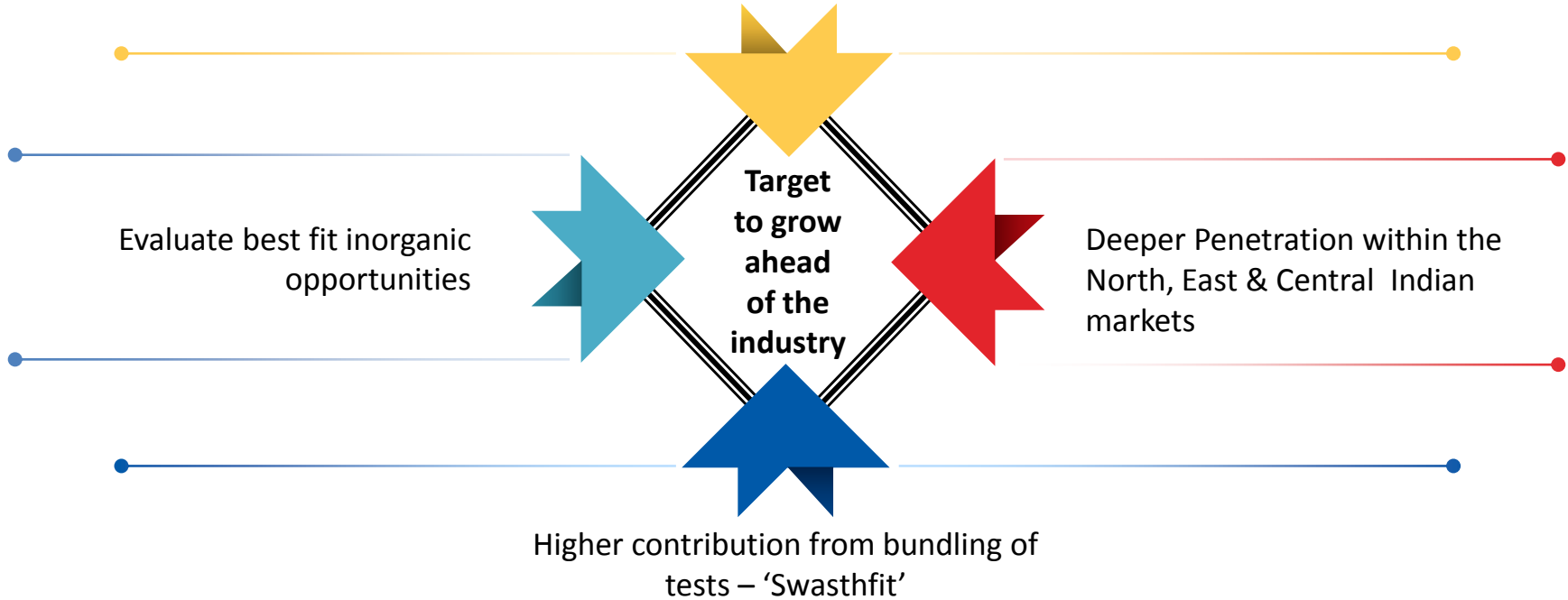
Commenting on the results announcement, Dr. Om Manchanda, CEO - Dr. Lal PathLabs said;

“Our primary objective has been to widen our geographical presence and drive value & volume growth through competitive price-value equation. Strategies and initiatives are already at play in order to realize this growth. During the past year, we have focused on scaling up the Kolkata RRL in order to build a strong base in Eastern and Central India and this has seen good progress. We also recently announced a venture with local partner at Indore, Madhya Pradesh, which will extend our presence in key geographies where we are expecting good progress.

We are pursuing a multi-tired strategy towards focus cities in South and West, selective pursuit of HLM while we encourage our PSCs to reach out and further develop their respective regions. The decision we have taken to increase share of bundled testing is yielding results and we intend to add further combinations geared towards enhancing value to the patients.”

Vibrant Outlook

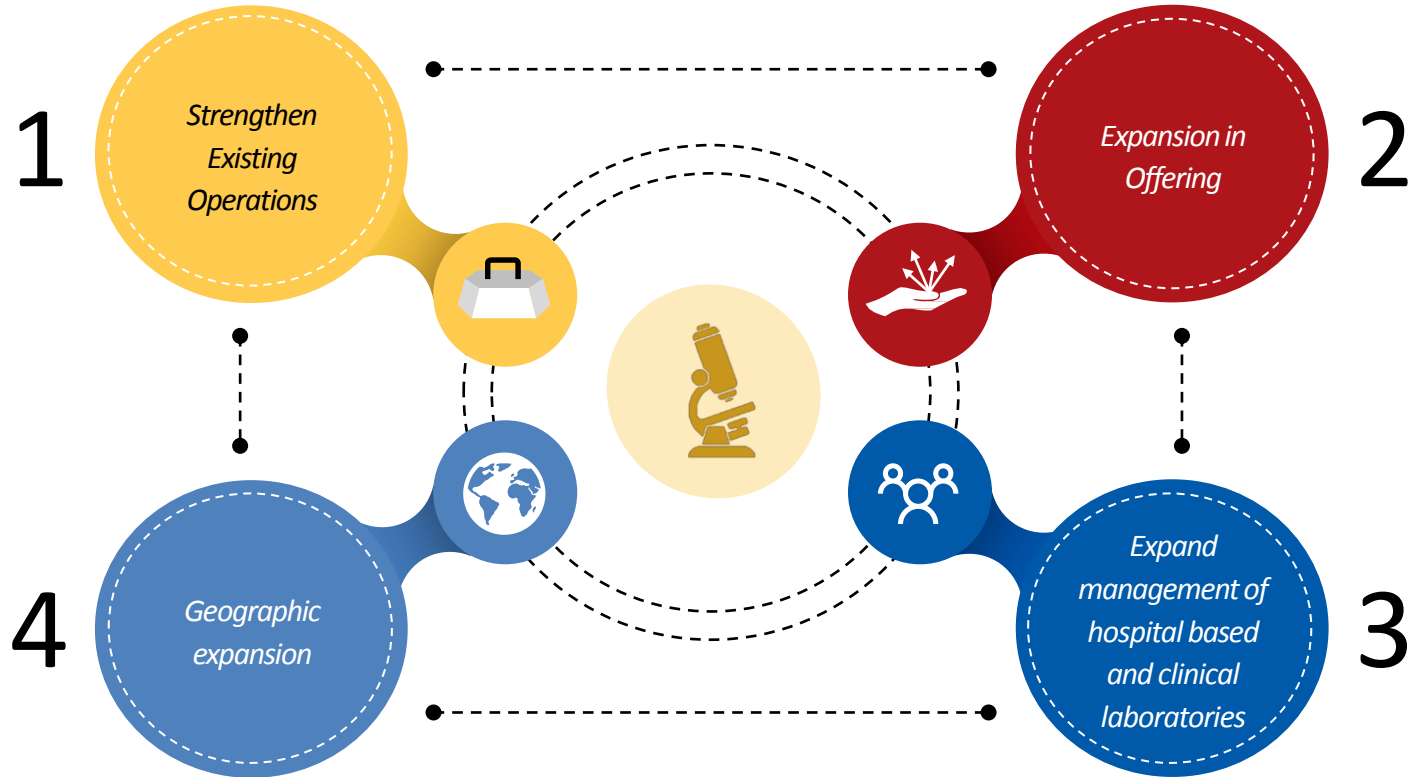
Strongly develop Rest of India geographies, through Kolkata National Laboratory and cluster city approach for attractive markets



LPL Strategy for future growth



DLPL Strategy for future growth



DLPL Strategy for future growth



Strengthen Existing Operations

Boosting quality & reliability standards

Improving turnaround times for testing

Grow basic radiology practice

Online initiatives and data analytics

Investment in branding



Expansion in Offering

Improve breadth of diagnostic testing

Cutting edge technology

Preventive healthcare screening

Chronic & Lifestyle disease mgmt. services

Expand reach in corporate segment



Expand management of hospital based and clinical laboratories

Tap incremental contracts for in sourcing test of hospitals and other clinical laboratories

Tap polyclinics



Geographic expansion

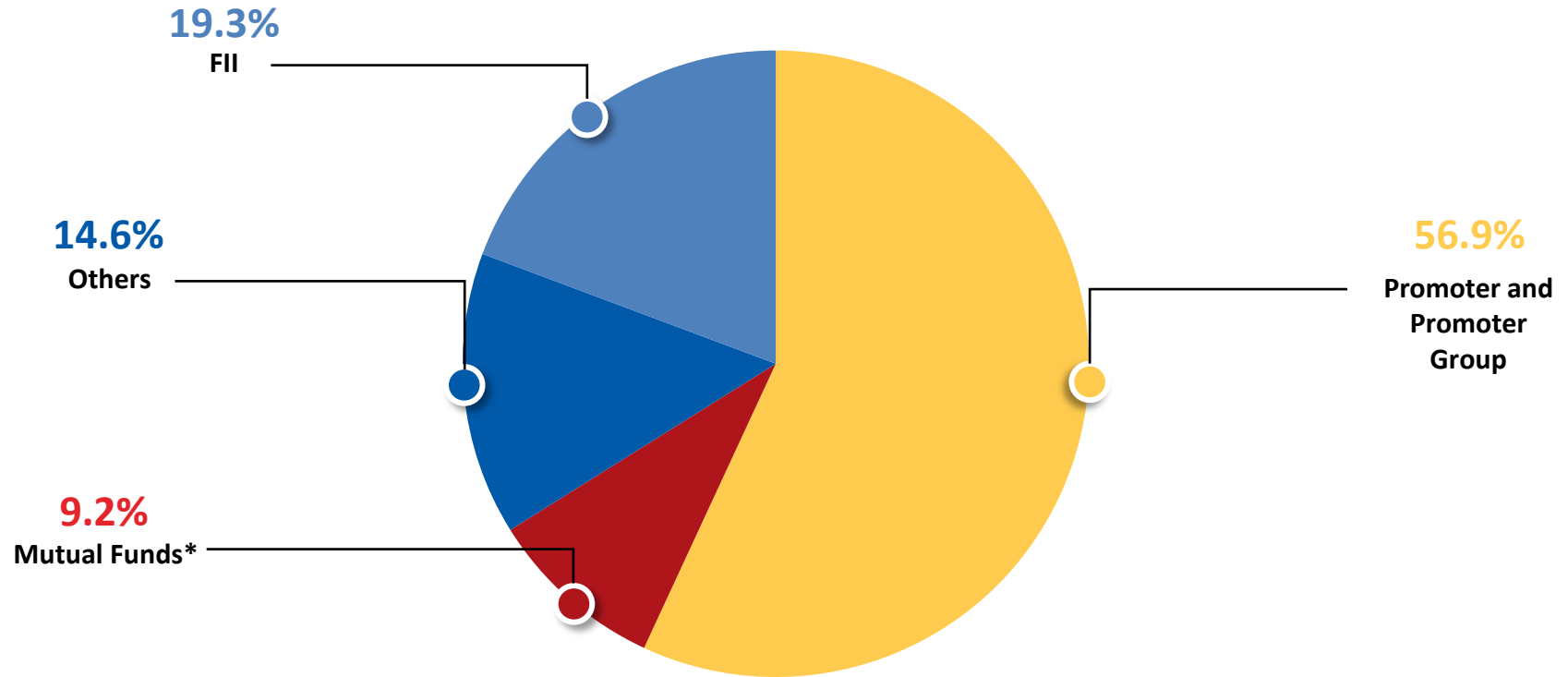
Focus city approach

Set up more clinical laboratories

Set up Regional Reference Laboratories

Consider alliances and acquisitions

Shareholding as of 30th June, 2019



*Mutual Funds includes Alternate Investment Funds as well

Contact us

About Dr Lal PathLabs Limited (DLPL)

Dr Lal PathLabs Limited is one of India's leading consumer healthcare brand in diagnostic services.

It has an integrated nationwide network, where patients and healthcare providers are offered 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. The services of DLPL are aimed at individual patients, hospitals and other healthcare providers and corporates. The catalogue of services* includes 478 test panels, 2,425 pathology tests and 1,772 radiology and cardiology tests.

As on March 31, 2019 DLPL's has 200 clinical labs (including National Reference Lab at Delhi & Regional Reference Lab at Kolkata), 2,569 Patient Service Centers (PSCs) and 6,426 Pick-up Points (PUPs). In FY18 & FY19, DLPL collected and processed approximately 34.7 million samples and 41.8 million samples from approximately 15.2 million and 17.6 million patients, respectively.

Additional information on Dr Lal PathLabs Limited: Corporate Identification No: L74899DL1995PLC065388 Website: <https://www.lalpathlabs.com>

*As on 31 Dec 2018

**For further
information
please contact:**

Ved Goel / Rajat Kalra

Dr. Lal PathLabs Limited

Tel: +91 124 301 6500

Fax: +91 124 423 4468

E-mail: Ved.Goel@lalpathlabs.com/Rajat.Kalra@lalpathlabs.com

Siddharth Rangnekar / Nishid Solanki

CDR India

Tel: +91 22 66451209 / 1221

Fax: +91 22 66451213

Email: siddharth@cdr-india.com / nishid@cdr-india.com