



Your
Health,
Our
Horizon

Expanding Access to
Advanced Diagnostics

What's inside

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Over the years, we have come to understand that diagnostics is not just about science—it is about trust. And this year, that trust has carried us further, into new communities, new conversations, and new possibilities.

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Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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We have seen first-hand how timely diagnostics can change outcomes, and how access can so often be the deciding factor between uncertainty and action. That is why we have continued to move purposefully, extending our footprint, strengthening our digital backbone, and building on the promise that high-quality healthcare should not be limited by location or circumstance.

Whether it is installing cutting-edge platforms in our reference labs or opening new doors in underserved regions, our aim has remained constant- to bring the best of diagnostic science closer to those who need it most. We have done this not by chasing scale, but by deepening impact—one lab, one test, one patient at a time.

This journey has demanded both precision and empathy. And while we have embraced technology as a powerful enabler, it is our people, our teams on the ground, in the labs, and on the front lines, who have made it possible to do more, reach farther, and serve better.

We know there is still more to do. There are still gaps to bridge, needs to anticipate, and innovations to bring within reach. But as we look ahead, we carry with us the conviction that diagnostics can and must play a transformative role in making healthcare more inclusive, more proactive, and more human.



And that is a
responsibility we are
**proud to
carry forward.**

Key highlights

Largest* diagnostics chain in the country

with pan-India presence and a consistent
track record of quality and growth



*Largest on the basis of revenue and footprint.



Financial

INR 24,614 million

Revenue from operation in FY25

INR 4,922 million

PAT in FY25

58.5

EPS (Basic) in FY25

48%

ROCE

Excl. Cash & Investments

240%

Dividend for FY25



Operational

298

Labs

40

NABL-accredited Labs

2

CAP accredited Labs

28.8 million

Number of Patients Served

85.6 million

Samples collected in FY 25

6,607

Patient service centres

12,365

Pick-up points



ESG

3.18 MW

Total solar generation capacity

1,493.85 MT

Co2 emissions eliminated in FY25

6,000+

Workforce

INR 99.00 million

CSR spend

8.80+ million

Total beneficiaries

About us

Founded in 1949, we have grown into a trusted healthcare diagnostics provider with a strong presence across India. Backed by decades of experience and a wide-reaching network of laboratories and service centres, we serve millions of individuals each year, delivering reliable and timely medical insights.

We continue to invest in innovation and operational efficiency to improve accessibility and patient experience. Our growth has been supported by strategic acquisitions and a commitment to environmentally conscious initiatives, helping us stay ahead of the curve as healthcare needs in India evolve.

Mission

To be the undisputed market leader by providing accessible, affordable, timely and quality healthcare diagnostics, applying insights and cutting-edge technology to create value for all stakeholders.

Values



Customer first



Accountability



Quality



Empathy and compassion



Ethics and integrity

Vision

Be the most trusted healthcare partner, enabling healthier lives.



Extensive National Network

Pan India integrated coverage ensuring deep reach in Urban and Rural Regions



Strong Brand Reputation

Over 75 years of legacy, widely trusted by individuals, healthcare providers, and corporates for reliable diagnostic outcomes.



Advanced Technology

Adoption of cutting edge lab automation, launched high-end tests portfolio such as Genevolve (genomics), L-CoRD (reproductive diagnostics), L-ACE (auto-immune disorders), AI-based diagnostics, and tech-enabled sample tracking systems.



Skilled and Experienced Workforce

Team of qualified pathologists, scientists, and technicians trained in global best practices with accreditation from NABL and CAP.



Strategic Growth and Expansion

Inorganic expansion through acquisitions, focused efforts to penetrate Tier 3 and Tier 4 markets, and consistent test menu expansion.

Our strengths

Milestones

1978

First lab in India to introduce automated hematology analyser- blood cell counter

1982

First lab in the world to introduce Franchising in healthcare by establishing Collection Centres
First lab in the region to introduce biochemistry autoanalyser

1986

First lab in India to develop a healthcare software - Lab Information Management System (LIMS) completely digitizing lab operations

1989

First private lab in India to start HIV/AIDS testing
First lab in India to introduce Vacutainers for blood collection

2001

First lab in India to operate remote labs using satellite communications

2017

Introduction of Next Generation Sequencing (NGS)
Launch of Kolkata Reference Lab
Inauguration of first international lab in Nepal

2018

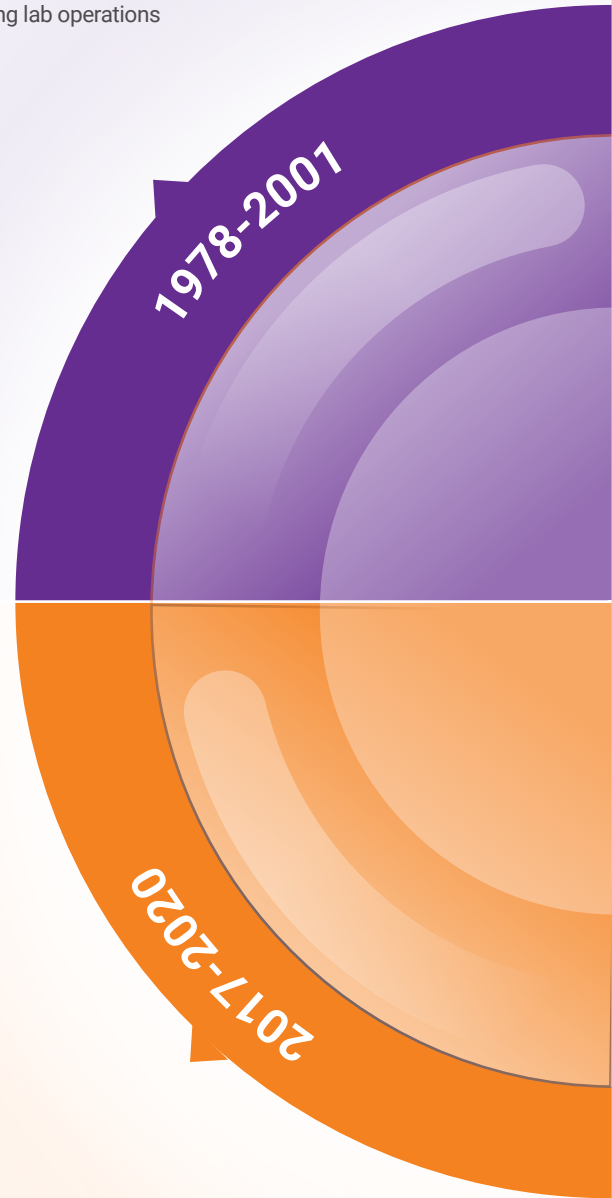
Inauguration of second international lab in Bangladesh

2020

First COVID RT-PCR testing network in private sector in India

2019

Launch of Genevolve centre of excellence for Genetic testing



2002

First acquisition of another lab- Raptakos Brett in Mumbai

2004

First lab in India to enter into a Public Private Partnership (PPP) for diagnostics with Govt. of Tripura

2005

First Indian healthcare company to receive a PE Investment

2010

First to establish Asia's largest National Reference Lab in Delhi

2015

First Indian Healthcare Company to get listed for IPO

First private lab in India to introduce Electron Microscope

2021

Acquisition of Suburban Diagnostics in Mumbai

2022

Launch of Bangalore Reference Lab

2023

Launch of Mumbai Reference Lab

**2002-2015****2021-2023**

Geographical footprint

Our nationwide presence continues to grow as we expand into Tier-III and Tier-IV towns, unlocking 'white space' opportunities. In FY25, we added 18 new laboratories, further strengthening our diagnostic network. Through a robust 'hub and spoke' model, we are enhancing diagnostic accessibility in emerging cities, ensuring that quality care reaches deeper into India.

27
States

5
Union Territories

Labs in States & UTs

Assam

Andhra Pradesh

Arunachal Pradesh

Bihar

Chandigarh

Chhattisgarh

Delhi

Goa

Gujarat

Haryana

Himachal Pradesh

Jharkhand

Jammu & Kashmir

Kerala

Karnataka

Ladakh

Manipur

Maharashtra

Meghalaya

Madhya Pradesh

Nagaland

Orissa

Punjab

Pondicherry

Rajasthan

Sikkim

Tripura

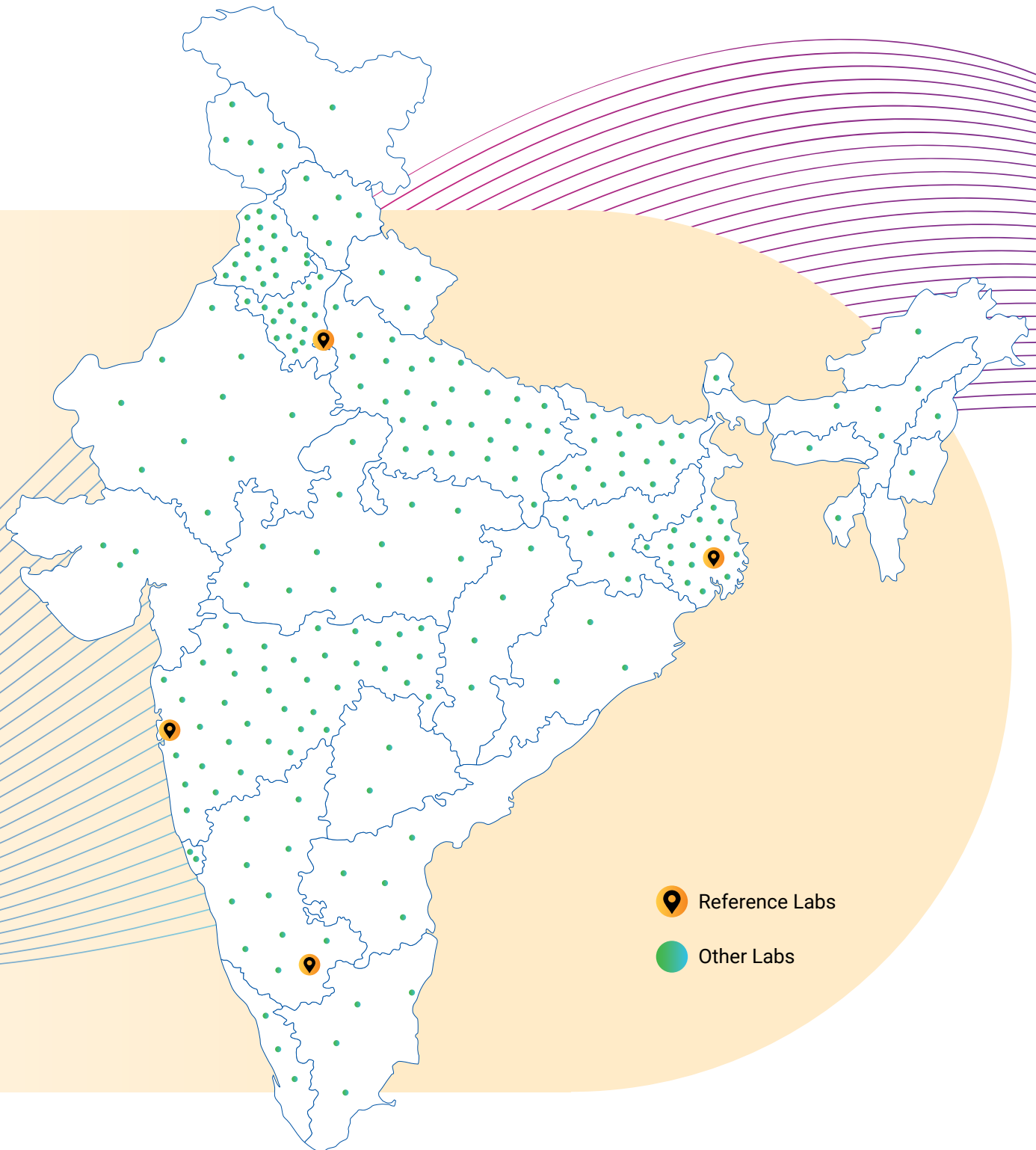
Telangana

Tamil Nadu

Uttarakhand

Uttar Pradesh

West Bengal



Map for Representation purposes.

We are enhancing our offerings with curated test packages and seniors-focused wellness plans driving higher sample volumes and engagement. Technology partnerships are strengthening backend operations, while AI, data analytics, and machine learning tools are improving patient experience and enabling personalised services. A dedicated digital team supports this growth.

We are focused on maintaining leadership in core markets like Delhi NCR and expanding through a cluster-based approach. Our high-end test portfolio is being strengthened, and we are targeting volume growth in Western and Southern India. New reference labs in Bengaluru and Mumbai, along with the Suburban Diagnostics acquisition, are boosting our presence in Maharashtra.

By leveraging strong brand equity, offering greater value to patients, and driving digital-led expansion, we are deepening our national footprint and accelerating growth in key regions.

Strategic overview





Executive Chairman's message



₹ 24,614 million
Consolidated net revenue

5,000+
tests and panels,
including specialised and
genomic testing

Dear Shareholders,

When it comes to saving lives, every minute matters. At Dr. Lal PathLabs, we have enhanced the quality of our testing reports in addition to faster turnaround times, offering excellence in diagnostic quality, operational efficiency and patient care. With each milestone, we have strengthened our position as a trusted healthcare partner for millions across the country.

Committed to growth

With an eye on growth, we have maintained a steady trajectory over the last fiscal, generating a consolidated net revenue of 24.6 Billion, representing a 10.5% year-over-year growth. Our penetration into Tier 3 and Tier 4 cities has helped us unlock new opportunities of growth, bringing advanced diagnostic services to underserved communities. Every market that we have entered was carefully selected with a long-term vision.

Focusing on quality and innovation

In an evolving healthcare landscape, resilience is not enough to thrive; it is important to stand out and make an impact. With an unmatched test menu of over 5,000 tests and panels, including specialised and genomic testing, we continue to set industry benchmarks. The integration of regional reference labs further enhances accessibility to advanced diagnostics, reinforcing our leadership position in key markets.



Our success is measured not just in numbers, but also in the trust that each patient, doctor and partner reposes in us.



At Dr. Lal PathLabs, quality defines our every move. Every test, diagnosis and patient encounter adheres to the highest accuracy and reliability standards. That is our commitment to excellence. Strong quality control standards are in place across our labs to ensure error-free and reliable healthcare solutions. Moreover, we keep our employees and partners abreast of the latest industry information and best practices, ensuring that we maintain our numero uno position. As we move forward, our focus will remain on raising these standards to remain India's most trusted diagnostics partner.

Moving forward strategically

We will continue to focus on growing our Swasthfit Preventive healthcare packages to meet a range of healthcare needs, while maintaining the highest levels of regulatory compliance and ensuring that quality remains our defining feature. Growth in East India is projected

to be predominantly organic, whereas in the West and South, we foresee a mix of organic expansion and strategic acquisitions. Our long-term vision directs our every action, ensuring that our foundation is solid for years to come.

Shaping the future of diagnostics in India

As we move forward, we remain dedicated to the people we serve. Our success is measured not just in numbers, but also in the trust that each patient, doctor and partner reposes in us. I extend my gratitude to our employees, stakeholders and patients for supporting us in reaching our milestones. Together, we are building India's diagnostics future.

Warm regards,

(Hony) Brig. Dr. Arvind Lal
Executive Chairman

Managing Director's message



I am convinced that Dr. Lal PathLabs will continue to lead the way and shape the future of diagnostics in India.



Dear Shareholders,

The last two decades have been truly transformative for Indian Healthcare and also for Dr. Lal PathLabs. The Company has become India's largest diagnostics player, known for its commitment to quality, accuracy and the trust that patients place in the Company. Dr. Lal PathLabs has been instrumental in bringing Indian Healthcare at par with the western world.

Sustained growth and strong performance

This year has been marked by accelerated growth, with a 10.5% increase in revenue. Despite no price increases, our volume growth has increased from 2.7% in FY24 to 4.2% in FY25. This is driven by our expansion in core geographies, investments

in infrastructure development and diversified product offerings.

Our strategic focus areas, including geographic expansion, portfolio diversification and digital transformation, are driving significant growth in our operational and financial performance.

Our volume growth has increased from

2.7%

in FY24 to

4.2%

in FY25

Expanding our footprint

To bring high-quality diagnostics closer to people, we have opened 18 new labs and added over 800 collection centres, in the last year, increasing accessibility. Our two-fold expansion strategy includes strengthening our presence in Western India and expanding in South India through organic and inorganic growth.

Our diagnostic portfolio also expanded significantly, with the addition of nearly 80 high-end tests, which have strengthened our expertise in specialised complex testing.

Focusing on deepening our reach

The SwasthFit portfolio, which now accounts for 24% of our total sales, continues to outperform total business growth. We are continuing to expand

our footprint, particularly in underprivileged communities, bringing healthcare to the last mile. Swasthfit preventive healthcare packages help to promote early diagnosis, while our investments in digital infrastructure, AI-driven diagnostics and genomics research are transforming the way we approach personalised healthcare. These innovations not only improve accuracy, but also significantly improve treatment outcomes.

In keeping with our growth strategy, we are strengthening our connections with hospitals and clinics, improving our home collection services and exploring international expansion, helmed by a committed leadership team which is driving our objective forward.

At Dr. Lal PathLabs, we see success through the lens of sustainability. Our eco-friendly lab operations and community health awareness programmes highlight our responsibility to the society. Also, we utilise our resources, limit water usage and manage waste responsibly, to ensure a healthier future.

Looking ahead

Beyond running a successful business, we are committed to innovation, accessibility and patient-centric care. We

are confident in our ability to ensure healthcare excellence, with the help of an experienced leadership team, integration of AI powered diagnostic services and data analytics and a strong dedication to high-quality patient care.

With an aim to be India's most trusted healthcare partner, we focus on accurate, dependable and accessible healthcare solutions. Our strategic initiatives and commitment to operational excellence, position us well to capitalise on the growing demand for diagnostic services.

On behalf of the whole Dr. Lal PathLabs team, I would like to thank all our stakeholders for their support and belief in our abilities. Together, let us create a healthier future.

Warm regards,

Dr. Om Prakash Manchanda
Managing Director

(Completed his tenure as MD on March 31, 2025)

CEO's message



We are deploying AI across multiple use cases to assist reporting in cancer diagnostics, autoimmunity, antibiotic sensitivity, hematology and other departments.



Dear Shareholders,

As I present to you the Annual Report for the financial year 2024-25, I am full of excitement and a deep sense of optimism. The year under review has been marked by robust financial performance, significant network expansion and strengthening our medical excellence. We have not only achieved our annual goals, but also laid the foundation for sustained growth.

We stand as a beacon of hope for millions of patients and their families, delivering accessible, affordable and quality healthcare diagnostics across the nation. Our success is anchored in a profound understanding of patient needs and evolving medical ecosystem together with strategic investments in cutting edge technology and an unwavering commitment to "Enabling healthier lives."

Making a strong impact

We maintained a strong performance trajectory in FY 2024-25, delivering

10.5% growth in revenue and 35.9 % increase in PAT (Reported). Our focus on operational excellence, coupled with proactive initiatives on increasing reach and improving brand recall, contributed significantly to enhance profitability. Notably, the Delhi NCR region recorded double-digit revenue growth for the year under review.

While sample volume reached 85.6 million, marking a 9.5 % YoY growth, patient volumes increased by 4.2% to 28.8 million. Further, the SwasthFit contribution for FY25 stood at 24%.

The diagnostics industry continues to be characterised by significant fragmentation and fierce competition. As patients increasingly prioritise quality and accessibility, we are also fine-tuning our strategies to secure a competitive edge. We are emphasising upon establishing a strong 'phygital' presence and driving sample volumes, while diversifying our patient base.

Depth and Width

We are strategically expanding our operational areas, by expanding our services to Tier 3 and Tier 4 cities in our core geographical regions. By opening 18 new labs and 800+ new collection centers, we continue to increase our reach in these underserved markets, ensuring better access to quality healthcare. We have retained our focus in the Metro and Tier cities in our core geographies through investment in new infrastructure, improving service deliver and marketing initiatives.

Our mission of delivering affordable healthcare extends beyond domestic boundaries. While our international operations currently contribute less than 2% of total revenue, we are enthusiastic about the significant growth opportunities that lie ahead. .

Our promise to patients

It is our commitment to patients that encourages us to consistently deliver the highest standards of patient-centric care. Our bundled test programme, Swasthfit, continues to be significant contributor to our overall performance, demonstrating a robust growth in FY25. Building upon this success, we are developing a wider range of bundled packages to meet the increasing demand.

We have also included franchises and pickup points, extending reach beyond our own centers, to ensure our diagnostic excellence reaches every doorstep. Additionally, we are deploying digital initiatives to improve accessibility and speed up report generation. With an extensive network of 298 labs, including 4 reference labs, multiple hub labs and cluster labs, we are focused on reducing report turnaround times.

The future is technology

Our robust digital infrastructure is designed to enhance patient experience and operational excellence. We have created a consolidated centralised data lake which will enable personalised reporting and helping manage chronic patients more effectively. We have deployed 'state of the art' automated solutions inside the labs including patient sample accessioning, sample testing, sample transporting between machines and sample storing & retrieving to get accurate and timely results for the most common test parameters.

We are also deploying AI across multiple use cases to assist reporting in cancer testing, autoimmunity, antibiotic sensitivity, hematology and other departments. The use of AI for operational improvements across other functions like Marketing, IT, HR and Data Security tools are also in play.

On Medical Technology dimension, we are expanding our services by including high-end and super speciality tests. We have added around 80 new tests, improving our Medical Excellence and diagnostic capabilities. We have also made significant investments in genetic testing and strengthened in-house capabilities for genetic sequencing.

We have shifted from an on-premise system to cloud-based D365 platform, which will significantly improve operational efficiency across all entities. Further, we have successfully completed the full IT integration with our "Suburban" business operations, which will result in streamlined processes.

Prepared for the next

Our legacy of excellence precedes our name. Today, Dr Lal PathLabs is synonymous with Medical Excellence, Innovation and Trust. The expertise in leveraging advanced technology has enabled us to offer a wide variety of tests, including high-end tests for rare and complex diseases. Further, AI-assisted diagnostics and machine-learning based recommendation engines have made diagnostics more precise, ensuring continuous advancement and making healthcare accessible to all.

In the end, I would like to acknowledge the strength and resilience of my colleagues, whose invaluable experience and expertise have helped the Company to achieve milestones and overcome various challenges. Our employees go above and beyond to ensure we continue to pave the path for more accessible and patient-centric healthcare.

Finally, I extend my heartfelt gratitude to all our stakeholders for their continued support and faith.

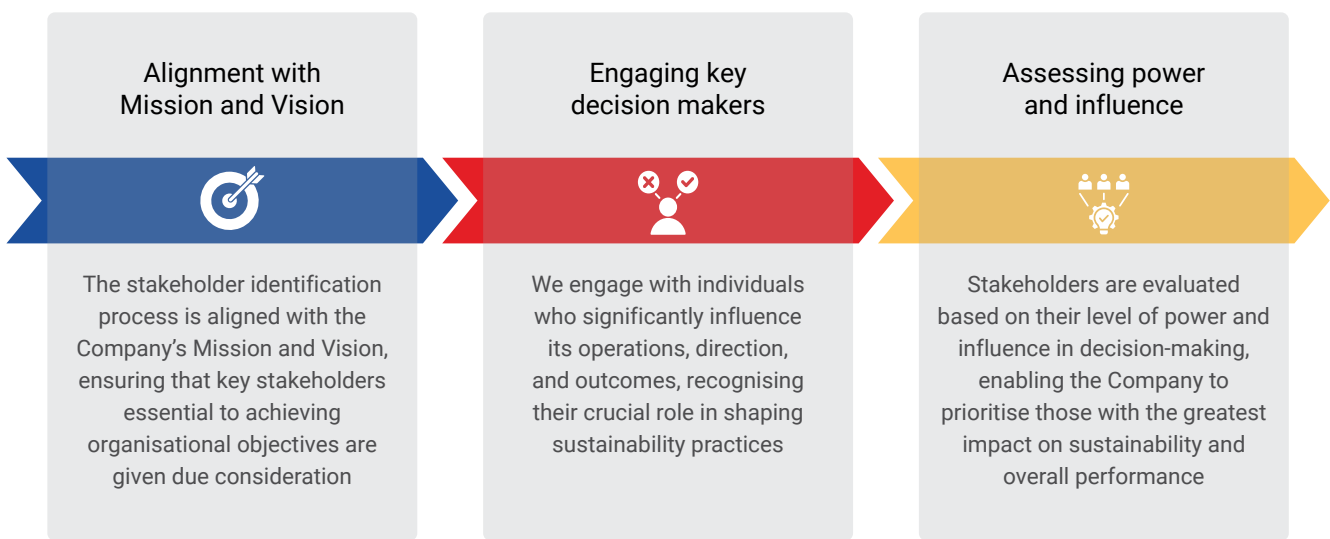
Your health is our priority and we are committed to create the "Future of Diagnostics" to Enable Healthier Lives!

Warm Regards,

Shankha Banerjee
Chief Executive Officer

Stakeholder engagement

At Dr. Lal PathLabs, we prioritise stakeholder value through transparent and consistent engagement, enabling us to understand and address their concerns effectively. Through continuous, meaningful dialogue with key stakeholders, we gain valuable insights that help us address their concerns. This approach enables us to protect their interests while unlocking new avenues for growth, innovation and long-term success.



Patients/ Customers

Expectations	What We Do	How We Engage
Reliable test quality, timely service, information on new offerings	Regular communication on services and schemes, customer support platforms, feedback-based improvements	Website, SMS, newspaper ads, customer service channels, direct patient outreach programs

Doctors/ Clinician

Expectations	What We Do	How We Engage
Diagnosing complex cases, scientific updates, operational efficiency, regulatory clarity	New test launch, case study presentation, continuing education (EDGE), regular performance feedback, compliance communications	Digital platforms, in-person meetings, training sessions

Employees



Expectations

Learning and development, transparent communication, wellness, and career progression

What We Do

Implementation of employee wellness programs, EX Clubs, structured L&D under FLIP, EDGE and HUNAR, revamped onboarding and R&R systems

How We Engage

Emails, engagement surveys, town halls, training sessions, EX Club events, onboarding programs

Vendors



Expectations

Timely payments, business updates, collaboration, compliance with regulations

What We Do

Periodic reviews, feedback mechanisms, capacity-building sessions, regulatory updates

How We Engage

Digital and in-person meetings, performance evaluations

Communities



Expectations

Support for health, education and underprivileged sections, environmental responsibility

What We Do

CSR initiatives focused on education, health, livelihood and social impact aligned with national goals

How We Engage

CSR activities, community partnerships, local outreach projects

Government / Regulatory Authorities



Expectations

Compliance, timely reporting, policy feedback, industry alignment

What We Do

Submission of regulatory information, participation in forums and consultations, continuous compliance processes

How We Engage

Email communications, formal representations, industry body participation

Investor & shareholders



Expectations

Financial performance, governance transparency, business stability

What We Do

Periodic disclosures, financial reporting, investor meetings, dedicated investor services

How We Engage

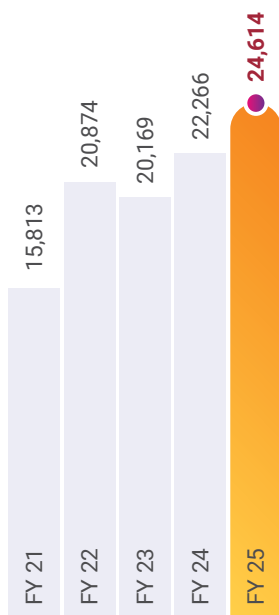
Annual general meetings, conference calls, stock exchange filings, company website

Tracking our growth

Financial highlights

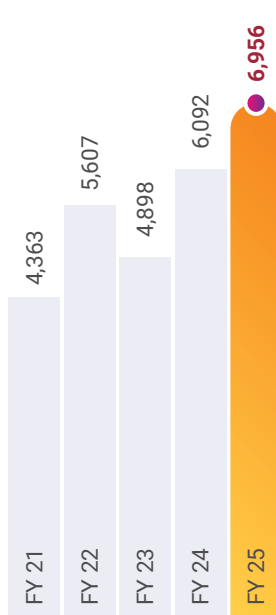
Revenue from operations

(₹ in million)



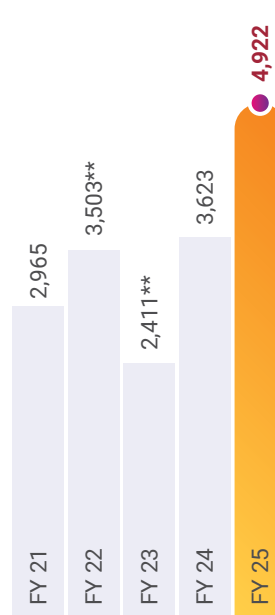
EBITDA*

(₹ in million)



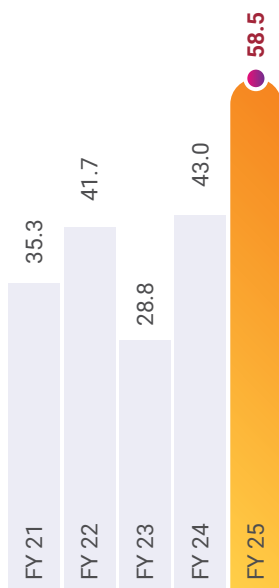
PAT

(₹ in million)



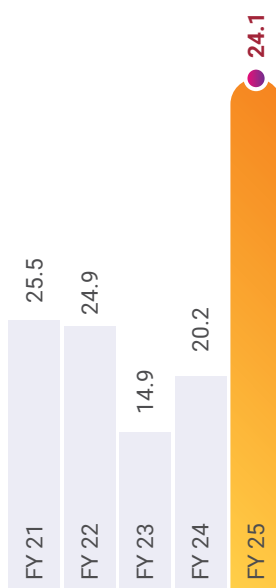
EPS (Basic)

(in ₹)



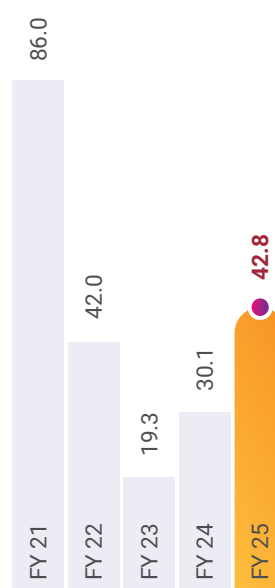
ROCE

(in %)



ROCE (Excluding cash & cash equivalent) ***

(in %)



*EBITDA (reported)

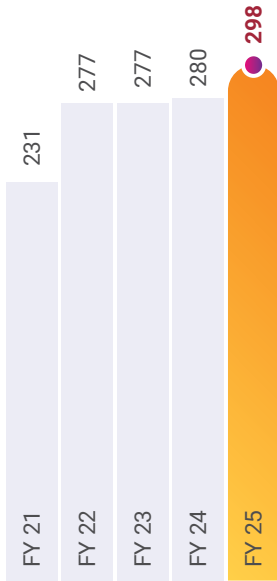
**Shown Reported PAT instead of Normalised

***ROCE on Reported PAT

Consolidated Operational highlights

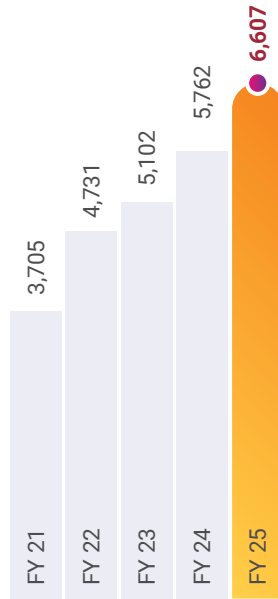
Clinical laboratories

(in no.)



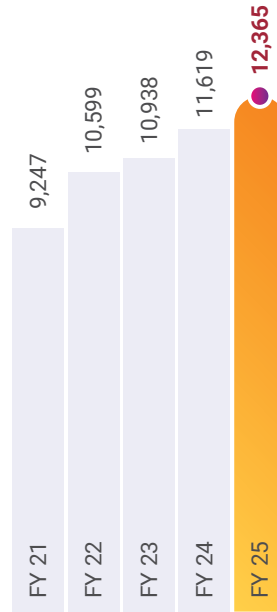
PSCs

(in no.)



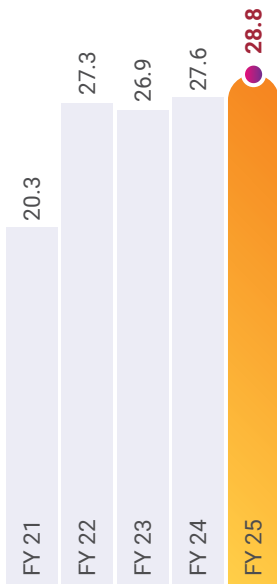
PUPs

(in no.)



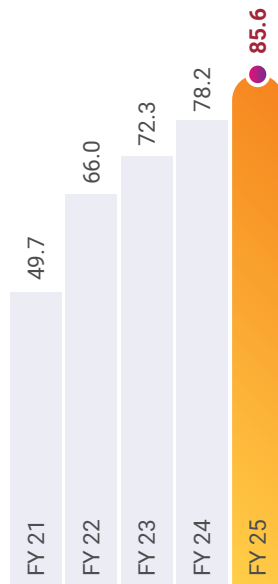
Number of patients

(in million)



Number of samples

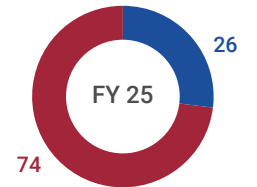
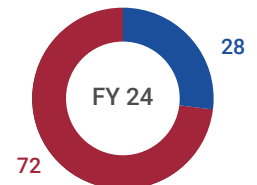
(in million)



Percentage revenue break-up between B2B and B2C

Market segments

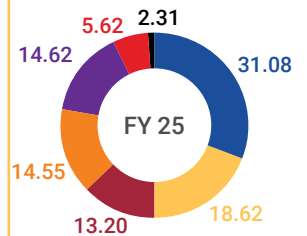
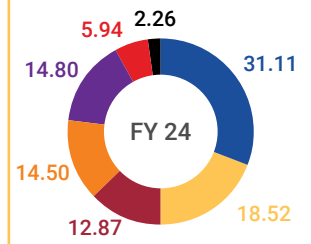
(in %)



● B2B ● B2C

Region Wise Revenue Breakup (Contribution)

(in %)



● Delhi NCR
 ● UP&UK
 ● Rest of North
 ● East
 ● West
 ● South
 ● Others

Technology & Digital Transformation

Pioneering the Future of Diagnostics with Intelligence and Innovation

In FY25, we strengthened our advanced digital ecosystem across three strategic dimensions that are Medical Technology, AI & Automation and Infra upgrade. These initiatives have reshaped the patient journey while boosting internal agility and diagnostic precision.

Medical Technology

Innovation in clinical diagnostics remained a key strength, with new tools and platforms introduced to enhance accuracy and expand service offerings.

Liquid Biopsy

– A donor-derived, cell-free DNA test now supports real-time transplant monitoring.

AI in Histopathology

– Automated analysis of prostate and breast cancer slides accelerates results and improves consistency.

ONCOPRO T500 Panel

– A 500-gene genomic testing panel for deeper insights into cancer profiling.

Centres of Excellence

– Dedicated facilities for autoimmune and rare disease diagnostics.

TEM Imaging

– Transmission Electron Microscopes deployed for ultra-resolution imaging.

Amyloidosis

– Amyloid typing by laser capture microdissection and mass spectrometry.

Remote Pathology Reporting

- With Optra Scan and the "PATH Presenter" platform, digital biopsy images can be reviewed in realtime by experts worldwide, cutting turnaround times and enabling collaborative diagnoses.

AI & Automation

AI continues to play a foundational role across functions, from diagnostics to operations.

Structured AI Framework

- Built on a phased model comprising Data Lakes, Data Architect, Engineering, Data Science, and AI deployment.

AI in Hematology

Automated slides reviews enhance diagnostics speed and consistency while reducing manual effort and fatigue

Collaborative Research with IIT Delhi

Active projects for computational pipelines for fetal aneuploidy from liquid biopsies, novel variants in somatic cancer and AI models for cancer sub type detection from histopathology images.

Generative AI for Field Teams

- Over 1,000 sales executives now use a natural language tool on SFA (Sales Force Automation) access real-time insights on more than 5000+ tests.

Cloud-First Infrastructure

Over 90% of applications are now hosted on the cloud, including B2B & B2C Apps, Logistics and Patient Portals. We have global partners to oversee cloud & On-Pran architecture, ensuring robust performance and cost efficiency.

Seamless Tech Integration Suburban Diagnostics Go-Live

The integration of Suburban Diagnostics unified critical platforms including ERP, Microsoft Dynamics, LIMS, POS App, Home Collection App, Logistic App, QMS etc. The launch of a redesigned website allows patients to download reports directly, creating a more connected, streamlined experience while strengthening backend efficiency.



Enhanced Digital Tools for Patients

In line with our mission to make diagnostics more accessible and patient-friendly, we have significantly upgraded our suite of digital tools in FY25. These initiatives are designed to simplify interactions, speed up services, and offer a more personalised experience to patients.

Mobile App Update

New In-App notification feature replaces traditional SMS and WhatsApp messages, providing instant, zero-cost updates for appointments, reports, and reminders.



Chatbot 2.0

The revamped chatbot helps patients with booking appointments, tracking test orders, and receiving AI-driven recommendations for preventive health checkups—24x7, with a human-like interface.



Digital Wallets

Introduced for senior citizens and Phlebotomists, enabling reward points and streamlined transactions.



One Registration Platform

A unified Point-of-Sale system that streamlines patient onboarding and ensures error-free registration across all business channels & service locations.



Reco.ai

This AI-based recommendation engine delivers personalised test suggestions tailored based on a patient's health profile, test history, and demographics.



Smart Logistics

Machine learning-based Logistics App improves sample collection with features such as:

- Real-time route optimisation
- QR-code based tracking
- Secure geo-fenced and facial-recognition-enabled transfers



Looking ahead

We are gearing up for a future where intelligence and empathy go hand in hand. In the coming year, we will complete our transition to a cloud-based ecosystem to ensure seamless operations. We will broaden AI and Generative AI deployments across diagnostics and workflows. We will also scale our BoTs MarkTech to craft truly personalised patient journeys and deploy AI-powered bots to simplify support for both patients and partners.

Human resource

FY 2024–25 was a year of reinforcing our commitment to employee experience, engagement, and capability development. Our HR strategy focused on integrated development through structured induction, learning platforms, leadership development, and wellness programmes, ensuring continuous engagement across all levels of the organisation.

We introduced Employee Experience Clubs, conducted multiple health check-up camps, and launched '1to1 Help', an Employee Assistance Programme aimed at supporting emotional well-being.

Our recognition framework also evolved. GEMS made way for RISE (Recognising Inspirational & Stellar Efforts), a more transparent and participative approach to celebrating employee contributions. The HR team enhanced visibility through frequent and meaningful interactions across business functions, including focused connections with Sales and Lab Operations teams.

6,000+
Total workforce



Induction Programmes

We reimagined our onboarding experience in FY25 with structure, role-specific induction journeys that accelerate integration, strengthen learning and build lasting connections.

Aarambh (Doctors)

This program ensured efficient technical, system, process and stakeholder induction of doctors in the system and a 6-months handholding journey by HR including multiple touch-points, and interactions with leaders. Currently 30+ doctors are part of this program.

Aarambh (Sales)

Designed specifically for new sales team members, a tailored induction programme, provides them with a comprehensive introduction to our company, products and sales strategies. By equipping them with the necessary knowledge and bolstering their confidence, Aarambh ensures a quick integration and enables them to

hit the ground running. This programme accelerates sales growth and productivity by setting the foundation for success in their roles. 196 sales new joiners were covered in Aarambh this FY.



Learning and Development

Our L&D architecture covered five categories: Behavioural, Compliance, Functional/Technical, Induction, and Leadership. Our blended learning approach combines instructor-led training, self-paced courses via platforms like Udemy and Skillssoft, coaching, mentoring, and internal job rotation opportunities.



33
Unique programmes introduced

74%
Employees covered

1300
Hours of training Increased over last year



LEAP (Leadership Enhancement & Assessment Programme)

LEAP is a structured Sales Development Centre designed to identify and prepare high-potential individuals for future sales leadership roles. By doing so, it supports internal talent progression and reduces dependence on external hiring. Participants are selected based on their performance and potential,

and are assessed on competencies such as Process Focus, People Focus, Collaboration, Strategic Orientation, Problem-Solving, and Result Orientation.

An external partner with expertise in development centres ensures objective and rigorous evaluation. Following

the assessment, participants undergo year-long development interventions including mentoring, projects, and training sessions. This initiative supports succession planning and enhances leadership readiness across the sales function.

7 Habits of Highly Effective People

As part of our behavioural learning initiatives, we facilitated the globally acclaimed '7 Habits of Highly Effective People' workshop by Franklin Covey. This programme provides actionable principles to improve personal and professional effectiveness. It helps participants strengthen relationships, work more purposefully, and drive results.



25

new managers were equipped to lead teams effectively

RISE

RISE, our enhanced Reward and Recognition platform, is designed to celebrate achievements across the organisation both individual and collective. By spotlighting exceptional contributions at national and international levels, RISE plays a key role in shaping a culture where success is acknowledged and appreciated.

In February, we hosted the RISE Annual Awards, honouring Employees and Teams of the Year. This signature event brings together high performers from across locations and functions, recognising those who consistently exceed expectations and raise performance benchmarks.

We proudly recognized 1,955 individual employees and 100 teams, ensuring that over 3,000 employees were celebrated for their outstanding efforts.

First-Time Manager

Transitioning into a managerial role presents new challenges and opportunities. To support this critical career phase, we introduced the First-Time Manager Programme focused on building essential leadership skills through practical tools, frameworks, and real-world examples.

- Leading with confidence and accountability
- Effective communication and feedback
- Motivating teams and managing performance
- Decision-making and problem-solving
- Navigating conflict and stakeholder needs



Technology in HR

We continued our digital transformation journey by implementing a unified HRIS platform for Suburban Diagnostics and upgrading several digital HR modules.



Paperless onboarding

for new joiners

OnGrid integration

for seamless background verification

Minimum Wages Automation

linked with payroll

Compliance training automation

Enhancements to **Mobcast** for structured content dissemination

Enhancements to **Leena AI** for better query management and employee engagement

Employee Well-being

Our wellness framework addressed five core pillars ensuring that our workforce remained supported across their personal and professional journeys. We engaged employees with structured activities, campaigns, and access to professional resources aligned with each wellness dimension. This integrated approach to well-being is now deeply embedded in our engagement strategy.



Environment

At Dr. Lal PathLabs, we recognise the importance of minimising our environmental footprint while maintaining high standards of healthcare delivery. We have undertaken a series of strategic initiatives to optimise our energy consumption, conserve water, manage waste responsibly, and reduce emissions, all of which are integral to our long-term sustainability goals.

Energy Conservation Initiatives

We have implemented various initiatives to optimise our energy usage across our facilities, focusing on renewable energy sources, energy-efficient systems, and improved operational processes. These efforts have contributed to significant energy savings and reduced carbon emissions.

Solar Capacity Expansion

In FY25, we increased our solar generation capacity to 3.18 MW, contributing significantly to our shift towards renewable energy sources.

Installed during the year

3 MW
in Qutubgarh

18 kW
in Lucknow

10 kW
in Noida and

3.18 MW
Total solar generation capacity

Power Capacitor Bank Installation

This technology was introduced to reduce energy loss and enhance operational efficiency across our locations.

Inverter-based AC Systems

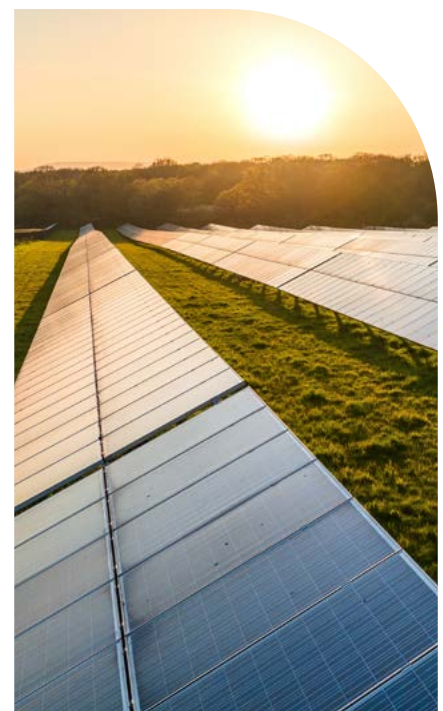
The replacement of conventional air conditioning units with inverter-based systems has resulted in improved energy efficiency and reduced power consumption.

LED Retrofitting

Our ongoing transition to LED lighting has helped further reduce our energy usage while ensuring longer service life and improved lighting quality across our facilities.

Emissions Reduction

To reduce our emissions, we have introduced several measures aimed at improving energy efficiency, particularly in our power generation and HVAC systems. This includes replacing older DG sets with more efficient CPCB4-compliant models to significantly reduce harmful emissions. Additionally, we have optimised our HVAC systems by setting temperature limits at 24°C, which helps reduce energy consumption and improve overall efficiency. These measures not only lower emissions but also contribute to a cleaner and more sustainable operational environment.



1493.85 MT

Co2 emissions eliminated in FY25



Water Conservation

We are committed to reducing our water consumption and ensuring sustainable usage through a range of innovative solutions. Our conservation efforts include water recycling, monitoring, and efficient usage across all facilities. Our initiatives make the best use of available resources while minimising waste and preserving water for future generations.

Water Recycling

We have successfully implemented the reuse of RO wastewater for non-potable purposes, such as washroom use and horticulture, significantly conserving water.

Digital Water Meters

Smart water meters are being installed across several locations to enable more accurate monitoring and optimisation of water consumption.

Wastewater Treatment

Our Effluent Treatment Plants (ETPs) continue to ensure the proper treatment of wastewater, allowing for its safe release or reuse, which helps reduce our overall environmental impact.



Waste Management

Our waste management practices are designed to minimise environmental harm while complying with local regulations. We follow strict guidelines for the proper segregation, treatment, and disposal of both hazardous and non-hazardous waste. By employing best practices, we manage waste responsibly, ensuring it is disposed of in a safe and environmentally sound manner. Our ongoing use of autoclaves for sterilising biomedical waste and the operation of Effluent Treatment Plants (ETPs) help further reduce the environmental impact of waste generated across our facilities.



Governance

Strong governance is the foundation of trust and transparency at Dr. Lal PathLabs. Our governance framework supports effective decision-making, responsible business conduct and sustained value creation for all stakeholders. The Board, supported by specialised committees and guided by well-defined policies, plays a central role in overseeing strategy, performance, compliance and risk management.



Ethics and Integrity

Ethical business practices and integrity are embedded in our culture and decision-making processes. We expect all members of our organisation, from the Board to frontline employees, to operate with transparency, accountability and respect for laws and stakeholders. Our Code of Conduct, supported by a robust Whistleblower Policy, guides our ethical framework, and we encourage open communication on matters of concern. Regular training and awareness programmes ensure that our people remain aligned with these values.

Board committees

The Board has established several committees to fulfil statutory tasks and obligations as required by various laws. These committees conduct extensive assessments of procedures and policy implementations to oversee key business operations. They meet regularly to carry out their designated responsibilities. The advice and support from these committees enhance the Board's decision-making process.

- Audit committee
- Nomination and remuneration committee
- Stakeholders' relationship committee
- Risk management committee
- Corporate social responsibility committee

Policies we implement

We clearly communicate our policies and standards with employees and stakeholders alike. This helps establish a decision-making framework that ensures consistency and fairness in operations. Our well-defined policies help promote a positive business culture. To promote ethical and transparent conduct, the Board has established and implemented comprehensive codes, policies, charters and practices across the organisation.

- Whistleblower policy
- Nomination and remuneration policy
- Policy on related party transactions
- Business responsibility and sustainability reporting policy
- Dividend distribution policy
- CSR policy
- Policy on the determination of materiality of events or information

Board Skills and Expertise

Our Board members bring a blend of expertise across domains essential for the Company's current and future needs. Their collective skills ensure sound strategic oversight and effective governance.

- Communication and Relationship Skills
- Commitment and Engagement
- Board and Governance Skills
- Specialised Industry and Environmental Knowledge
- Finance and Risk Management
- Information Technology

Uncompromising Focus on Quality

Quality assurance forms the foundation of our diagnostic operations. A robust Total Quality Management Framework with quality processes and procedures in alignment with global standards, and a systematic quality monitoring mechanism is in place. Our laboratories are accredited by national and international bodies such as NABL, CAP and ISO reflecting our emphasis on clinical excellence and patient safety. Participation by processing labs in various national and international EQA programs not only provides for the peer comparison but it also strengthens our customers' confidence in the accuracy of the test reports.

Adoption of technology for inbuilt system controls assures of high diagnostic accuracy and consistency. Periodic internal audits are conducted to ensure compliance to the standard operating procedures. We conduct regular trainings for our staff to remain proficient in maintaining high standard in service delivery.

Board of Directors



(Hony) Brig. Dr. Arvind Lal
Executive Chairman



Dr. Vandana Lal
Whole-time Director



Dr. Archana Lal Erdmann
Non-Executive Director



Dr. Om Prakash Manchanda
Managing Director
(Completed his tenure as MD on March 31, 2025).



Mr. Arun Duggal
Independent Director



Mr. Rahul Sharma
Non-Executive Director



Mr. Rohit Bhasin
Independent Director



Mr. Rajit Mehta
Independent Director



Ms. Somya Satsangi
Independent Director



Mr. Gurinder Singh Kalra
Independent Director



Transforming **LIVES** Through Healthcare

Corporate Social Responsibility Report
FY 2024-25



Skilling



Public Health



Healthcare Research

About Lal PathLabs Foundation

Lal PathLabs Foundation is the CSR arm of Dr. Lal PathLabs Ltd and its subsidiary companies.

The Foundation envisions building a healthy nation by enabling access to high-quality, preventive healthcare services. LPL Foundation contributes to healthcare and preventive healthcare services in the country by making an impact on the underprivileged section of our society. To achieve this, LPL Foundation is working with a focused approach, through its flagship programs consisting of Vocational Training and Skill Development in Healthcare. The purpose of the Foundation is to create a pool of certified healthcare workers to bridge the gap in the availability of qualified healthcare professionals and to provide sustainable

livelihood for unemployed youth in rural, remote and semi-urban areas of the country. Besides the flagship programs, the other focused, thematic area of the Foundation is Public Health which comprises of health education to school children, awareness generation and preventive healthcare services, capacity building of the community, linking them to government health services, adolescent healthcare, nutrition support to tuberculosis patients, geriatric care, water & sanitation and creating employment opportunities among the skilled, unemployed youth by upskilling the unskilled, in the rural and semi-urban areas.

Strategic Framework & Objectives

Vision

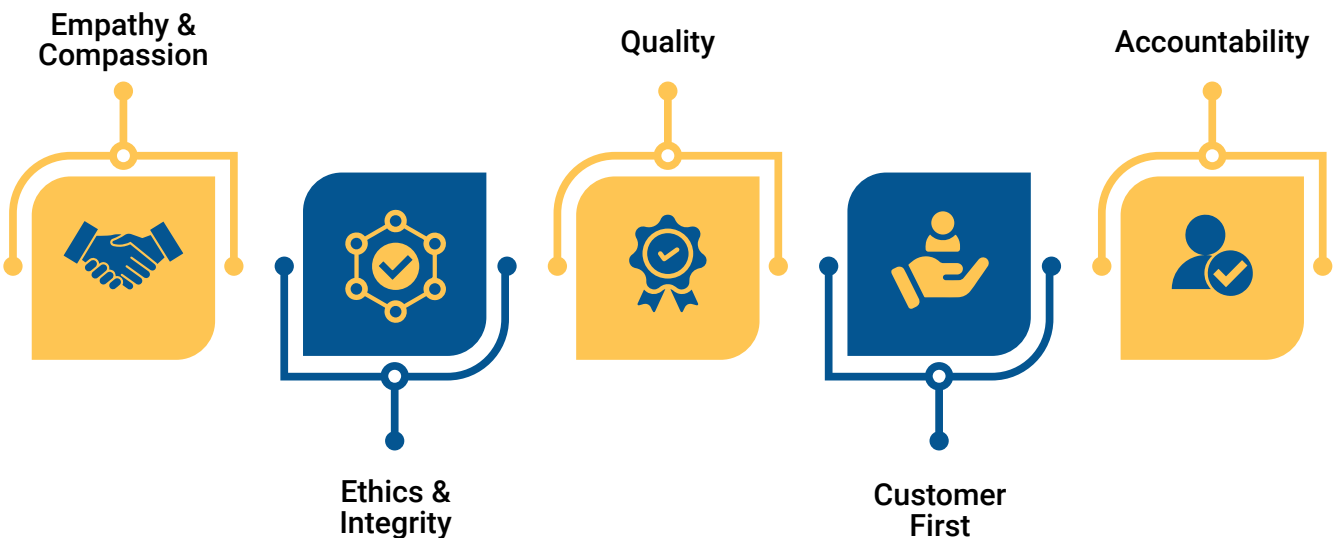
We envision to build a healthy nation and improving the lives of the community through high-quality and preventive healthcare initiatives.

Mission

To ensure improved health and well-being of communities by promoting preventive healthcare and investing in programs, partnerships and ideas that spread awareness, take preventive action and diagnostic measures for the communities we serve. We work in the areas of preventive healthcare, adolescent healthcare, geriatric care, public healthcare initiatives, water & sanitation and creating employment opportunities in healthcare.

Additionally, Lal PathLabs Foundation shall endeavour to work closely with different stakeholders like NGOs, like-minded organisations and the Government to achieve the outlaid intents for the communities we serve.

Values



CSR Policy

At Dr Lal PathLabs, CSR is not simply an add-on charity-driven initiative but one that is based on a directive that the company must play an indispensable role alongside government, civil society and communities to solve complex development challenges of the country.

The Company believes in creating value for its stakeholders, including the underprivileged sections of the society, and enabling this segment to lead a life with dignity.

To achieve this, the Company continuously contributes towards building capacities and creating resources for the marginalised people in society.



Details of the policy can be downloaded at:

<https://media.lalpathlabs.com/csr/DLPL-CSR-Policy-June-21.pdf>

CSR Strategy

LPL Foundation's CSR strategy's core lies in working towards a healthy nation by making available preventive healthcare services to the most marginalised segments including rural, poor, aged, and disabled members of the community across the country.

LPL Foundation disseminates knowledge and facilitates employment and capacity building of marginalised communities, helping them contribute to the healthcare delivery sector while they build their livelihood in the sector.

CSR Tenets

Our CSR tenets spring forth from two pillars - Healthcare and Preventive Healthcare.

Healthcare

- A healthy nation
- Skilling for employment in healthcare delivery
- Healthcare knowledge & technology to the marginalised

Preventive Healthcare

- Education
- Preventive healthcare services and hygiene
- Connect community with healthcare service providers

CSR Objectives

1

Inclusive Growth

Inclusive growth through sustainable livelihood

2

Quality Healthcare

Quality healthcare in rural & remote areas

3

Spirit of Volunteering

Participate in community initiatives

Beneficiary Profile



Unemployed youth



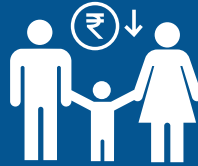
Persons with disabilities



Rural communities



Women, children, adolescents and senior citizens



Socially and economically marginalised communities

CSR Thrust Areas

Skilling

- Phlebotomist training for employment of youth.
- Provide quality diagnostic solutions in tier II & III areas.
- Establish service link between rural patients & service providers.
- Bridge the gap of availability of qualified paramedical staff in rural areas.



Research

- Partnership with IIM-A for healthcare research.
- Set up a chair namely “Dr Lal PathLabs Chair in Healthcare”.
- Create thought leadership in the diagnostic services & healthcare sector.



Public Health

- Build awareness on healthcare & preventive healthcare in marginalised communities (rural remote/semi urban).
- Provide linkages for marginalised communities to government health and community programs.
- Work alongside government and communities for disease prevention.
- Ensure healthcare support to marginalised, underserved and specially abled members in rural areas.



Others

- Program agility to address immediate needs of society.
- Support to special causes based on ad hoc needs.
- Work with government agencies in response to nation’s call for interventions.



CSR Milestones

Bringing precision to patient care through technology adoption in operations & CSR program.



1

Sensitising our employees and building a culture of societal responsibilities through corporate volunteering.

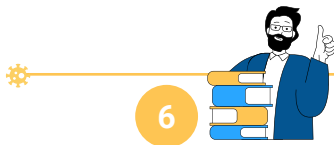


2

Driving our purpose through sustainable employment generation in the healthcare sector.



3



6

Creating thought leadership through healthcare research.



5

Bridging inequities in availability of quality health services in the rural areas.



4

Taking healthcare to the marginalised; capability building within the communities for healthcare access in rural areas.

Transforming Lives Through Healthcare

CSR Governance

CSR Committee

(Hony) Brig. Dr. Arvind Lal
Dr. Om Prakash Manchanda
Mr. Arun Duggal

Chairman

Member (Till 31st March 2025)
Member

Management Team

(Hony) Brig. Dr. Arvind Lal
Dr. Om Prakash Manchanda
Mr. Manoj Garg

Chairman

Managing Director
(Till 31st March 2025)

Group CHRO

CSR Team

Mr. Rajesh Singh
Mr. Pankaj Issar
Mr. Ashish Dangar
Ms. Shivani Tripathi

Head - CSR

Dy. Manager - CSR
Dy. Manager - CSR
Asst. Manager - CSR

100%
Attendance



2

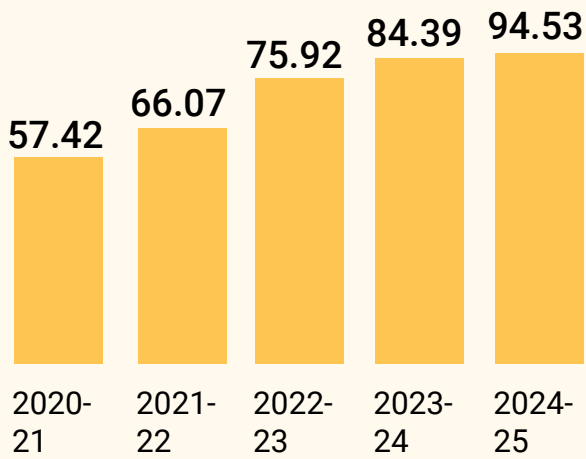
No of CSR Committee meetings



CSR Dashboard +

Financial

₹ in Million



CSR Spends - 2024-25



Spend Allocation



Skilling

Phlebotomist training & placement

2800+

Phlebotomists certified in 2024-25

10,000+

Phlebotomists certified since inception

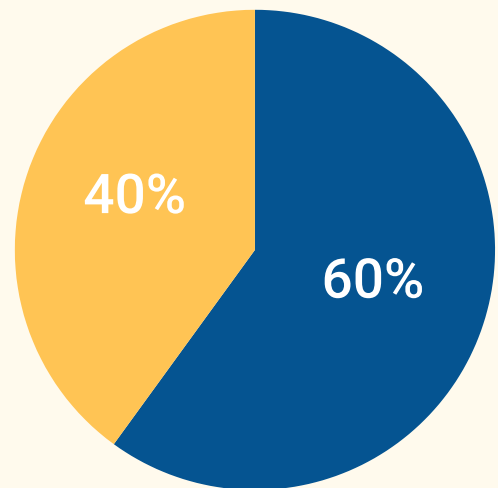
2200+

Phlebotomists placed in 2024-25

8200+

Phlebotomists placed since inception

Candidate Diversity (Certification)



FY 2024-25

Men Women

19

Total Phlebotomists Training Centres



Impact

8.80 Million+

Total Beneficiaries

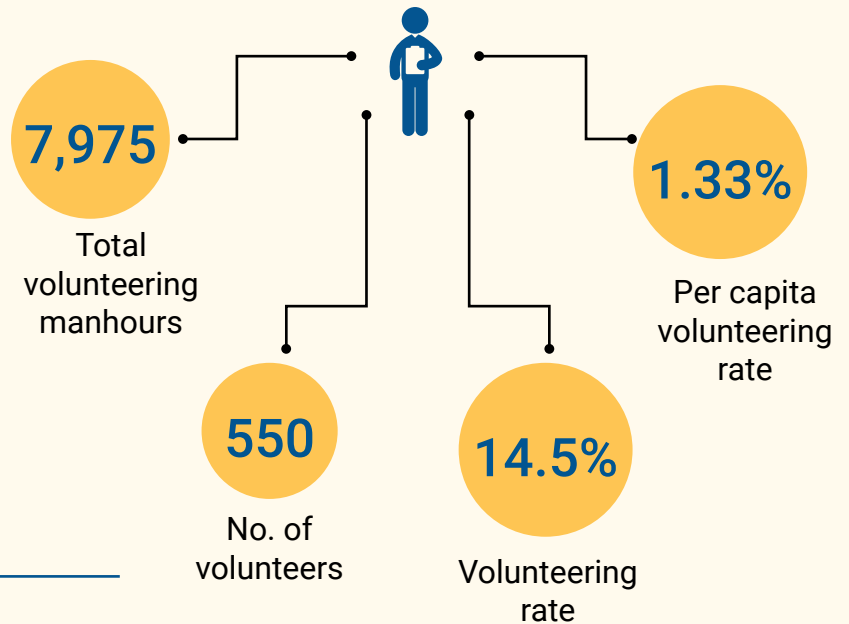
21+

States & UTs covered till date

42+

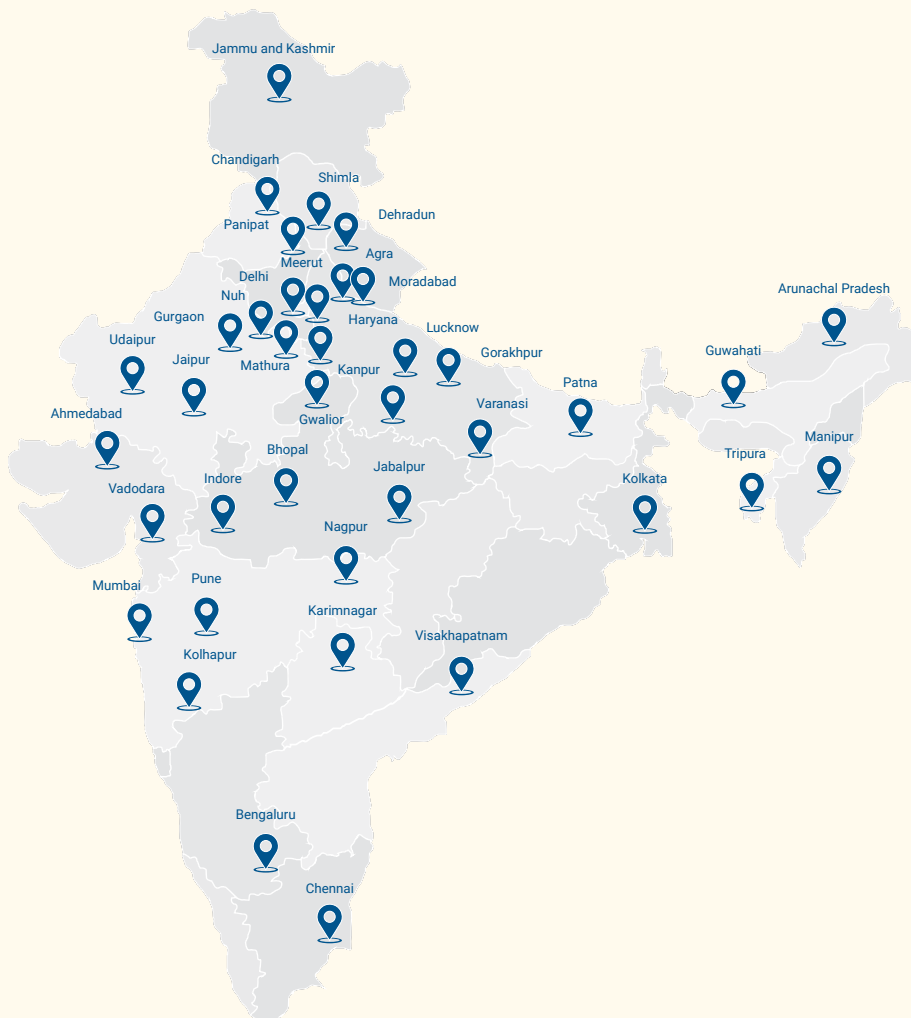
Locations reached till date

Employee Volunteering



Reach

Our footprints from 2018-2025



42+

Locations Reached till date

21+

States & UTs covered till date

2.20 Million+

Direct beneficiaries reached

6.60 Million+

In-direct beneficiaries reached
(Indirect beneficiaries calculation 1*3)

Management Messages ———+

Transforming Lives Through Healthcare



Message from the Chairman

“

Our vision is deeply rooted in ensuring that healthcare is not just available but also equitable. We want to empower individuals and communities by leveraging technology, fostering skill development, and collaborating with stakeholders to make diagnostics a cornerstone of preventive healthcare.

”

Diamonds get their sparkle only through rigorous cutting, chipping and polishing. This is how transformation happens, and this has indeed been the journey of Dr. Lal PathLabs through 75 years of glorious existence. We take a bow and stop to look back at the path we have taken - arduous, meticulous and stepping-up in time to the demands of technological advancements.

Today we have positioned ourselves as market leaders in the diagnostics services industry with several firsts to our credit. We also know that this is no time to sit back on our laurels as technological advancements continue to drive change. This has indeed given us the impetus to gallop

further ahead.

As we celebrate 75 years of excellence, we leverage this expertise to transform healthcare for the masses, especially the underprivileged people living in the semi-urban and the rural areas.

Transforming Lives

Our vision is deeply rooted in ensuring that healthcare is not just available but also equitable. We want to empower individuals and communities by leveraging

technology, fostering skill development, and collaborating with stakeholders to make diagnostics a cornerstone of preventive healthcare.

Over the years, we have built technological and digital capabilities in diagnostic services which facilitate expanding access to quality diagnostic solutions to the interiors of the country. Better health infrastructure and trained manpower has helped transform the lives of people in tier two and tier three towns of the country.



Our pillars of transformation through healthcare are:



Skill development through training and placement of phlebotomists.



Addressing disabilities & common public health needs including Non-Communicable Diseases (Diabetes, Hypertension, Cardiac diseases, Cancers, Strokes, Liver, Kidney, Lung diseases) & life-threatening infectious diseases like Tuberculosis.



Preventive healthcare through healthcare awareness among children and rural communities.



Thought leadership through healthcare research.

Multi-pronged approach

We have taken a multi-pronged approach to healthcare delivery through our various programs- multiple beneficiary segments, multiple program delivery platforms, multi-

dimensional approach to healthcare delivery, to address the needs of marginalised people in remote locations.

Alignment with Sustainable Development Goals



1 Our Skilling segment trains, certifies and places phlebotomists across rural and urban health facilities.

2 In terms of program delivery, LPL Foundation has successfully tapped its digital abilities to provide a wide range of programs under Public Health.

3 With 75 years of expertise behind us, we have been able to institutionalise our knowledge and expertise. By tying up with IIM-Ahmedabad, we have created thought leadership in healthcare management through active research and studies.

This ensures -

- A. Empowering youth in the rural and semi-urban regions with greater employability and financial independence.
- B. They get to work closer to their homes which also facilitates female phlebotomists to join the healthcare industry.
- C. Enhancing the efficiency of healthcare delivery by making diagnostics accessible in the rural areas where it is needed most.

This includes among others,

- A. Telemedicine in the districts and villages which enables specialists to provide remote consultations, bridging geographical barriers and reducing turnaround times in healthcare delivery.
- B. Leveraging existing therapies such as Ayush and native cures for small ailments.
- C. Expanded net of pharmaceutical assistance for diseases such as cancer, kidney ailments, tuberculosis, etc.
- D. Preventive care through awareness campaigns across regions and across beneficiary segments covering children, adults, women and specially abled.

2,200+

Phlebotomists certified & placed in 2024-25

82%

Placement rate

₹378.33 Million

Spent on programs in the last 5 years

10+

Varied Programs

2.20 Million +

Direct beneficiaries reached since inception

Transformation Through Quality & Excellence

Real transformation is brought about with a structured, scientific, and data-driven approach. We have adopted technology-driven, sustainable operations with climate

change at its core..

We have been able to reduce our carbon footprint and strive to create awareness about it at every touch point.

LPL Foundation's program management is focused on:



Collaborative Partnerships –

by working closely with government, local bodies, NGOs and healthcare institutions to maximise reach and effectiveness.



Long-term sustainability –

creating self-sufficient models by investing in and leveraging community leadership and capacity-building.



Preventive healthcare -

outreach initiatives to educate communities on preventive healthcare, empowering them to take proactive steps in managing their health.



Impact Assessment and Continuous Improvement -

measuring the efficacy of our initiatives through structured third-party audits and refining our strategies for better outcomes.

Looking Ahead: Transforming Lives Through a Healthier Future

“As we move forward, our dedication to healthcare transformation remains steadfast. LPL Foundation believes in empowering individuals, uplifting communities, and shaping the future of healthcare in India. ”

This mission is ambitious, but with the unwavering support of our stakeholders, partners, and dedicated employees, we are confident that we can create a lasting impact.

We have created strong footprints thus far, but we recognise that there is more to be done in building a healthy nation. Together, we will continue to push boundaries, embrace sustainable practices, and work towards a future where healthcare is truly accessible for all.

I extend my heartfelt gratitude to everyone who has contributed to this mission – our partners, employees, and the communities we serve. Your support and belief in our vision is what drives us forward.

Thank you for being a part of this journey towards a healthier, more equitable India.

Yours sincerely,

(Hony) Brig Dr. Arvind Lal

Executive Chairman

Expanding Healthcare to Transform Lives



Message from the MD

“

Our goal is bringing quality diagnostic services closer to those in need – the weaker sections in society and the economically challenged patients who desperately need care, especially when it comes to critical illnesses.

”

At Lal PathLabs Foundation, our mission is to transform healthcare accessibility by bridging the gap in diagnostic services in rural and semi-urban India. Our flagship program focuses on phlebotomist training and placement, as well as innovative healthcare solutions, to address critical healthcare delivery challenges across the country.

The past few years have seen remarkable progress, driven by our commitment to equipping healthcare professionals, enhancing technology-driven solutions, and fostering sustainable community engagement. To strengthen this further, we initiated two new programs this year. The program ‘Strengthening Primary

Healthcare Delivery’ is designed to address gaps in accessing the public healthcare initiatives in rural areas. This will help bring technology-driven public healthcare closer to the communities and create greater awareness on preventive healthcare. The second new program aims to leverage sports talent among the marginalised students in schools and enhance their potential to shine in sporting events. About 25 students were identified to receive scholarships for training and assistance in sports.

This report highlights all other key initiatives, outcomes, and future direction, as we continue our journey towards improving lives through better healthcare access.

How We Strengthen Healthcare Delivery in Rural India

LPL Foundation has taken a structured approach to strengthen healthcare delivery in rural India through three primary verticals.



Skilling

- Bridge the gap in the need for skilled workers for delivering healthcare services in rural, remote and semi-urban areas.
- Provide skilling and enable employability for rural youth to serve as the last mile link in healthcare access in rural areas.



Public Health

- Provide primary & secondary healthcare within the village clusters.
- Create healthcare awareness in the rural communities.
- Empower grassroots-level women to drive rural health.
- Affordable healthcare and chronic disease awareness among under-privileged segments.



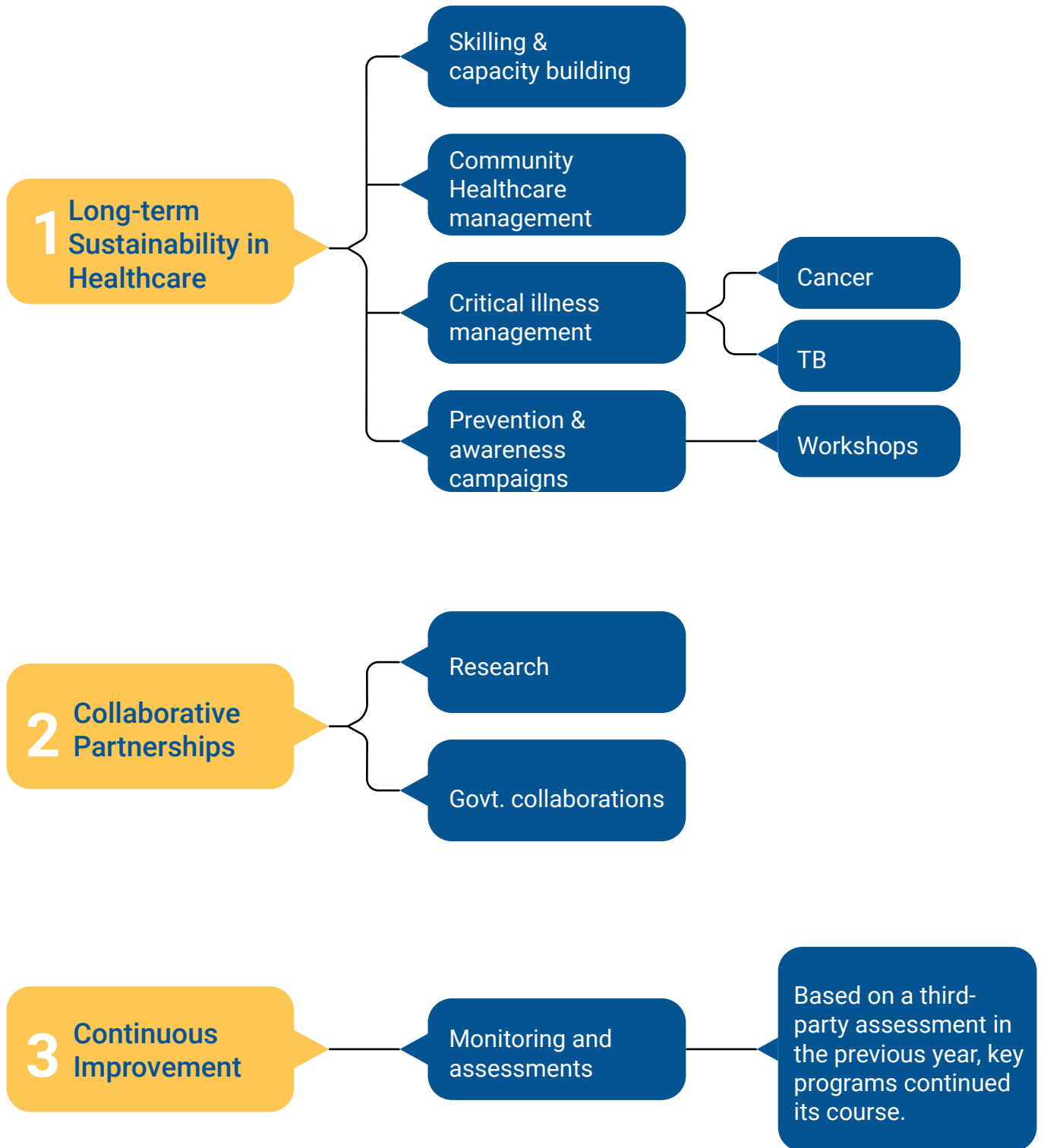
Healthcare Research

- Creating new knowledge, thought leadership and research, specific to healthcare.
- Research to empower professionals across the healthcare value chain.
- Reduce the gap in the quality and delivery between public and private healthcare through scientific data management.

Going beyond, these three verticals, we consider ad hoc projects to address smaller beneficiary profiles or requirements for interventions such that key issues are addressed as the need arises.

This ensures LPL Foundation's programs are holistic and address pressing issues faced by the nation. This also provides us the bandwidth to rise to the call to action, supporting Government initiatives.

Impact of Initiatives in 2024-25



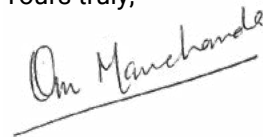
Transforming Diagnostics Through Technology

Where We Are Headed

We as a company, have completed 75 years and it has indeed been a joyful ride of growth and development for the organisation. We are determined to put all the knowledge gleaned into the betterment of our society and the nation at large. Yes, there is a lot more to do but I am sure we will do better, given the steadfast support we have from our employees, NGO partners and other stakeholders.

I sincerely thank them and seek their continued support, going forward. Together, we will continue to reach new milestones, embrace innovation, and build a healthier, more inclusive future for all.

Yours truly,



Om Manchanda
Managing Director



Program Management



Program Overview

	Project name	Activity	Schedule VII listing
 Skilling	LPL Academy for Laboratory Medicine-Phlebotomist Training	Skill development & employability as phlebotomists	ii
 Public Health	Comprehensive School Health Program (CSHP)	Health education for school children & their teachers	ii
	Strengthening Primary Health Care Delivery	Strengthening the public health system by fostering collaboration with healthcare workers and community	i
	Nutritional Support to TB Patients (Ni-kshay Mitra)	Nutritional support to TB patients for TB eradication	i
	Arogya Resource Centre	Community health program, health awareness, preventive health services and capacity building	i
	Madhav Srushti	Renal disease -healthcare & preventive healthcare and dialysis in the marginalised community	i
	Comprehensive Menstrual Health Solution	Menstrual hygiene management in urban slums for girls and women	i
 Healthcare Research	Establishing a Professorial Chair in Healthcare	Research in Healthcare	ix
 Others	Scholarship for sports training and development	Promote sports and provide scholarships for training of talented and deserving students	vii

Location	Development sector(s)	Implementation
Lucknow, Gorakhpur, Varanasi, Meerut (UP), Jaipur, (Rajasthan), Rohini (Delhi), Indore, Gwalior (MP), Pune, Nagpur, Kolhapur (Maharashtra), Vizag (AP), Karimnagar (Telangana), Dehradun (Uttarakhand), Chandigarh (UT), Guwahati (Assam), Patna (Bihar), Kolkata (West Bengal), Bangalore (Karnataka)	Vocational Training in Health Care	B-ABLE Foundation and Lok Bharti Education Society
Delhi, NCR & Tri-city Chandigarh	Public Health	Child Eye
Sarojini Nagar, Lucknow	Public Health	DigiSwasthya Foundation
Nuh, Haryana	Public Health	Society for Participatory Integrated Development (SPID)
Kanpur, Agra & Mathura	Public Health	Arogya Foundation of India
Indore	Public Health	Sri Guruji Sewa Nyas
Mumbai	Women's Health	Grameen Pragati Foundation
Ahmedabad	Research (Healthcare)	IIM-Ahmedabad
Delhi	Promoting sports	Champa Devindra Dhingra Sports Trust



Skilling

Flagship program



LPL Academy for Laboratory Medicine – Phlebotomist Training

Program Goal

- Bridge the gap in the need for skilled workers for delivering healthcare services in rural, remote and semi-urban areas.
- Provide skilling and enable employability for rural youth to serve as the last mile link in healthcare access in rural areas.

Objective

Provide dignified and sustainable livelihood to the unemployed youth through rigorous training as phlebotomy technicians.

Beneficiaries

Underprivileged, unemployed youth ages 18 years and above from rural, remote and semi-urban localities.

Implementation partners

- B-ABLE Foundation
- Lok Bharti Education Society

Program Overview

This is LPL Foundation's flagship program wherein it trains youth from rural areas as Phlebotomists, equipping them to serve as healthcare access points for underserved communities in rural and semi-urban regions.

The rationale for this program is to tap local talent to address the skill gap in the healthcare sector. Government sponsored insurance schemes and health centres have penetrated the tier 2 and tier-3 regions

but face the challenge skilled diagnostic professionals. On the other hand, youth in these regions lack job opportunities. Most medical interventions rely on diagnostic services, and the LPL Foundation's Skilling Program fits this gap perfectly.

The Academy for Laboratory Medicine currently operates in 19 centers across 11 states and 2 Union Territories, affiliated with the National Skill Development Corporation (NSDC) and certified by the Health Sector Skill Council (HSSC).



Program Impact

Skilling & Placement

10,000+
Certified till date

8,200+
Placements till date

2,800+
Certified in 2024-25

2,200+
Placements in 2024-25

82%

Placement success rate
in 2024-25

Diversity

FY 2024-25

60%

Female candidates
trained & certified



40%

Male candidates
trained & certified

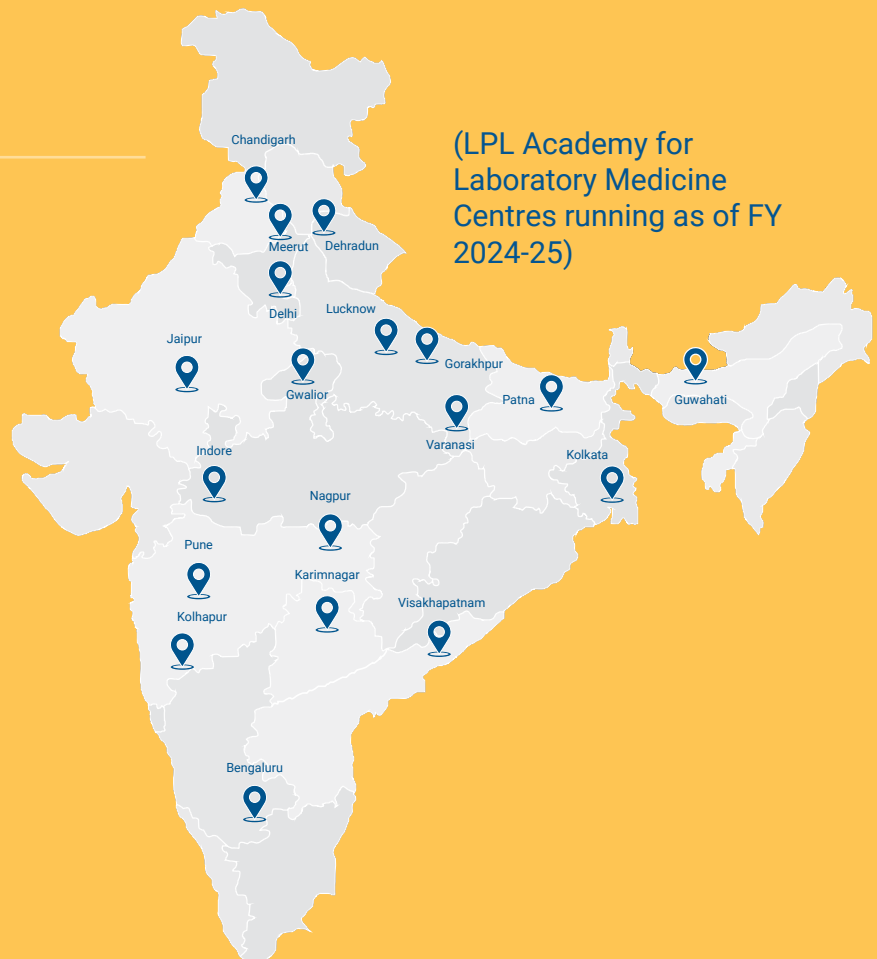


Reach

11 states, 2 Union
territories

19

Locations (LPL Academy for
Laboratory Medicine Centres
running as of
FY 2024-25)



Impact Stories

Sudheer Patnala, a shy, introverted young lad from Vishakhapatnam had great aspirations. Once he completed his 12th Class, he seemed stuck. His father, a daily labourer has great aspirations for his son and struggled to provide him with education. Now it was his turn to turn himself into a productive human and support his parents. LPL Foundation's Phlebotomist training came as a lifesaver to Sudheer. He successfully completed the course and is a proud

contributor to his family income with a strong footing in the healthcare diagnostics services industry. He is not the only one. There are scores of others from every state who have similar stories to tell. Young girls and boys stepping into adulthood, get a foot in the doorway to healthcare delivery services through the LPL Academy for Laboratory Medicine. Year after year, these youngsters get trained and enter the job market in the healthcare industry transforming their lives to one with self-confidence, dignity and respect.



Roshini Kattoju



Monirul Ali



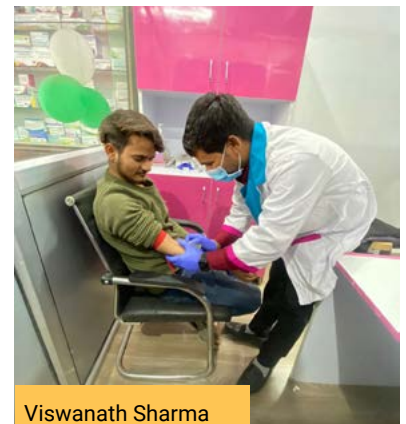
Dharani Allu



Yernamma Mukala



Komalika Esarapu



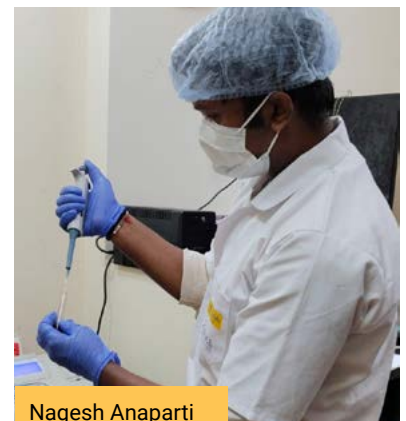
Viswanath Sharma



Tejeswini Garbham



Radhika Ganta



Nagesh Anaparti



Public Health



1. Arogya Resource Centre (ARC)

Program Goal

- Provide primary & secondary healthcare within the village clusters.
- Create healthcare awareness in the rural communities.
- Empower grassroots-level women to drive rural health.

Objective

- Provide linkages to rural communities with Government and private, secondary and tertiary health facilities in cities.
- Create awareness on preventive healthcare, nutrition and hygiene; address anaemia and malnutrition through proactive interventions to prevent ailments.
- Training on first aid and home remedies for common ailments.
- Telemedicine support for healthcare.

Beneficiaries

Rural communities with no access to basic healthcare, women and children.

Implementation partners

Arogya Foundation of India

Program Overview

Arogya Resource Centres train grassroots-level women as Swasthya Sevikas to address healthcare needs in remote villages. They conduct health camps and preventive tests, link communities to healthcare facilities, and run awareness programs on

first aid, herbal medicines, hygiene, and sanitation. Initiatives like soak pits, composts, and home gardens promote hygiene and nutrition. Telemedicine allows early management of health concerns by qualified professionals, providing access to expert medical counsel even in remote locations.



Program Impact

Healthcare



10,724 Persons
Telemedicine
Coverage



12,199 Persons
Home remedies
Coverage



119 Soak/Waste pits
Hygiene



977 Plantation of nutritional/
medicinal plants
Nutrition

Preventive care

8 Covering **593** Persons
Medical camps

18,381 Families
Awareness programs

1,129 School children
Awareness programs
in schools

12,376 Persons
No. of people covered in
hygiene awareness
(Poster Pradarshan)

Reach

3
Districts

120
Villages

25,704
Persons reached through
various interventions

- **Agra Dist:**
Edmatpur Block- **30**
Villages
- **Kanpur Dist:**
Bithoor & Maitha Blocks- **60**
Villages
- **Mathura Dist:**
Nandgaon Block- **30**
Villages

2. Comprehensive School Health Program (CSHP)

Program Goal

- Comprehensive health education for children in schools.
- Training of teachers on course curriculum.

Objective

Preventive healthcare for non-communicable diseases through education, knowledge and behaviour change programs in schools.

Beneficiaries

Class VI and VII students in selected schools in Delhi-NCR and Tri-city Chandigarh.

Implementation partners

Child Eye

Program Overview

The program involves conducting health education sessions for school children. It addresses lifestyle-related and non-communicable diseases, including topics such as nutrition, hygiene, physical activity, disease concepts, general health, teacher training, and parent awareness sessions on health. These sessions aim to instill healthy habits in children from a young age, reducing the risk of developing chronic conditions later in life.

Additionally, the program includes interactive activities

to engage students and reinforce learning objectives. Teachers receive specialised training to effectively deliver health education and integrate these lessons into their daily curriculum. Parents are also involved through informational sessions, empowering them to support and reinforce healthy practices at home.

The research study derived from this program is utilised to inform broader application of disease prevention strategies among various stakeholders. This program helps in improving educational content to enhance overall community health outcomes.



Program Impact

Reach

6,100+

School students reached

19

Schools covered across Delhi & Chandigarh

60+

Teachers trained to manage health awareness

3. Comprehensive Menstrual Health Solution

Program Goal

Promote female health and hygiene.

Objective

Menstrual hygiene management in urban slums.

Beneficiaries

Girls and women in slums in Parel, Worli, and Koliwada, Mumbai

Implementation partners

Grameen Pragati Foundation

Program Overview

Conduct awareness programs in schools and the broader community to educate individuals on menstrual hygiene; train and empower ASHA workers to spread

awareness on mental health; availability of privacy room for girls, distribution of sanitary pads etc.



Program Impact

Healthcare

1,200+

Women impacted with good menstrual hygiene practices and service delivery.



40%

persons with disabilities

Preventive care

10,000+

Women touched through awareness sessions on female health & hygiene practices.



4. Madhav Srushti

Program Goal

Affordable healthcare and chronic disease awareness among under-privileged segments.

Objective

- Making high-cost renal disease treatments affordable to underprivileged segments.
- Sensitise communities on preventive care and renal disease outcomes.

Beneficiaries

Underprivileged communities afflicted with renal disease in Indore.

Implementation partners

Sri Guruji Seva Nyas

Program Overview

This initiative offers advanced dialysis treatment to economically disadvantaged individuals suffering from renal disease in rural regions, at affordable

rates. The program also encompasses awareness campaigns aimed at sensitising rural communities about the prevention of non-communicable diseases and promoting lifestyle modifications to maintain health.



Program Impact

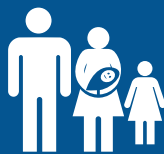
Healthcare

1,300+ Patients
Diagnostics & dialysis
provided



Preventive care

1,000+ Families
Awareness sessions
and preventive care on
critical illness



Reach

2,300+ Households
reached through
healthcare &
prevention programs



5. Strengthening Primary Health Care Delivery

<p>Program Goal</p> <ul style="list-style-type: none"> • Leverage existing public and institutional primary health services. • Leverage technology to reach rural areas for healthcare. • Promote healthcare awareness and preventive healthcare among communities. 	<p>Objective</p> <ul style="list-style-type: none"> • Address gaps in utilisation of public health services. • Sensitise rural communities on communicable/non-communicable disease management and prevention aimed at behavioural shifts towards healthcare. • Reduce time to access expert healthcare by promoting telemedicine, early treatment and prevention. • Encourage creation of digital health IDs. 	<p>Beneficiaries</p> <p>Rural communities around Sarojini Nagar Block, Lucknow, UP.</p> <p>School students</p> <p>Teachers</p>	<p>Implementation partners</p> <p>DigiSwasthya Foundation</p>
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Program Overview

The Indian Government's Health Ministry envisions Universal Health Coverage which aims to provide equitable healthcare access to citizens. Towards this goal, the Government to strengthen primary healthcare, established Health and Wellness Centres. In tandem, the digitization of health care delivery brings about efficiency and reduces turnaround time for access to primary healthcare.

The Government's Ayushman Bharat is a two-pronged program - i. Health and Wellness Centres (HWC) to bring Comprehensive Primary Health Care (CPHC) closer to the communities and ii. PM-JAY, Pradhan Mantri Jan Arogya Yojana to provide tertiary healthcare access through financial assistance to the communities. Building a digital infrastructure to offer easy access to the Government's public health programs, the ABHA card (Ayushman Bharat Health Account) has been introduced for citizens.

LPL Foundations program 'Strengthening Primary Health Care Delivery Services' is aimed at optimising the Government's programs to be accessed by the communities seamlessly.

These targets will be achieved through a multi-pronged approach comprising of:

- Health and awareness camps in conjunction with HWCs.
- Registration for ABHA cards.
- Campaigns and programs for health care events.

The project targets:

- Utilization of HWCs.
- Create awareness on healthcare and its prevention.
- Generating ABHA IDs for beneficiaries for smoother access to public healthcare.
- Sensitizing students in school and rural communities on preventive health, communicable and non-communicable diseases and hygiene.
- Behavioural change in communities towards health care attention and access.
- Engagement with existing public health stakeholders such as HWC staff, frontline health workers and village heads to jointly drive community health.
- School Health Ambassador Program for taking healthcare awareness and prevention to schools.
- Directly engage and sensitize communities through street plays for behavioural change with respect to address healthcare needs in a timely manner.
- Spread of healthcare knowledge through distribution of Information, Education and Communication (IEC) materials.
- health care attention and access.



Program Impact

Community awareness

15,000

Direct beneficiaries of awareness initiatives

7,500

Electronic Medical Records (ABHA IDs) generated

120

Health & Awareness camps organised with HWCs

15 street plays

For behavioural change

8 events

National & International health events through rallies & campaigns

Strengthening HWC staff and frontline workers

120
sessions

Knowledge dissemination for frontline workers

94

ASHA workers reached

19

HWCs covered

60

Villages reached

School Health Ambassador Program

2,000

Students engaged



30

Schools engaged & activated



Local administration engagement

292
Meetings

Public health workers, local administration officers engaged

6. Nutritional Support to TB Patients – Ni-Kshay Mitra

<p>Program Goal</p> <p>Support India’s TB eradication program through Ni-Kshay Mitra 2.0 initiative of Ministry of Health & Family Welfare, Government of India</p>	<p>Objective</p> <ul style="list-style-type: none"> ● Provide nutritional assistance for patients afflicted with tuberculosis for better disease management in underprivileged communities. ● Sensitise communities on preventive care for TB. ● Connect them with Government healthcare service providers. ● Work actively with health officials in the management of TB. 	<p>Beneficiaries</p> <p>Underprivileged communities undergoing treatment for TB in Nuh (Mewat) district of Haryana.</p>	<p>Implementation partners</p> <p>Society for Participatory Integrated Development Society (SPID)</p>
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Program Overview

Since October 2022, LPL Foundation has been supporting the Government’s TB Eradication Programme as a ‘Ni-Kshay Mitra’, reinforcing its dedication to comprehensive tuberculosis (TB) management. This initiative provides vital nutritional assistance to marginalised communities affected by TB, recognising that proper nutrition and counselling are essential for enhancing treatment effectiveness and promoting faster recovery.

Given TB’s infectious nature, raising awareness and addressing misconceptions are critical. To support this, LPL Foundation distributed nutrient-rich food kits, including protein-rich essentials such as eggs, lentils, and edible oil, to aid the recovery of TB patients.

These efforts were undertaken in collaboration with Government officials from the District Health Department.

Furthermore, LPL Foundation conducted extensive community awareness programmes to educate patients and their families about TB prevention, treatment, and recovery. These initiatives aimed to curb disease transmission, dispel myths, and reduce stigma, fostering a more informed and health-conscious society. By disseminating essential health-related information, the Foundation continues to play a key role in prevention of communicable diseases such as TB. Providing nutritional aid strengthens public health efforts to combat TB.

The CMO, Nuh honoured LPL Foundation for its exceptional support to TB patients in the district. A certificate in recognition was conferred on World TB Day at an event held at Mandikhera District Hospital. Senior government health officials, our NGO partner, TB patients and community members attended the event.

The CMO, DTO and other officials thanked LPL Foundation for the support and commitment towards driving the ‘TB Mukht Bharat Abhiyan’. The success of the program brought about recognition from the Union Health Minister at an event held at Bharat Mandapam, Delhi. LPL Foundation’s continuous support as a Ni-Kshay Mitra was instrumental in achieving this recognition from the Govt.





विश्व टीबी दिवस के उपलक्ष्य में किया कार्यक्रम

■ जाटक नुवकड़ ने बांधा सगा, टीबी मुक्त भारत की दिलाई शपथ

फिरोज़पुर जिला, 27 मार्च (ब्यूरो): जिला सिविल अस्पताल मंडीखेड़ा में बीरवार को लाल पथ लैब्स फाउंडेशन ने अपने कार्यक्रमों में भागीदार एस्पीआईडी सोसाइटी और जिला टीबी सेल नुह के सहयोग से टीबी के प्रति जागरूकता फैलाने और इसके उन्मूलन के लिए विश्व टीबी दिवस मनाया। दोपहर प्रबलन के बाद नुह सिविल सर्जन डॉ. सर्वजीत कुमार धारण ने कहा कि टीबी फैलाने वाली



कार्यक्रम के दौरान मुख्य अतिथि सर्वजीत धारण व अन्य

टीबी के खिलाफ सामूहिक प्रयासों के महत्व पर जोर दिया और लाल पथ लैब्स फाउंडेशन द्वारा विनियमित तथा एस्पीआईडी सोसाइटी द्वारा संचालित नि-शुल्क मित्र पहल की सराहना की। मुख्य अतिथि डॉ. और पूरे स्वास्थ्य विभाग के साथ-साथ सीआईडी सोसाइटी टीम को परियोजना के सफल कार्यान्वयन के लिए धन्यवाद दिया। एस्पीआईडी सोसाइटी के सीईओ अप्पेक्ष चव्हाण ने स्वागत भाषण में टीबी रोगियों और उनके परिवारों को समर्थन देने के प्रति संकल्प व्यक्त किया। कार्यक्रम में पुरस्कार वितरण समारोह का आयोजन किया। मौके पर डिप्टी सिविल सर्जन डॉ. हेमंत कुमार, नोडल अधिकारी डॉ. गौरव भाटी, लाल पथ लैब्स फाउंडेशन के (सीएमआर हेड) राजेश सिंह, डिप्टी प्रबंधक लाल पथ लैब्स फाउंडेशन आशीष डोंगर, जिला

TB Mukht Mewat Haryana
24 July at 18:05

Today, on 24 July 2024, at the mini secretariat in Nuh, the District Magistrate inaugurated the Nutritional Support for TB patients.

- This initiative is part of the Prime Minister's TB Free India campaign, aimed at achieving a TB-free India by 2025.
- Lal Path Labs has committed to providing nutritional meals to 2000 TB patients in Nuh district for six months under this campaign.



Program Impact

4,146
Persons supported since the program inception

2,000+
Patients covered in FY 2024-25

12,000+
Nutrition kits distributed in FY 2024-25



Healthcare Research



Healthcare Research

Program Goal

Establishing a Research Chair to build capacity in the healthcare domain by bringing synergy among professionals across the healthcare delivery chain, reducing the gap in the quality of delivery between public and private healthcare.

Objective

Creating new knowledge, thought leadership and research specific to healthcare.

Beneficiaries

Research projects that benefit professionals across the healthcare value chain.

Implementation partners

IIM- Ahmedabad

Program Overview

LPL Foundation supports the Indian Institute of Management -Ahmedabad (IIM-A), in advancing healthcare research and creating thought leadership to benefit the healthcare value chain. Since inception, in 2022, several programs and research on various topics are being conducted.

These projects delve into critical areas such as

organ donation, marginalised communities, child development, best practices in healthcare, the role of IT in public health, and large-scale vaccination efforts. By generating rigorous research, impactful case studies, and technological advancements, they aim to challenge conventional approaches, shape industry discourse, and bring about evidence-based decision-making. Through these initiatives, LPL Foundation is contributing to the transformation of healthcare.



Beneficiaries targeted by the Research Projects

- 1. Organ donors and transplant coordinators –**
Perspectives and challenges in the organ donation process for donors and their families.
- 2. Marginalised populations –**
Unique challenges and social inclusion of blind individuals and sex workers.
- 3. Healthcare professionals –**
Decision-making and healthcare system improvement studies through leadership research for physicians and public healthcare workers.
- 4. Parents and children –**
Monitoring child development and addressing developmental delays.
- 5. Patients with critical healthcare needs –**
Includes cancer patients, rehabilitation patients, renal disease and dialysis patients and those requiring primary healthcare services.
- 6. Public healthcare institutions and policymakers –**
Research on IT interventions and healthcare system transformations for policy and public healthcare initiatives.
- 7. Government agencies, vaccine manufacturers, and scientific institutions –**
Supporting large-scale vaccination initiatives and policy development.

Updates on the Research Projects



Organ Donation: A Multi-Stakeholder Analysis

- **Perspectives of the Families that Engage in Organ Donation:** Data collection from 30 families completed; preparing paper on data collated is in progress.
- **Perspectives of the Transplant Coordination:** Data analysis completed; paper to be submitted to the Academia of Management Conference 2025.
- **Film on Organ Transplantation Coordinators:** Released at ISOT Conference the film was selected in the Best International Short Documentary category at Dokubaku International Documentary Film Festival.



Working with Marginalised Populations

- **Working with Blind People:** Program completed; impact assessment and documentation in progress. A paper will be submitted for a teaching and learning conference.
- **Working with Sex Workers for Understanding Their Challenges:** Data collection and collation in progress. A detailed paper on the topic is in progress for submission to EURAM and IIM Udaipur Conference.
- **Physician Leadership Research Paper:** In the final stages of paper submission.



Child Development Delays

- **Developing a Platform for Child Development Monitoring by Mothers/Parents:** Milestones completed; beta version of an application that was developed is soon to be completed.
- **Tiny Trails: Tracking Tiny Milestones Case Study:** Submitted and registered at IIM-A Case Centre.



Documenting Best Practices in Healthcare in India

- **Oncology Case Study (Design Innovation for Affordable Chemotherapy):** Paper is in the final stage of submission.
- **Video Case on Best Practices in Rehabilitation Care (Jupiter Hospital Thane):** A video on the subject is planned and is expected to commence in the last quarter of the financial year.
- **Distributed Free Dialysis System by Public Health Sector in Gujarat:** Case study is in progress. Research on the Transformation of Public Health Centre into HWC: Studying the Smart Health & Wellness Centre (HWC) project in Chhattisgarh and Uttarakhand.



Role of IT in Healthcare

- **Scaling Up Sustainable IT Intervention in Public Healthcare (HER Implementation in Himachal Pradesh):** Paper presented at a conference; another paper submitted for publication in Information Systems Frontier.



Scaling Up Covid-19 Vaccination in India

- **From Labs to Jobs: Scaling Up of Covid-19 Vaccination in India:** Data collection completed; Final report is to be published as a book with Routledge.

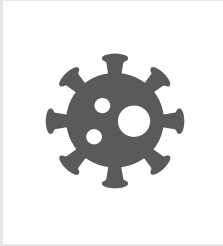
Program Event

As part of the program, IIM-A hosted the 3rd edition of the 'Leadership & Strategic Thinking' Program for Empowering Visual Impairment Professionals through essential Management & Leadership Training. The program covered impactful sessions on Digital Transformation, Mindfulness, and Accessibility Rights

for the visually impaired.

The program was inaugurated by senior leaders from IIM-A, Lal PathLabs Foundation, and the Blind People's Association. The program is a unique initiative to provide opportunities for and leverage potential of visually impaired professionals to stay productive and foster an inclusive future for blind people.





Others



1. Scholarship for Nationally Recognised Sports Training and Development

Program Goal

Support students from economically weaker families for nationally recognised sports training and development.

Objective

- Scholarship support for 25 athletes with capabilities in nationally recognised sports.
- Ensure inclusivity with opportunities for talented students to shine in national sports.

Beneficiaries

Students between 7 to 15 years of age coming from economically weaker families.

Implementation partners

Champa Devinder Dhingra Sports Trust

Program Overview

India is a country with a very young demographic profile with many talented youth missing out on opportunities due to their economic background. LPL Foundation aims to tap into this segment of youth with talent in sports who are unable to reach their true potential due to lack of required nutrition and specialised training that is required to nurture their talent in specific sports.

The program involves identification of 25 students from Modern School, Barakhamba Road, Delhi through

a structured process. These students will be sponsored for specialised training, orientation and participation in sporting events so that they get opportunities like any other talented child in that sport.

The program that commenced in 2024, hopes to create young sportspersons to leverage their talent and do the country proud in national and international sporting events. This program opens the doors into the world of sports for young children from economically weaker sections to leverage their special sporting talent.





Monitoring & Evaluation



Monitoring & Evaluation Process

LPL Foundation has fine-tuned its CSR program management through regular internal and third-party

audits and has built robust systems and processes for project management, evaluation and continuous improvements.

Field Visit

1. Planning & Scheduling

- Field visits are systematically planned and conducted, including both informed and uninformed visits.
- A monitoring checklist and Standard Operating Procedures (SOPs) guide the visit process.

2. On-Site Assessment

- Direct interactions with beneficiaries, the community, and stakeholders.
- Review of project implementation and adherence to SOPs.

3. Feedback & Support

- Meetings with the project team to share findings, provide guidance, and offer on-the-job support.

4. Reporting & Follow-up

- Detailed reporting includes key observations, best practices, and identification of gaps.
- Implementation team review the reports and decide resolution and follow-up.
- Monitoring of programs is further drilled down to actionable items with timelines for the same.

Review Meetings & Technical Training

- Monthly review meetings with implementation partners to track progress and make corrective actions.
- Capacity-building sessions conducted monthly to enhance technical expertise for trainers and field staff in the Phlebotomist Skill Building Program.

Desk Review

- Regular analysis of project data and reports.
- Based on findings, the implementation teams carry out continuous improvements.

Communication & Feedback Mechanism

1. Project Management

- Realtime communication is facilitated through daily updates via WhatsApp groups for seamless information exchange and smooth project implementation across the country. A monitoring checklist and Standard Operating Procedures (SOPs) guide the visit process.

2. Data Management

Management Information System (MIS)

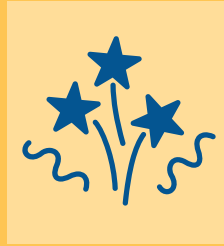
- MIS portal enables end-to-end CSR project and financial data management.
- Project-wise budget allocation, installment details, targets, achievements, and timelines are managed through the MIS portal

- Fund release tracking and monitoring.

- Data tracking for the Phlebotomist Skill Building Program.

3. Media Communications

- Ongoing communications through Internal newsletters, social media updates.
- The communication was managed through traditional and digital channels such as Facebook, LinkedIn, X, YouTube, Instagram, and the official website.
- Engaging employees, beneficiaries, and stakeholders by showcasing CSR projects, outreach efforts, and highlighting the positive impact on the community.



Events



Day	Event	Activities	Description
 24 March	World TB Day	Awareness campaigns, street plays	Comprehensive information on TB, covering causes, symptoms, diagnosis, treatment, and prevention. Emphasis on early detection, adherence to treatment protocols, and public health interventions.
 5 June	World Environment Day	Tree planting, performances, arts and crafts	Promoting sustainability through various activities and exchanging perspectives on environmental conservation.
 21 June	International Yoga Day	Yoga sessions	Highlighting mental and physical health by uniting trainees from all centers.
 4 February	World Cancer Day	Awareness sessions, street play(Nukkad Natak)	Educating communities on cancer risk factors, symptoms, and the importance of timely medical intervention. Advocating for early screening and preventive healthcare.
 Ongoing	Alumni Meet & Convocation	Alumni meet, certificate distribution	Providing a platform for current trainees to interact with successful alumni, offering mentorship, career advice, and recognizing the achievements of certified phlebotomists.



Volunteering Initiatives

Blood Donation Drive

Lal PathLabs Foundation, in collaboration with HDFC Bank, organized a blood donation drive in the Gurgaon location. Employees actively participated by donating blood to support this noble cause.



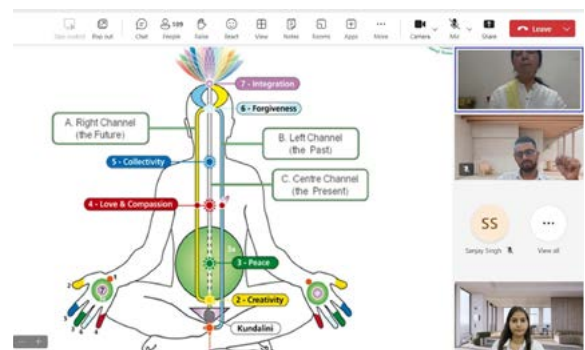
Daan Utsav

A festival of giving brought together DLPL employees as they volunteered their time and donated their belongings to make a meaningful impact on our communities. Employees collectively donated over 800+ kg of items.



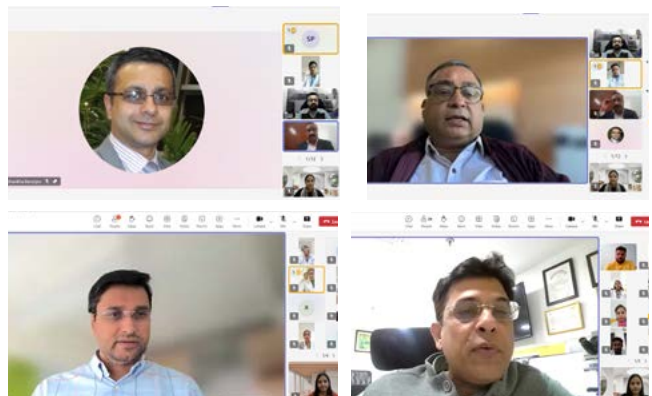
Virtual Yoga & Meditation

Mental and physical wellbeing through yoga conducted by employees online.



CSR Virtual Volunteering

Online training sessions conducted by DLPL Employee Volunteers for the Phlebotomist Training Program.



Corporate Information

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Chief Executive Officer

Mr. Ved Prakash Goel

Group Chief Financial Officer & CEO
International Business

Mr. Vinay Gujral

Company Secretary & Compliance Officer

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Email id: delhi@in.mpms.mufg.com

Auditors

Deloitte Haskins & Sells LLP,
Chartered Accountants, 7th Floor,
Building 10, Tower B. DLF Cyber City
Complex, DLF City Phase-II,
Gurugram -122002, Haryana, India

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the 31st Annual Report on the business and operations of your Company along with the audited statement of accounts for the financial year ended March 31, 2025.

FINANCIAL RESULTS

The Financial performance of your Company for the year ended March 31, 2025, is summarized below:

(₹ In Million)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024*
Total Income	25,548	22,958	24,631	21,914
Total Expenses	19,301	17,903	18,418	17,089
Profit/(Loss) before Tax (PBT)	6,247	5,055	6,213	4,825
Profit/(Loss) after Tax (PAT)	4,922	3,623	4,973	3,467

(*) In view of voluntary liquidation of Suburban Diagnostics (India) Private Limited, a wholly owned subsidiary and transfer of its entire business undertaking on going concern basis to the Company, the standalone figures for the year ended March 31, 2024 have been restated.

FINANCIAL PERFORMANCE

I. Consolidated Performance

During the FY 2024-25, the Company reported a Consolidated Total Income of ₹ 25,548 Million compared to ₹ 22,958 Million in the previous year. The Consolidated Net Profit After Tax of the Company stood at ₹ 4,922 Million compared to ₹ 3,623 Million in the previous year.

II. Standalone Performance

During the FY 2024-25, the Company reported a Standalone Total Income of ₹ 24,631 Million compared to ₹ 21,914 Million in the previous year. The Standalone Net Profit After Tax of the Company stood at ₹ 4,973 Million compared to ₹ 3,467 Million in the previous year.

CONSOLIDATED ACCOUNTS

The consolidated financial statements of your Company for the Financial Year 2024-25, are prepared in compliance with applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ("Ind-AS") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The consolidated financial statements have been prepared on the basis of audited financial statements of the Company and its Subsidiaries, as approved by their respective Board of Directors.

DIVIDEND

During the year under review, your Company paid dividends as under:

Date of Declaration	Dividend Type	Financial Year	Dividend per Share (face value of ₹ 10/- each)
June 29, 2024	Final Dividend	2023-24	₹ 6/-
August 07, 2024	1 st Interim Dividend	2024-25	₹ 6/-
October 23, 2024	2 nd Interim Dividend	2024-25	₹ 6/-
January 30, 2025	3 rd Interim Dividend	2024-25	₹ 6/-

In addition to above, your Directors are pleased to recommend final dividend of ₹ 6/- per equity share of face value of ₹ 10/- each for the Financial Year 2024-25, for approval by the Members at the 31st Annual General Meeting (“AGM”) of the Company.

The Dividend Distribution Policy of the Company is attached herewith as **Annexure - 1** and forms an integral part of this Annual Report.

The said policy is also available on the website of the Company at: <https://media.lalpathlabs.com/2024-08/Dividend-Distribution-Policy.pdf>

TRANSFER TO RESERVES

During the year under review, no amount has been transferred to the General Reserve of the Company from current year profits.

CHANGE IN SHARE CAPITAL

I. Authorized Share Capital

During the year under review, there was no change in the authorized share capital of the Company. As on March 31, 2025, the Authorised Share Capital of the Company stood at ₹ 1,07,96,00,000/- divided into 10,79,60,000 equity shares of ₹ 10/- each.

II. Paid-up Share Capital

During the year under review, the paid-up equity share capital of the Company has been increased from ₹ 83,47,78,520/- divided into 8,34,77,852 equity shares of ₹ 10/- each to ₹ 83,59,17,350/- divided into 8,35,91,735 equity shares of ₹ 10/- each pursuant to allotment of Equity Shares under the Employee Stock Option Plan (s) of the Company as detailed below:

S. No	Date of Allotment	Number of Equity Shares allotted
1	May 10, 2024	2,500
2	August 13, 2024	93,900
3	October 30, 2024	5,000
4	December 05, 2024	3,000
5	December 18, 2024	5,483
6	February 18, 2025	4,000
TOTAL		1,13,883

These Equity Shares rank pari-passu with the existing Equity Shares of the Company in all respects.

During the year under review, your Company has not issued any Equity Share with differential rights, Sweat Equity Shares or Bonus Shares.

EMPLOYEES STOCK OPTION PLAN / SCHEME

During the year under review, there has been no material change in the existing ESOP Plans of the Company and the same have been implemented in compliance with relevant/ applicable ESOP Regulations/ Guidelines.

The disclosure as required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the website of the Company at: www.lalpathlabs.com

SUBSIDIARIES

I. Scheme of Amalgamation

During the year under review, the Hon'ble National Company Law Tribunal, Allahabad Bench (“Hon'ble Tribunal” or “NCLT”) vide its order dated September 3, 2024 (“the Order”) sanctioned the Scheme of Amalgamation of Paliwal Medicare Private Limited (“PMPL”) with Paliwal Diagnostics Private Limited (“PDPL”), Subsidiary Companies of the Company. The certified true copy of the aforesaid Order was filed with Registrar of Companies, Kanpur on September 26, 2024, and consequently PMPL stands amalgamated with the PDPL with effect from September 26, 2024 and stands dissolved without being wound-up.

II. Dissolution

During the year under review, Dr. Lal PathLabs Kenya Private Limited, Wholly Owned Subsidiary, a Company incorporated in the Republic of Kenya, dissolved and its name struck off, with effect from the date of publication of gazette notification of Republic of Kenya dated September 13, 2024.

III. Voluntary Liquidation

During the year under review, the Member(s) of Suburban Diagnostics (India) Private Limited, Wholly Owned Subsidiary (“Suburban”), in the Extra-ordinary General Meeting on February 06, 2025, accorded approval for voluntary liquidation of Suburban and expeditious consolidation of its business with the Company on a going concern subject to the compliance of applicable laws.

Further, pursuant to the voluntary liquidation process, the Liquidator of Suburban, has distributed its entire business undertaking to the Company on a going concern basis on and with effect from close of business hours of March 18, 2025.

A report on the performance and financial position of each of the Subsidiaries and their contribution to the overall performance of the Company for the financial year ended March 31, 2025 in Form AOC -1 as per the provisions of Companies Act, 2013 is attached herewith as **Annexure - 2** and forms an integral part of this Annual Report.

The Annual Accounts of the each of the Subsidiaries shall also be made available to the Members of the Company/ Subsidiary Companies seeking such information at any point of time. The Annual Accounts of the Subsidiary Companies are also available under investors section on the website of the Company at www.lalpathlabs.com.

The Company has formulated a policy for determining material subsidiaries. The said policy is available on the website of the Company at: <https://media.lalpathlabs.com/2025-01/Policy-for-Determining-Material-Subsidiaries.pdf>

TRANSFER OF UN-CLAIMED DIVIDEND AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, pursuant to the provisions of Section 125 of the Companies Act, 2013 read with IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended from time to time, your Company has duly transferred Un-claimed Dividends and Un-claimed Shares to IEPF Authority as detailed below:

S. No	Particulars	Unclaimed Dividend (In ₹)	No. of Equity Shares
1	Final Dividend FY 2016-17	22,749/-	12
2	Interim Dividend FY 2017-18	38,889/-	20

Further, dividend(s) declared during the year pertaining to the equity shares transferred to demat account of the IEPF Authority, were also credited to the IEPF Account.

The Claimant(s), whose un-claimed amount/ shares has been transferred by the Company to IEPF Account may claim their amount/ shares by complying with the procedure stipulated in the IEPF Rules.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

No material changes and commitments, other than disclosed as part of this report, affecting the financial position of the Company have occurred between March 31, 2025, and the date of the report.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the prescribed format and annexed herewith as **Annexure - 3** and forms an integral part of this Annual Report.

Particulars of employee remuneration, as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this Annual Report. In terms of the provisions of the first proviso to Section 136 (1) of the Companies Act, 2013, the Annual Report is being sent to Members, excluding the aforementioned information. Any Member interested in obtaining a copy of such statement may write to the Company Secretary of the Company at cs@lalpathlabs.com

AUDIT COMMITTEE

The composition of Audit Committee has been detailed in the Corporate Governance Report, forms an integral part of this Annual Report.

All recommendations made by the Audit Committee have been accepted by the Board of Directors.

DIRECTORS

I. Retirement by rotation and subsequent re- appointment

Dr. Archana Lal Erdmann (DIN: 08432506), Non-Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible offers herself for re-appointment. Appropriate resolution for her re-appointment is being placed for the approval by the Members of the Company at the ensuing AGM.

A brief profile of Dr. Archana Lal Erdmann and other related information is detailed in the Notice convening the 31st AGM of your Company.

The Board considered the said re-appointment in the interest of the Company and hence recommends the same to the Members for approval.

II. Completion of Tenure

Dr. Om Prakash Manchanda (DIN: 02099404) ceased as a Director of the Company upon completion of his tenure as Managing Director of the Company on March 31, 2025.

The Board of Directors placed on record their appreciation for the services rendered by Dr. Om during his tenure and for his unwavering commitment to the Company.

III. Re-appointment of Non-Executive Independent Directors

The Board of Directors on April 25, 2025, recommended re-appointment of:

- Mr. Rohit Bhasin (DIN: 02478962) as a Non-Executive Independent Director, for a period of five (5) consecutive years commencing from November 08, 2025; and
- Mr. Arun Duggal (DIN: 00024262) as a Non-Executive Independent Director, for a period of three (3) consecutive years commencing from February 02, 2026.

The above re-appointment(s) are subject to the approval of Members of the Company at ensuing Annual General Meeting (AGM). Brief profile(s) and appropriate resolution(s) are detailed in the Notice convening the 31st AGM of your Company.

IV. Declaration of Independence from Independent Directors

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and Rules made thereunder read with Schedule IV as well as Regulations 16 & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, all the Independent Directors fulfil the criteria of independence as specified in Companies Act, 2013 and Rules made thereunder read with Schedule IV as well as Regulations 16 & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent from the Management.

Further, all the Directors including Independent Directors of the Company possess appropriate skills, experience & knowledge in one or more fields viz. Board & Governance, Finance, Accounting & Finance Reporting, Information Technology and Specialized Industry & environmental knowledge or other disciplines related to Company's business.

KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with Rules made thereunder, following were the Key Managerial Personnel (KMPs) of the Company as on March 31, 2025:

- i. (Hony) Brig. Dr. Arvind Lal – Executive Chairman
- ii. Dr. Vandana Lal – Whole Time Director
- iii. Dr. Om Prakash Manchanda – Managing Director
- iv. Mr. Shankha Banerjee – Chief Executive Officer (CEO)
- v. Mr. Ved Prakash Goel – Group Chief Financial Officer & CEO – International Business
- vi. Mr. Vinay Gujral – Company Secretary & Compliance Officer

During the financial year under review, there were following change(s) in the Key Managerial Personnel of the Company:

- i. The Members of the Company at their 30th Annual General Meeting on June 29, 2024 re-appointed Dr. Vandana Lal (DIN: 00472955) as Whole Time Director of the Company for a period of five (05) years effective from April 01, 2025.
- ii. Dr. Om Prakash Manchanda (DIN: 02099404) ceased as a Director of the Company upon completion of his tenure as Managing Director of the Company on March 31, 2025.
- iii. Basis the recommendation of Nomination & Remuneration Committee, the Board of Directors re-designated Mr. Ved Prakash Goel as Group Chief Financial Officer & Chief Executive Officer – International Business (KMP) of the Company with effect from August 13, 2024.
- iv. Basis the recommendation of Nomination & Remuneration Committee, the Board of Directors re-designated

Mr. Shankha Banerjee by appointing him as Chief Executive Officer (KMP) of the Company with effect from May 21, 2024.

- v. Mr. Bharath U, resigned and ceased as Chief Executive Officer (KMP) of the Company on May 9, 2024.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board have carried out annual evaluation of (i) its own performance; (ii) Performance of Individual Directors; (iii) Performance of Chairman of the Board; and (iv) Performance of all the Committees of the Board for the Financial Year 2024-25.

A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors and Chairman of the Board was carried out by the Independent Directors taking into account the views of Executive Directors and Non- Executive Directors.

The Directors expressed their satisfaction with the evaluation process.

Further, the evaluation process confirms that the Board and its Committees continue to operate effectively, and the performance of the Directors and the Chair is satisfactory.

NOMINATION & REMUNERATION POLICY

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Rules made thereunder, the Board on the recommendation of the Nomination & Remuneration Committee of the Company has framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration.

The Nomination and Remuneration Policy as amended from time to time is attached herewith as **Annexure - 4** and forms an integral part of this Annual Report and the same can also be accessed on the website of the Company at: <https://media.lalpathlabs.com/2025-05/Nomination-&-Remuneration-Policy.pdf>

NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board met five (5) times during the Financial Year 2024-25. The details of the meeting of the Board and its Committees thereof are given in the Corporate Governance Report, and forms an integral part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts for the Financial Year ended March 31, 2025, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2025 and of the profit/ loss of the Company for the Financial Year ended March 31, 2025;
- c) proper and sufficient care has been taken by the Directors 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 and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a 'going concern' basis by the Directors;
- e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT

I. Statutory Auditors

The Members of the Company in their 28th Annual General Meeting ("AGM") on June 30, 2022, re-appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No. 117366W/W100018) as the Statutory Auditors of the Company to hold office for their second term of five (5) years i.e. from the conclusion of 28th AGM till the conclusion of 33rd AGM of the Company, to be held in calendar year 2027.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors have confirmed that they have not been disqualified to act as Statutory Auditors of the Company and that their continuation is within the ceiling limit as prescribed under section 141 of the Companies Act, 2013 and/ or other relevant statute.

Further, the Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

The Auditors' Report for the Financial Year ended March 31, 2025, does not contain any qualification or reservation.

The Auditors' Report being self-explanatory does not call for any further comments from the Board of Directors.

II. Cost Auditors

In terms of the Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. Accordingly, such accounts and records were made and maintained for the Financial Year ended March 31, 2025.

The Board of Directors basis the recommendation of the Audit Committee re-appointed M/s A.G. Agarwal & Associates, Cost and Management Accountants, as Cost Auditors of the Company for the Financial Year ended March 31, 2026, at a fee of ₹ 1.70 Lakh plus applicable taxes and reimbursement of out of pocket expenses subject to the ratification of the said fees by the Members at the ensuing Annual General Meeting.

III. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of your Company appointed M/s Chandrasekaran Associates, Company Secretaries ("Secretarial Auditors") to conduct the Secretarial Audit of the Company for the Financial Year ended March 31, 2025.

The Secretarial Audit Report for the Financial Year ended March 31, 2025, is attached herewith as **Annexure - 5** and forms an integral part of this Annual Report. The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation or adverse remark.

Further, pursuant to the provisions of the Regulation 24A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and basis the recommendation of the Audit Committee, the Board of Directors of your Company appointed M/s. Chandrasekaran Associates, Company Secretaries as Secretarial Auditors of the Company for a term of five (5) consecutive financial years (FY) commencing from FY 2025-26 to FY 2029-30, subject to the approval of Members in ensuing Annual General Meeting.

M/s. Chandrasekaran Associates Company Secretaries have provided their consent to be appointed as Secretarial Auditors of the Company for a term of five (5) consecutive Financial Years (FY) commencing from FY 2025-26 to FY 2029-30 and also confirmed that they are not disqualified to be appointed as Secretarial Auditors of the Company. They have also confirmed that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India (ICSI) and hold a valid certificate issued by the Peer Review Board of the ICSI.

The appropriate resolution seeking approval of the Members of the Company for the appointment of M/s. Chandrasekaran Associates Company Secretaries as Secretarial Auditors of the Company is being placed in the Notice of 31st Annual General Meeting.

ANNUAL RETURN

Pursuant to the Section 92(3) of the Companies Act, 2013, the draft of Annual Return of the Company in Form MGT-7 is available on the website of the Company at <https://media.lalpathlabs.com/2025-05/Draft-MGT-7-Annual-Return-2024-25.pdf>

RELATED PARTY TRANSACTIONS

In compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions which is available on Company's website at <https://media.lalpathlabs.com/2025-01/Policy-on-Related-Party-Transactions.pdf>

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Parties. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions, which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length.

All related party transaction entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transaction as per the limits specified under Companies Act, 2013 and/ or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was entered during the year under review by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

LOANS, GUARANTEES AND INVESTMENTS

In terms of the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of Investments are set out at Note No. 6 to the Standalone Financial Statements of the Company.

During the year under review, the Company has not given any loan or provided any guarantees pursuant to Section 186 of the Companies Act, 2013.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to manage the risks in a proactive and efficient manner. Your Company periodically assesses risk elements in the internal and external environment and incorporates risk treatment plans in its strategy, business and operational plans.

Your Company, through its Risk Management Policy, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors. The Company has a Risk Management Committee to identify elements of risk in different areas of operations; the details of the Risk Management Committee are given in the Corporate Governance Report.

WHISTLE BLOWER MECHANISM

Your Company has a Whistle Blower Mechanism in place as required under Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. More details in this regard have been outlined in the Corporate Governance Report annexed to this report and are also available under Investors Section on the Company's website at: www.lalpathlabs.com

CORPORATE SOCIAL RESPONSIBILITY

For your Company, Corporate Social Responsibility (CSR) means the integration of social, environmental and economic concerns in its business operations. CSR involves operating Company's business in a manner that meets or exceeds the ethical, legal, commercial and public expectations. In alignment with vision of the Company, through its CSR initiative, your Company will enhance value creation in the society through its services, conduct and initiatives, so as to promote sustained growth for the society.

The Board of Directors of your Company has formulated and adopted a policy on CSR which can be accessed at: <https://uat-cdn.drlallab.com/2023-06/CSR-Policy.pdf>

The CSR Policy of your Company outlines the Company's philosophy for undertaking socially useful programs through the creation of a CSR Trust for welfare and sustainable development of the community at large as part of its CSR Obligation.

The composition of CSR Committee and the disclosures as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended are provided in the "Annual Report on CSR Activities" attached herewith as **Annexure - 6** and forms an integral part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis ('MDA') Report gives details of the overall industry structure, developments, performance and state of affairs of the Company's business and other material developments during the Financial Year. The MDA report for the Financial Year 2024-25 is attached herewith as **Annexure - 7** and forms an integral part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report ('BRSR') for Financial Year 2024-25 is attached herewith as **Annexure - 8** and forms an integral part of this Annual Report.

CORPORATE GOVERNANCE REPORT

In compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance for the Financial Year 2024-25 along with a certificate from the Practicing Company Secretary on its compliance, is attached herewith as **Annexure - 9** and forms an integral part of this Annual Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“the POSH Act”).

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) as specified under the POSH Act.

The Company conducts sessions for employees to build awareness amongst employees about the Policy and the provisions of the POSH Act.

Status of Complaints under the POSH Act during the Financial Year 2024-25 is detailed below:

Particulars	No. of Complaint
Compliant pending at beginning of Financial Year	1
Complaint received during Financial Year	3
Compliant resolved during Financial Year	2
Compliant pending at end of Financial Year	2

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption, expenditure on R&D, and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out hereunder:

(A) CONSERVATION OF ENERGY

Steps taken or impact on conservation of energy, Step taken by the Company for utilising alternate source of energy and Capital Investment on energy Conservation equipment:

- I. Maintaining the Power Factor up to 0.99 at locations of high consumption.

- II. Labs/ PSC locations are equipped with LED Lights for saving energy in past years and all new labs are equipped with LED only.
- III. Installed R32 refrigerant operated Inverter AC systems across the operations of the Company, which helps in conserving Ozone layer.
- IV. Automatic phase sequence corrector panel installed in all locations for saving the Diesel consumption.
- V. De-scaling of Chillers is being done semi-annual for better efficiency & saving the energy.
- VI. RO wastewater recycling has helped in saving approx. 6,820 KL of water in FY 2024-25.
- VII. ETP (Effluent Treatment Plant) installed in all satellite labs for wastewater treatment throughout the year to treat the liquid waste of labs, for keeping the environment clean.
- VIII. In accordance with BMW Guidelines, equipped all locations with Advance Autoclave by which Temp, Pressure and time are recorded automatically in graph and data.
- IX. E-bikes taken on rent for sample transportation during the FY 2024-25 for home collection and logistics. E-bikes offer a considerable opportunity to cut travel emissions.
- X. Commissioned Solar Power of 3 MW via Power Purchase Agreement (PPA) during 2024-25 for alternate Power for National Reference Lab Rohini. The Total current installed capacity of Solar power Plant(s) is 3.18 MW.
- XI. Commissioned 27 New CPCB IV Compliant DG in Delhi NCR and 750KVA X 3 DG with Dual Fuel Kit in National Reference Lab, Rohini for reducing the carbon footprints.

(B) TECHNOLOGY ABSORPTION**(i) Imported Technologies:**

S. No	Processes / Technologies	Description	Date of Adoption or Import	Absorption	Benefits
1	Proteomics Laser Capture Microdissection & Mass Spectrometry	Amyloid Typing by Laser Capture Microdissection & Mass Spectrometry is a breakthrough test for accurately identifying different types of Amyloid proteins. Dr. Lal PathLabs pioneers this advanced diagnostic solution as First-of-its-kind in South Asia	August, 2024	Fully	More than 40 types of Amyloid proteins are discovered till date, and precise knowledge about the type of Amyloid helps doctors in choosing the correct treatment or management plan for the patient. Kidney, Heart, Lungs, Skin are the most common involved, however any organ in the body can be affected.
2	Artificial intelligence (AI) module (QRITIVE) using convolutional neural network (CNN), Digital Histopathology(WSI)	The AI model uses a Convolutional Neural Network (CNN) to produce pixel-level classifications. Trained on WSIs from lymph node biopsies (breast, colon, and gastric carcinoma), it generates segmentation outputs converted into bounding boxes to identify metastatic regions. The deep learning model achieved 100% sensitivity and 100% negative predictive value, effectively identifying micro metastases that may be missed by human review.	September, 2024	Partial *	Identifying micrometastases, which are small clusters of cancer cells, in lymph nodes, can lead to upstaging the cancer, requiring more extensive treatment, such as surgery or adjuvant therapy. Micrometastasis detection can significantly alter cancer outcomes by influencing treatment decisions, and prognosis. Undetected micrometastases can contribute to the failure of primary treatment. Therefore, the identification of occult metastases in patients with early stage cancer could have a substantial clinical impact on the prognosis and optimal therapy for patients with cancer. Integrating this AI system into clinical practice represents a major advancement in automating lymph node metastasis detection, improving diagnostic speed and accuracy

S. No	Processes / Technologies	Description	Date of Adoption or Import	Absorption	Benefits
3	BD FACSDuet EQUINOX	Process automation including antibody cocktail preparation for all flow cytometry tests (ensures all the requisite antibodies (max-13 antibodies) are added in accurate volumes for each tube for all tests.	January, 2025	Fully	<p>First clinical Lab in India to get complete automation from worklist generation, reagent preparation, processing to reporting in flow cytometry.</p> <p>Reduces TAT and manual errors to improve efficiency, accuracy and quality of testing and reporting.</p> <p>Traceability of all specimens, reagents and tests thus no ambiguity during analysis and reporting.</p> <p>Protocols can be customized as per titrated volumes of antibody so that there is no wastage.</p> <p>The use of standardized AUTOMATED assays to measure and enumerate immune parameters (PIDOT & Immune Reconstitution assays) would ensure better accuracy and better quality reports increases the credibility of reports.</p>
4	NovaSeq X-Plus – Ultra high throughput sequencer	Uses XLEAP-SBS chemistry, an update to Illumina SBS chemistry. Data analysis pipelines powered by the Illumina DRAGEN Bio-IT Platform.	January, 2025	Fully	<p>Delivers meaningful genomic insights at scale using high throughput next-generation sequencing (NGS).</p> <p>Improves Productivity as it allows multiple flow cell configurations to enable ~165 Gb to 16 Tb of sequencing data and up to 104 billion paired-end reads per run. Output is adjustable to match sequencing workflow needs.</p> <p>Provides integrated onboard and cloud-based data analysis workflows and lossless data compression powered by the Illumina DRAGEN Bio-IT Platform.</p>

^(*)Validation of the AI deep learning model completed and Commercial deployment is under process for clinical use.

(ii) Other locally sourced Technologies:

ERP Upgrade: The path to have seamless business operations, Dr. Lal PathLabs have upgraded our conventional ERP to latest version of Microsoft Dynamics ERP. The newly implemented ERP is a cloud native platform which is deployed on Software as a Service (SaaS) model on Microsoft Azure cloud (India Region). This gives Dr. Lal PathLabs the advantages of elastic & scalable architecture which can support its growth journey. The new architecture of the ERP is Data-friendly architecture which can support Dr. Lal

PathLabs to take decision based on Data. This gives Dr. Lal PathLabs the leverage to run Supply Chain management, Finance & Operations, Projects etc. all on a unified platform. It leverages Dr. Lal PathLabs to monitor the business in real time, forecast outcomes & expand the business

Synchronization of Technology stack for M&A vertical: In our endeavors to leverage technology for supporting the business & the ongoing growth, we upgraded the entire Tech stack of one of our biggest acquisition Suburban Diagnostics recently. It gave

us an added advantage of using the infrastructure of the Suburban Diagnostics as well to support the business expansion & provide extra sample processing capabilities. Additionally, it is going to go a long way in providing a seamless & consistent experience for all our customers irrespective of the fact whether the serving facility is of Dr. Lal PathLabs or of Suburban Diagnostics.

AI at the forefront: Dr. Lal PathLabs has always been an early adaptor of technology. We continued to stay ahead of the curve again by introducing multiple AI solutions & AI based models in the various streams of Diagnostics especially to name Histopathology, Cytopathology & Genomics. There is a plethora of AI tools in use for image-based diagnosis & Gene sequencing. Multiple other solutions are in the pipeline to further boost the quality of the diagnosis provided by Dr. Lal PathLabs for its customers

In God and data we trust: We at Dr. Lal PathLabs believe to use the data for business analysis & growth projections. The data brings in undisputable evidence on to the decision-making tables. We give a lot of impetus in using latest technology tools for the analysis of the big data volume. The use of business intelligence tools in data analysis gives a lot of meaningful & actionable insights to business leaders to forecast their respective functions and their KPIs. There are so many analytical dashboards i.e. Sales dashboard, Revenue projections, spend analysis etc. are being used by business users to manage their respective operations. We are on the path to change the Culture of the organization from "Experience Based" decisions to "Data Based" decisions.

(C) Expenditure incurred on Research and Development:

₹ 42 Million

(D) Foreign exchange earnings and outgo:

Particulars	Amount (In ₹ Million)
Foreign Exchange Earnings	278.29
Foreign Exchange Outgo	38.01

INTERNAL FINANCIAL CONTROLS

Your Company has in place an adequate internal financial control framework with reference to financial and operating controls thereby ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

During Financial Year 2024-25, such controls were tested and no reportable material weakness in the design or operation was observed.

The Directors have in the Directors Responsibility Statement confirmed the same to this effect.

SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/ material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the Company during the Financial Year 2024-25.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and Members (SS-2).

GENERAL DISCLOSURE

- During the year under review, there is no application made and/ or no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- During the year under review, requirement of disclosing details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable on the Company.

APPRECIATION

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

For and on behalf of Board of Directors

(Hony) Brig. Dr. Arvind Lal

Executive Chairman

Place: Gurugram

Date: April 25, 2025

DIN: 00576638

Annexure - 1

Policy on Dividend Distribution

1. Introduction

Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") notified on July 08, 2016 provides for top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy.

Considering that the Company is amongst the top 500 listed entities based on Market Capitalization, the Board of Directors of Dr. Lal PathLabs Limited ("Company") have adopted this policy on Dividend Distribution.

2. Objectives & Scope

This Policy lays down the broad framework which will act as a guiding principle for the purpose of declaring or recommending dividend during or for any financial year, by the Company.

Through this policy, the Company shall endeavour to bring a transparent and consistent approach to its dividend pay-out plans.

The Policy, however, is not an alternative to the decision making process of the Board for recommending Dividend and the Board may take into consideration other factors as well in addition to the ones enumerated in this policy.

3. Definitions

- 3.1. **"Act"** shall mean the Companies Act, 2013 including the Rules made thereunder, as amended from time to time.
- 3.2. **"Applicable Laws"** shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of dividend.
- 3.3. **"Company"** shall mean Dr. Lal PathLabs Limited.
- 3.4. **"Board"** or "Board of Directors" shall mean Board of Directors of the Company.
- 3.5. **"Dividend"** shall mean Dividend as defined under Companies Act, 2013.
- 3.6. **"Policy or this Policy"** shall mean the Policy on Dividend Distribution.
- 3.7. **"SEBI Regulations"** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory

modification(s) or re-enactment(s) thereof for the time being in force.

4. Parameters for declaration of Dividend

In line with the philosophy stated above, the Board of Directors shall consider the following parameters for declaration of dividend:

4.1 Financial Parameters

- Consolidated Net operating profit after tax;
- Working Capital requirements;
- Capital expenditure requirements;
- Likelihood of crystallization of contingent liabilities, if any;
- Resources required to fund acquisition of brands/business(es);
- Cash flow required to meet contingencies;
- Outstanding borrowings;

4.2 Internal Factors

- Potential opportunities available for growth/expansion
- Past Dividend Trends;
- Expectation of major shareholders;
- Prudential requirements for cash conservation

4.3 External Factors

- Prevailing legal requirements, regulatory conditions or restrictions laid down under applicable laws including tax laws;
- Dividend Pay-out ratios of Companies in similar industries
- Economic Environment

Post consideration of the above factors, the Board shall take an informed decision about the dividend pay-out ratio and shall strive to maintain the same in the range of 30% - 70% of the Profit after Tax (PAT) on Standalone Financials for the concerned Financial Year.

5. Circumstances under which the shareholders may or may not expect dividend

The Shareholders of the Company may expect dividend only if the Company is having surplus funds after providing for all expenses, depreciation, other non-cash charges etc. and complying all other statutory requirements of the Applicable Law.

The Board shall consider the factors mentioned under Clause 4 above and before determination of any dividend payout, analyze the prospective opportunities and threats, viability of the option of dividend payout or retention etc. The Board shall not recommend dividend if they are of the opinion that it is financially not prudent to do so.

6. Utilization of retained earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan;
- Product/Service expansion plan;
- Modernization plan;
- Diversification of business;
- Long term strategic plans;
- Replacement of capital assets;
- Where the cost of debt is expensive;
- Such other criteria as the Board may deem fit from time to time.

7. Provision with regard to various classes of shares

The holders of the equity shares of the Company, as on the record date, are entitled to receive dividends. Since

the Company has issued only one class of equity shares with equal voting rights, all the members of the Company shall be entitled to receive the same amount of dividend per share. The policy shall be suitably revisited at the time of issuance of any new class of shares depending upon the nature and guidelines prevailing thereon.

8. Amendment(s)

- The Board of Directors may review or amend this policy, in whole or in part, from time to time, as it may deem fit.
- In case of any amendment(s) issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s) shall be treated as part of this Policy and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s).
- In case of any clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then this Policy shall be read along with such clarification(s), circular(s) so issued, from the effective date as laid down under such clarification(s), circular(s) etc.

9. Disclosures

The Company shall disclose this policy in its Annual Report & website.

Annexure - 2

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries

S. No	Name of Subsidiary	Date on which subsidiary was acquired/ incorporated	Country of Incorporation	Reporting Currency	Closing exchange rate against Indian Rupee as on March 31, 2025	% of Holding	Capital	Other Equity	Total Assets	Total Liabilities	Investments (in subsidiaries)	Turnover	Profit/(loss) before taxation	Provision for taxation	Profit/(loss) after taxation	Proposed dividend
1	Paliwal Diagnostics Private Limited	14/08/2008	India	₹	1	80%	0.20	296.43	375.48	78.85	-	541.57	182.53	46.61	135.92	-
2	Dr. Lal Ventures Private Limited	10/12/2018	India	₹	1	100%	20.00	(5.97)	20.77	6.74	-	37.95	(3.48)	(0.76)	(2.72)	-
3	PathLabs Unifiers Private Limited	12/12/2018	India	₹	1	100%	713.08	179.85	922.45	69.79	704.01	71.09	33.05	9.53	23.52	-
	i. APRL PathLabs Private Limited ^a	13/11/2019	India	₹	1	80%	0.63	107.75	119.37	10.99	-	107.62	23.12	5.88	17.24	25.00
	ii. Centrapath Labs Private Limited ^a	07/08/2019	India	₹	1	70%	6.27	600.03	669.87	295.29	-	237.30	76.99	20.11	56.88	40.00
	iii. Chanre Laboratory Private Limited ^a	25/01/2021	India	₹	1	70%	1.67	216.79	248.51	20.58	-	115.17	7.87	1.80	6.07	30.00
4	Dr. Lal PathLabs Nepal Private Limited	23/08/2016	Nepal	**	0.621659	100%	25.05	(15.97)	125.73	116.65	-	108.11	(15.24)	(0.70)	(14.54)	-
5	Dr. Lal Path Labs Bangladesh Private Limited	16/10/2017	Bangladesh	***	0.697657	71.83%	31.90	(4.38)	162.30	134.78	-	74.25	8.61	2.83	5.78	-

Notes:

a. The reporting period for all the subsidiaries is March 31, 2025.

Scheme of Amalgamation

During the year under review, the Hon'ble National Company Law Tribunal, Allahabad Bench ("Hon'ble Tribunal" or "NCLT") vide its order dated September 3, 2024 ("the Order") sanctioned the Scheme of Amalgamation of Paliwal Medicare Private Limited ("PMPL") with Paliwal Diagnostics Private Limited ("PDPL"), Subsidiary Companies of the Company. The certified true copy of the aforesaid Order was filed with Registrar of Companies, Kanpur on September 26, 2024, and consequently PMPL stands amalgamated with the PDPL with effect from September 26, 2024 and stands dissolved without being wound-up.

Dissolution

During the year under review, Dr. Lal PathLabs Kenya Private Limited, Wholly Owned Subsidiary, a Company incorporated in the Republic of Kenya, dissolved and its name struck off, with effect from the date of publication of gazette notification of Republic of Kenya dated September 13, 2024.

Voluntary Liquidation

During the year under review, the Member(s) of Suburban Diagnostics (India) Private Limited, Wholly Owned Subsidiary ("Suburban"), in the Extra-ordinary General Meeting on February 06, 2025, accorded approval for voluntary liquidation of Suburban and expeditious consolidation of its business with the Company on a going concern subject to the compliance of applicable laws.

Further, pursuant to the voluntary liquidation process, the Liquidator of Suburban, has distributed its entire business undertaking to the Company on a going concern basis on and with effect from close of business hours of March 18, 2025.

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

(Hony) Brig. Dr. Arvind Lal
(DIN: 00576638)

[Executive Chairman]

Shankha Banerjee
[Chief Executive Officer]

Ved Prakash Goel

[Chief Financial Officer &
CEO- International Business]
Place: Gurugram
Date: 25 April, 2025

Vinay Gujral
[Company Secretary]

Annexure - 3

Disclosures pertaining to remuneration under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2025:

A. The ratio of the remuneration paid to each director during the year to the median remuneration of the employees of the Company for the Financial Year:

S. No	Name	Designation	Ratio of Remuneration to the median remuneration of the employees
1	(Hony) Brig. Dr. Arvind Lal	Executive Chairman	69:1
2	Dr. Vandana Lal	Executive Director	55:1
3	Dr. Om Prakash Manchanda*	Managing Director	106:1
4	Dr. Archana Lal Erdmann	Non- Executive Director	9:1
5	Mr. Rahul Sharma	Non-Executive Director	10:1
6	Mr. Arun Duggal	Non-Executive Independent Director	20:1
7	Mr. Rohit Bhasin	Non-Executive Independent Director	13:1
8	Ms. Somya Satsangi	Non-Executive Independent Director	11:1
9	Mr. Rajit Mehta	Non-Executive Independent Director	9:1
10	Mr. Gurinder Singh Kalra	Non-Executive Independent Director	9:1

(*) Dr. Om Prakash Manchanda ceased as a Director of the Company upon completion of his tenure as Managing Director of the Company on March 31, 2025.

B. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary, in the Financial Year:

S. No	Name	Designation	% Increase of Remuneration in FY 2024-25 as compared to FY 2023-24
1	(Hony) Brig. Dr. Arvind Lal	Executive Chairman	7%
2	Dr. Vandana Lal	Executive Director	7%
3	Dr. Om Prakash Manchanda*	Managing Director	7%
4	Dr. Archana Lal Erdmann	Non- Executive Director	100% **
5	Mr. Rahul Sharma	Non-Executive Director	100% **
6	Mr. Arun Duggal	Non-Executive Independent Director	200% **
7	Mr. Rohit Bhasin	Non-Executive Independent Director	150% **
8	Ms. Somya Satsangi	Non-Executive Independent Director	100% **
9	Mr. Rajit Mehta	Non-Executive Independent Director	NA ***
10	Mr. Gurinder Singh Kalra	Non-Executive Independent Director	NA ***
11	Mr. Shankha Banerjee	Chief Executive Officer (CEO)	NA \$
12	Mr. Ved Prakash Goel	Group Chief Financial Officer & CEO – International Business	NA ^
13	Mr. Vinay Gujral	Company Secretary & Compliance Officer	25%

(*) Dr. Om Prakash Manchanda ceased as a Director of the Company upon completion of his tenure as Managing Director of the Company on March 31, 2025.

(**) The increase in the Commission payable to Non-Executive Directors including Independent Directors for FY 2024-25 is in accordance with approval of the Members of the Company, through Postal Ballot on March 09, 2025.

(***) Mr. Gurinder Singh Kalra and Mr. Rajit Mehta appointed as Directors of the Company w.e.f. July 27, 2023, and hence the percentage of increase of remuneration in their cases are not comparable.

(\$) Mr. Shankha Banerjee appointed as Chief Executive Officer of the Company w.e.f. May 21, 2024, and hence the percentage of increase of remuneration in his case is not comparable.

(^) Mr. Ved Prakash Goel re-designated as Group Chief Financial Officer & CEO – International Business with effect from August 13, 2024, and hence the percentage of increase of remuneration in his case is not comparable.

C. Percentage increase in the median remuneration of employees in the Financial Year:

The average percentage increase in the median remuneration of employees in the Financial Year is **4.45%**.

D. Number of permanent employees on the rolls of the Company:

The number of permanent employees on the rolls of the Company as of March 31, 2025 is **4980**.

E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increase in the managerial remuneration has been **13.74%** while for others it is about **9.48%**. This is based on the Remuneration Policy of the Company that rewards people differently based on their contribution and also ensures that external market competitiveness and internal relativities are taken care of.

F. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby confirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of Board of Directors

(Hony) Brig. Dr. Arvind Lal

Executive Chairman

DIN: 00576638

Place: Gurugram

Date: April 25, 2025

Annexure - 4

Nomination and Remuneration Policy

1. Introduction

In terms of Section 178 of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("the Listing Regulations"), this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

2. Policy Objective

- a. To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Key Managerial and Senior Management positions and to recommend to the Board their appointment and removal.
- b. To lay down criteria to carry out evaluation of every Director's /KMP/Senior Management Personnel and other employees performance.
- c. To formulate criteria for determining qualification, positive attributes and Independence of a Director;
- d. To recommend to the Board a policy, relating to remuneration of directors, key managerial personnel and other employees. While recommending such policy the Nomination and Remuneration Committee shall ensure:
 - i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
 - ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - iii. Remuneration of Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- e. To formulate a Board Diversity Policy.

- f. To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

3. Definitions

- i. **"Board of Directors"** means the "Board of Directors" of Dr. Lal PathLabs Limited, as constituted from time to time.
 - ii. **"Company"** means Dr. Lal PathLabs Limited.
 - iii. **"Independent Director"** means a Director of the Company, not being a Managing or Whole- Time Director or a Nominee Director and who is neither a Promoter nor belongs to the Promoter Group of the Company and who satisfies the criteria of independence as prescribed under the provisions of the Companies Act 2013 (including the rules prescribed thereunder) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
 - iv. **"Key Managerial Personnel"** or KMP means key managerial personnel as defined under the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & in relation to the Company means:-
 - I. Chief Executive Officer or the Managing Director or the Manager;
 - II. Company Secretary;
 - III. Whole Time Director;
 - IV. Chief Financial Officer;
 - V. Compliance Officer and
 - VI. Such other officer as may be prescribed
 - v. **"Nomination & Remuneration Committee"** means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act 2013 (including the rules prescribed thereunder) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - vi. **"Other employees"** means, all the employees other than Directors, KMPs and the Senior Management Personnel.
 - vii. **"Policy"** means the Nomination & Remuneration Policy.
- "Senior Management Personnel"** means, the personnel of the Company who are members of its core management team excluding Board of Directors, comprising of all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director

(including chief executive office, in case he is not part of the board) and shall specifically include Company Secretary &/ or Compliance Officer and Chief Financial Officer).

In the Company's context, it covers the KMP's and any appointees at the "CxO" Level.

4. Constitution

- a. The Board shall determine the membership of the Nomination & Remuneration Committee.
- b. The Committee shall comprise of at least three non-executive directors, of which not less than one-half shall be independent directors.
- c. Chairman of the committee shall be an Independent Director.
- d. The Company Secretary shall act as Secretary to the committee.

5. Policy

This policy is divided into three parts:

5.1 Appointment & Removal

- a. **Criteria for identifying persons who are qualified to be appointed as a Director / KMP/ Senior Management Personnel / Other Employees of the Company:**
 - i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
 - ii. The Committee should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Regulations or any other applicable enactment for the time being in force.
 - iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Regulations or any other applicable enactment for the time being in force.
 - iv. The other employees shall be appointed and removed as per the policy and procedure of the Company.

- b. **Term / Tenure:**

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder and Listing Regulations as amended from time to time.

The Term/Tenure of the KMP's/Senior Management Personnel and other employees shall be as per the companies prevailing policy.

- c. **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or a Senior Management Personnel.

The removal of other employees shall be as per the Company's prevailing policy.

- d. **Retirement:**

The director, KMP, senior management personnel & other employees shall retire as per the relevant provisions of the Companies Act, 2013 along with the rules made thereunder read with Listing Regulations and the prevailing policy of the Company, as may be applicable.

The BOD, however, will have the discretion to retain, subject to regulatory approval, if applicable, the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

5.2 Remuneration

The level and composition of remuneration to be paid to the Managing Director, Whole- Time Director(s), Non-Executive Director(s), KMP's, Senior Management Personnel and other employees shall be reasonable and sufficient to attract, retain and motivate directors, KMP's, Senior Management and other employees of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

1. **Whole Time Director(s)/ Managing Director**

The Whole Time Director(s)/ Managing Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus and quantum of perquisites shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

While recommending the remuneration payable to Whole Time Director(s)/ Managing Director, the Nomination and Remuneration Committee shall, inter alia, have regard to the following matters:

- Financial and operating performance of the Company
- Relationship between remuneration and performance
- Industry/ sector trends for the remuneration paid to executive directorate

Annual Increments to the Whole Time Director(s)/ Managing Director shall be within the slabs approved by the Shareholders. Increments shall be recommended by the Nomination and Remuneration Committee to the Board of Directors at times it desires to do so but preferably on an annual basis.

2. Non-Executive / Independent Directors

i. Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

ii. Sitting Fee:

The Non- Executive / Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

iii. Commission:

In accordance with the Act, the Commission may be paid within the monetary limit as may be approved by the Shareholders from time to time.

iv. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

3. Senior Management Personnel / KMPs

The Remuneration to be paid to Senior Management Personnel / KMP's shall be based on the experience, qualification, expertise of the related personnel as well as the prevailing market conditions and shall be decided by the Board on the recommendation of Nomination and Remuneration Committee and consonance with the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder

or any other applicable enactment for the time being in force.

4. Other Employees

The power to decide structure of remuneration for other employees has been delegated to the Managing Director/ Whole Time Director/ Chief Executive Officer of the Company who shall decide the same in consultation with the Chief Human Resource Officer of the Company.

5.3 Evaluation

1. Criteria for evaluation of Directors:

As members of the Board, the performance of the individual Directors as well as the performance of the entire Board and its Committees is required to be formally evaluated annually. Section 178(2) of the Companies Act, 2013 also mandates the Nomination and Remuneration Committee to carry out evaluation of every Director's performance.

In developing the methodology to be used for evaluation, on the basis of best standards and methods meeting international parameters, the Board / Committee may take the advice of an Independent Professional Consultant.

2. Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel:

The performance evaluation of KMP's and Senior Management Personnel shall be done by their respective reporting heads based on the KRA's given to them at the beginning of the year.

3. Criteria for evaluating performance of Other Employees:

The performance evaluation of other employees shall be done as per Company's Policy.

6. Disclosures

This Policy shall be disclosed on the website of the Company.

7. Amendment(s)

The Board of Directors may review or amend this policy, in whole or in part, from time to time, after taking into account the recommendations from the Nomination & Remuneration Committee.

Secretarial Audit Report

For the Financial Year ended March 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Dr. Lal PathLabs Limited
Block E, Sector-18, Rohini
New Delhi-110085

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Dr. Lal PathLabs Limited** (hereinafter called "**the Company**"). Secretarial Audit was 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 of the Company's books, papers, minute books, forms and returns filed and 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, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2025 ("**Period under review**") 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 March 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (**'the Act'**) and the rules made thereunder;
- (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 to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
 - iv. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable;
 - v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not applicable to the Company during the Period under review**)
 - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**Not applicable to the Company during the Period under review**)
 - viii. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (**Not applicable to the Company during the Period under review**)
- (vi) The following other laws, as amended from time to time, are specifically applicable to the Company for which the Management has confirmed that the Company has devised proper systems to ensure compliance with the provisions

of all applicable laws and that such systems are adequate and operating effectively:

- (a) The Clinical Establishments (Registration and Regulation) Act, 2010 and rules made thereunder;
- (b) The Preconception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 and rules made thereunder;
- (c) The Atomic Energy Act, 1962 and rules made there under;
- (d) Bio Medical Waste (Management and Handling) Rules, 1988;

We have also examined compliance with the applicable clauses/Regulations of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs;
- ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

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 were 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 were sent at least seven days in advance except in cases where meetings were convened at a shorter notice. The Company has complied with the provisions of Act for convening meeting at the shorter notice. 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 at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, following major events have happened in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- (i) During the period under review the Company had made allotment of 1,13,883 equity shares having face value of ₹ 10/- (Rupees Ten) each pursuant to exercise of Employee Stock Option under following plans:
 - Employee Stock Option Plan -2010: 19,983 equity shares having face value of ₹ 10/- each;
 - Employee Stock Option Plan -2022: 93,900 equity shares having face value of ₹ 10/- each.

Considering the above said allotment of equity shares, issued and paid-up capital of the Company stands increased to 8,35,91,735 Equity Shares having face value of ₹ 10/- each.

- (ii) During the period the Company had declared the following dividends:

- Final dividend of ₹ 6/- per equity share (@60% on a face value of ₹ 10/- per share) for the Financial Year 2023-24.
- Interim dividend of ₹ 6/- per equity share (@ 60% on a face value of ₹ 10/- per share) for the Financial Year 2024-25.
- 2nd Interim Dividend of ₹ 6/- per equity share (@ 60% on a face value of ₹ 10/- per share) for the Financial Year 2024-25.
- 3rd Interim Dividend of ₹ 6/- per equity share (@ 60% on a face value of ₹ 10/- per share) for the Financial Year 2024-25.

For Chandrasekaran Associates

Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 5715/2024

Dr. S Chandrasekaran

Senior Partner
Membership No. F1644
Certificate of Practice No. 715
UDIN: F001644G000197961

Date: April 25, 2025
Place: New Delhi

Note:

This report is to be read with our letter of even date which is annexed as Annexure-A to this Report and forms an integral part of this report.

Annexure-A

To,
The Members
Dr. Lal PathLabs Limited
Block E, Sector-18, Rohini
New Delhi-110085

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates

Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 5715/2024

Dr. S Chandrasekaran

Senior Partner
Membership No. F1644
Certificate of Practice No. 715
UDIN: F001644G000197961

Date: April 25, 2025
Place: New Delhi

Annexure - 6

Annual Report on CSR Activities

For the Financial Year ended March 31, 2025

1. Brief outline on CSR Policy of the Company:

Dr. Lal PathLabs Limited conducts its CSR activity through its CSR arm - Lal PathLabs Foundation for the benefit of the society and community in which the Company operates. Company envisions to build a healthy nation and improve lives of the community through preventive healthcare initiatives. Under the CSR initiatives, company largely works in areas such as:

- Vocational education programs in the healthcare delivery for Phlebotomists, Technicians and other similar vocations.
- Promoting access to healthcare in the community including a focus on preventive healthcare, capacity building and awareness generation.

The complete CSR information of the company including CSR Policy, vision, mission and projects undertaken is available on the website of the Company - www.lalpathlabs.com.

2. Composition of CSR Committee during the year:

S. No	Name of Member	Designation / Nature of Directorship	No. of Meetings, the Member entitled to attend	No. of Meetings, the Member attended
1	(Hony) Brig. Dr. Arvind Lal	Chairman & Executive Director - Chairman of the Committee	2	2
2	Dr. Om Prakash Manchanda *	Managing Director - Member	2	2
3	Mr. Arun Duggal	Independent Director - Member	2	2

(*) Dr. Om Prakash Manchanda (DIN: 02099404) ceased to be Member of the Committee upon completion of his tenure as Managing Director of the Company on March 31, 2025. Mr. Rohit Bhasin (DIN: 02478962) appointed as Member of the Committee in place of Dr. Om Prakash Manchanda.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://www.lalpathlabs.com/investors/investors-inside/policies-and-programs>

4. Provide the executive summary along with web-link (s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**

5. a) Average net profit of the company as per sub-section 5 of section 135: **₹ 4,794.42 Million**
- b) Two percent of average net profit of the company as per sub-section 5 of Section 135: **₹ 95.89 Million**
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
- d) Amount required to be set off for the financial year, if any: **₹ 1.41 Million**
- e) Total CSR obligation for the financial year (5b + 5c -5d): **₹ 94.48 Million**
6. (a) Amount spent on CSR Projects (both ongoing project and other than ongoing project): **₹ 94.53 Million**
- (b) Amount spent in administrative overheads: **NIL**
- (c) Amount spent on Impact Assessment, if applicable: **NIL**
- (d) Total amount spent for the financial year (a+b+c): **₹ 94.53 Million**

Note: In view of voluntary liquidation of Suburban Diagnostics (India) Private Limited, wholly owned subsidiary and distribution of business undertaking on going concern basis to the Company, the CSR Obligation and amount spent has been re-stated accordingly.

(e) CSR amount spent or unspent for the financial year:

(₹ in Million)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
94.53	NIL	NA	NA	NIL	NA

f) Excess amount for set off, if any:

S. No	Particular	Amount (₹ in Million)
(i)	Two percent of average net profit of the company as per sub-section 5 of Section 135	95.89
(ii)	Total amount required to be spent after set-off, if any	94.48
(iii)	Total amount spent for the Financial Year	94.53
(iv)	Excess amount spent for the financial year [(iii)-(ii)]	0.05
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vi)	Amount available for set off in succeeding financial years [(iv)-(v)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

(₹ in Million)

1	2	3	4	5	6		7	8					
					Amount transferred to Unspent CSR Account under sub-section (6) of section 135	Balance Amount in Unspent CSR Account under subsection (6) of section 135			Amount spent in the Financial Year	Amount transferred to a fund specified under Schedule VII as per second proviso to sub-section 5 of Section 135, if any		Amount remaining to be spent in succeeding financial year	Deficiency if any
										Amount	Date of Transfer		
1	FY 1	NIL	NIL	NIL	NIL	NA	NIL	NA					
2	FY 2	NIL	NIL	NIL	NIL	NA	NIL	NA					
3	FY 3	NIL	NIL	NIL	NIL	NA	NIL	NA					
	Total	NIL	NIL	NIL	NIL	NA	NIL	NA					

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: **No**

If yes, enter the number of capital assets created / acquired: **Not Applicable**

Furnish the details relating to such asset (s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NA**

S. No	Short particulars of the property or Asset (s) [including complete address and location of the property]	Pin code of the property or asset (s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner
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Not Applicable

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135: **Not Applicable**

(Hony) Brig. Dr. Arvind Lal

Chairman of CSR Committee

DIN: 00576638

Dr. Vandana Lal

Executive Director

DIN: 00472955

Date: April 25, 2025

Place: Gurugram

ANNEXURE - 7

Management Discussion and Analysis

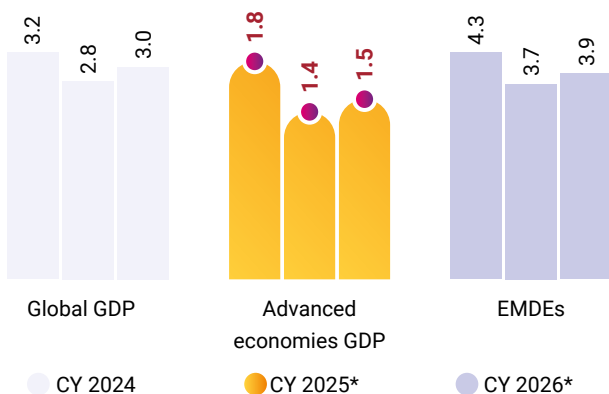
Economy

Global Economic Review

In CY 2024, the global economy achieved a steady growth of 3.2%. The global economy successfully overcame significant economic obstacles, such as sustained geo-political tensions, geo-economic fragmentation and uncertainties in trade policy. The European economy saw subdued growth as it grappled with geo-political upheavals, low consumption, rising costs of living and weak manufacturing exports particularly in Germany. The US economy showcased steady growth owing to a strong labour market, high corporate earnings and high employability. During the reporting year, the Emerging Market and Developing Economies (EMDE) grew by 4.3% in comparison to the advanced economies that grew by 1.8%. The growth in the global economy was further supported by a steady fall in the inflation level from 6.7% in CY 2023 to 5.8% in CY 2024. This was facilitated by timely interventions by the central governments across the globe and falling energy price levels.

The global economy is expected to grow at a slightly lower of 2.8% in CY 2025 and 3.0% in CY 2026. The global inflation level is expected to further decline to 4.2% in CY 2025 and 3.5% in 2026 which will enhance growth and positively impact market sentiments. The recent escalation of US trade tariffs which have the global trade activity and disrupted the supply chain can potentially lower the global economic growth as well as the India's economic growth. The slowdown in major economies like China continue to pose threats and escalating tariff wars continue to pose threats, accommodative monetary and fiscal policies implemented by Central banks and Governments around the world are expected to create an atmosphere conducive to growth.

GDP growth in (%)



*Projected

Source: IMF January 2025¹

Indian Economic Review

Amidst the volatile global economic landscape, the Indian economy exhibited a strong performance during the year under review. Indian economy, one of the fastest-growing economies in the world, is expected to grow by 6.5% in FY 2025. Inflation level dropped from 5.4% in FY 2024 to 4.9% in FY 2025, enhancing consumer confidence and spending, especially in rural areas. The rural consumption remained robust during the reporting year and the investment activities in India gained momentum. This growth in investment activities can be attributed to the transformation in the business environment led by the timely interventions by the Indian Government through relevant schemes and policies. The Production-Linked Incentive (PLI) scheme, along with the global business strategy of China+1, has resulted in the holistic development of various industries in the economy. Additionally, in FY 2025, India attracted USD 55.6 billion in FDI, marking an increase from the previous fiscal year, which played a critical role in driving the growth and development of the economy.

In the years ahead, the Indian economy is anticipated to experience positive growth, especially supported by strong investment activities and increased public expenditure by the Government of India. The revision in the income tax slabs is expected to augment disposable income and drive consumer spending.

India's real GDP growth in (%)



Source: RBI Bulletin February 2025, Economic Survey

*Projected

¹<https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>



Indian Diagnostic Industry

The diagnostic laboratories serve as an integral component of the healthcare system. They play a crucial role in assisting the decision-making process regarding patients' health. Through varied diagnostic tests and procedures, these laboratories assist healthcare providers to arrive at correct diagnoses. Additionally, the Indian diagnostic sector is witnessing transition from a fragmented network of isolated labs to a structured and scalable ecosystem, with national and regional players expanding their geographical presence. Heightened demand for high-quality healthcare, augmented consumer awareness and progress in technology is further bolstering this transition in the industry. Digitisation, automation and AI-powered innovations are elevating the efficiency and accuracy of the Indian diagnostic industry. Further to this, the growth in the Indian diagnostic industry can be attributed to the growing geriatric population, increasing health awareness among individuals, advancement in diagnostic technologies and a changing lifestyle. Unhealthy lifestyle is elevating the incidence of chronic diseases, creating the need for regular diagnostic monitoring.

In addition to this, the growth of the diagnostic industry in India was driven by supportive policies and schemes introduced by the Indian Government, such as, Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) and the PM Ayushman Bharat Health Infrastructure Mission (ABHIM). AB-PMJAY was initiated to offer comprehensive secondary and tertiary care hospitalisation benefits to more than 12 crore families.² This scheme includes a comprehensive coverage of medical procedures and includes the speciality areas, such as, General medicine, Surgery, Oncology and Cardiology. Under this scheme, the beneficiaries are entitled to free drugs, diagnostic procedures and food. ABHIM, a centrally sponsored scheme was initiated with an outlay of INR 64,180 crore.³ The objective of the scheme was to develop primary, secondary and tertiary healthcare systems. Further, it ensured the strengthening of existing national institutions and the creation of new institutions for the detection and cure of novel diseases.

Further to this, Ayushman Bharat Digital Mission enables the digital consultants to allow medical practitioners the access to patients' records. This promotes digital health solutions of hospitals across the country, it making the healthcare services easily accessible to the patients.

The diagnostic industry in India is known for its cost-effective services in comparison to the global diagnostic industry. Within the diagnostic lab industry, the diagnostic chain segment has an important role. The diagnostic chain features a strong network of diagnostic centres and laboratories across different regions. The key players of the industry are expanding their network and logistical facilities. This expansion is augmenting the accessibility of diagnostic services for patients in tier I, tier II cities and beyond.

Additionally, the rise in the number of medical institutes and research centres has further supported the growth of diagnostic services.

Key factors driving the growth of the Indian diagnostic industry

Population growth

After surpassing China's population, India is the world's most populous country, and it is anticipated to remain the most populous country in the world throughout the century. This is expected to support the growth of the diagnostic industry by expanding the demand for curative diagnostics, preventive healthcare and chronic disease management to meet the increasing healthcare needs.

Growing geriatric population

The Indian demograph is experiencing a rise in the number of the geriatric population in India. By 2036, it is anticipated that the number of individuals above 60 years will grow significantly. This change in the Indian demographics is anticipated to increase demand for diagnostics for chronic disease management, preventive healthcare, and regular diagnostic testing tailored to elderly health needs.

Healthcare infrastructure

With increased capital allocation for the healthcare sector in the Budget 2025-26, the government's focus is to improve the healthcare infrastructure in India. Further to this, the number of hospital beds is anticipated to rise at a CAGR of 7.99% by 2030. This will help the diagnostic centres to offer better services to the patients, thereby expanding their demand by effectively meeting the patients' requirements.

Growth in medical education capacity

The Indian government has proposed to add more medical seats across medical colleges and hospitals. In the coming years, this will result in an increased number of trained healthcare professionals available to offer quality diagnostic services.

²<https://nha.gov.in/PM-JAY>

³<https://pib.gov.in/PressReleasePage.aspx?PRID=2037420>

⁴https://www.researchandmarkets.com/report/india-medical-laboratories-market?utm_source=GNE&utm_medium=PressRelease&utm_code=b71c2c&utm_campaign=2013684+-+India+Diagnostic+Labs+Market+Research+2024%3a+Regional+Insights%2c+Competition%2c+Forecast+%26+Opportunities%2c+2020-2030F&utm_exec=chdomspi

Diagnostic intensity

In Tier 2, 3, and 4 towns, people are increasingly choosing to undergo diagnostic testing before starting any medication. This shows a shift in healthcare behaviour, where individuals now prefer to understand their health conditions through proper tests first and then follow treatment based on accurate reports.



~ **0.8 Lakh**

Patients per day



5,000+

Test menu

Outlook

The Indian diagnostic industry is anticipated to exhibit a positive growth trajectory and grow at a Compound Annual Growth Rate (CAGR) of ~8-10% from 2025-2030. This growth in the industry is envisioned to be directed by the rise in disposable income, a growing population and heightened health awareness, which will further create the demand for quality healthcare services, including diagnostic services.

Company Overview

Dr. Lal PathLabs

Dr. Lal PathLabs was established in 1949. The company is well known and widely regarded for consistently introducing pioneer tests and technologies in Indian Diagnostics Market. The Company has launched multiple "Center of Excellence" in recent times focusing on various specialities such as Genevolve (Genetic Testing), L-ACE(Autoimmunity), L-CoRD (Reproductive Diagnosis) & L-CID (Infectious Diseases) defining the steps towards Medical Excellence. The Company has expanded its test offering which include basic preventive health packages "SwasthFit" to most advanced investigations such as Comprehensive Genomic Profile, Myeloid testing for Haematological Malignancies & Amyloid Typing Solutions. The Company is actively working to Introduce the Artificial Intelligence based algorithm in multiple diagnostics areas such as Histopath & Haematology to improve the efficiency, accuracy and reproducibility of results.



~ **131**

Millions of patients served in the last 5 years



~ **2.35 Lakh**

Tests per day



6,000+

Workforce



~ **300**

Doctors (In-House)



298

Clinical Labs



40

NABL Labs

Dr. Lal PathLabs is considered the largest diagnostics chain, in terms of both revenue and presence, in the country, with a pan-India presence and a consistent track record of quality and growth.



6,607

PSCs



12,365

PUPs

Operational Highlights

Key achievements in FY 2025

Dr. Lal PathLabs continued to strengthen its operations and reach. The company added 18 new laboratories and over 850 new patient service centers across the country, making diagnostic services more accessible. Around 80 new tests were launched to meet growing healthcare needs. Approximately 30 million patients were served during the year, highlighting the company's strong presence. A strong focus on geographic expansion and test mix helped the company deliver higher realisation per patient. IT systems at Suburban Diagnostics were standardised to improve efficiency. Sustained investment in digital infrastructure has helped the company gain flexibility and efficiently deliver services to a larger number of patients. The company also made important digital investments to enhance patient experience and operational strength.

Opportunities and Threats



Opportunities

Demographic

Growing population is creating a large and expanding market for diagnostic services. In addition, the rising number of people aged over 40, who are more likely to avail diagnostics services, is increasing the need for regular health checks and disease management. This change highlights how important diagnostic testing has become, acting as a key part of both preventive care and ongoing treatment.

Geriatric population: The expected growth in the aged population coupled with heightened health awareness is anticipated to facilitate the growth of the Company

Rising disposable Income

Rising disposable incomes are leading people to focus more on their health and spend on better quality healthcare services, including reliable diagnostic testing. This trend is also supported by growing awareness of how important accurate and timely diagnostics are for better health outcomes. Dr. Lal PathLabs understands this change and is committed to offering accessible, affordable, timely, and high-quality diagnostic services.

Medical Infrastructure expansion

The growing medical infrastructure in Tier II towns, with more hospitals and clinics coming up, is increasing the demand for a wider range of diagnostic services, including specialised tests. As healthcare access spreads beyond urban areas, there is a greater need for advanced diagnostic services in these areas. This creates a big opportunity for organised diagnostic chains like Dr. Lal PathLabs. The company is focusing on expanding its network of labs and patient service centers centres in these towns and surrounding feeder towns to meet the rising demand.

Health awareness

Heightened health-consciousness will drive the need for diagnostic services and advanced healthcare solutions, thereby offering growth opportunities for Dr. Lal PathLabs by providing personalised health checkup packages across various price levels such that a wider range of patients are catered.

Preventive checkups

There is a rising focus on preventive healthcare as people become more aware of the importance of staying healthy before illness strikes. This has led to a growing demand for preventive checkups and wellness packages. Dr. Lal PathLabs' "Swasthfit" bundled test program is designed to meet this demand for proactive health management. The program has seen strong growth, outpacing the overall business growth. In response to this trend, the company is expanding its range of bundled packages to offer even more options for people seeking to maintain their health.

Expanding geographic presence

There are significant opportunities to expand into underserved areas, especially in Tier 3 and Tier 4 towns across India. Dr. Lal PathLabs is focusing on a two-pronged expansion strategy. This includes organic growth by opening new labs and collection centers in these regions, as well as inorganic growth through strategic acquisitions to strengthen its presence in key markets like the West and South. The goal of this expansion is to bring high-quality diagnostic services closer to people in these areas.



Threats

▶ Pricing control

The imposition of pricing caps on routine diagnostic tests by regulatory bodies could put pressure on the revenue and profitability of diagnostic service providers, particularly for high-volume tests. While Dr. Lal PathLabs focuses on a diverse range of tests, including specialised ones, limitations on the pricing of common tests may affect its overall financial performance.

▶ Government Infra Strengthening

An increasing emphasis on strengthening government healthcare infrastructure and offering free diagnostic services at public health facilities presents a potential threat to private diagnostic players. As more people turn to public healthcare for basic tests, it could impact the volume of business for private providers, especially in low-cost test categories in semi-urban areas.

▶ Rising competition in specialized business

Diagnostic companies focusing on niche or specialised segments are growing in scale and expertise, attracting patients and healthcare providers seeking targeted diagnostic solutions. This trend could create competition for Dr. Lal PathLabs' broader test menu, especially in highly specialised areas. In response, the company is expanding its offerings in advanced diagnostics and genomics.

▶ Investment Surge

Fresh Private Equity (PE) and Venture Capital (VC) investments in the diagnostics sector could lead to heightened competition. These investments enable new and existing players to expand rapidly by establishing more labs, acquiring advanced technology, and offering a wider range of specialised tests. Moreover, they may adopt aggressive pricing strategies and invest heavily in marketing to attract customers. This influx of capital will increase competition, putting pressure on established players like Dr. Lal PathLabs.

Business Targets and Strategies

Key strategies implemented to support the long-term growth of Dr. Lal PathLabs



Focus on strengthening Medical Excellence/ Expertise



Strengthening its leadership position in the core markets of North India, including Delhi NCR, through (i) Better service (ii) Newer Offerings (iii) Upgrading Infrastructure (iv) More Convenience



Enhancing its digital infrastructure through the deployment of AI, data analytics to enhance the patient's experience and offer customised services.



Enhancing the high-end test portfolio of super specialty.



Implement initiatives such as the cluster city approach, to increase the volumes in high-potential markets.

Consolidated Financial Performance

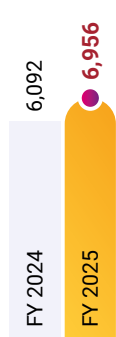
Revenue

(in ₹ million)



EBITDA

(in ₹ million)



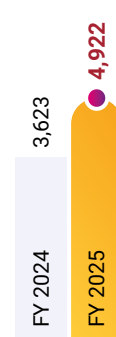
PBT

(in ₹ million)



PAT

(in ₹ million)



Patients

(in ₹ million)



Samples

(in ₹ million)



Revenue per patient

(in ₹)



Test per patient

(in No.)



Region wise revenue breakup

(in percentage)

Particulars	FY 2025	FY 2024
Delhi NCR	31.08	31.11
UP & UK	18.62	18.52
Rest of North India	13.20	12.87
East India	14.55	14.50
West	14.62	14.80
South	5.62	5.94
Others	2.31	2.26
Total	100.00	100.00

Revenue

In FY 2025, the consolidated revenue of the Company was ₹ 24,614 Million, highlighting Y-o-Y growth of 10.5%

Costs

The key cost components of Dr. Lal PathLabs include expenses related to reagents and chemicals, personnel, fees associated with collection centres, logistics, information technology and infrastructure. The cost management is a key focus area for the Company.

EBITDA

For the reporting year, the EBITDA was ₹ 6,956 million, whereas in FY 2024, it was ₹ 6,092, highlighting a growth of 14.2%.

PBT and PAT

PBT of the Company was ₹ 6,248 million in FY 2025 in comparison to ₹ 5,055 million in FY 2024, highlighting a growth of 23.6%.

In FY 2025, PAT of the Company was INR 4,923 million as compared to INR 3,632 million in FY 2024, highlighting a growth of 35.9%.

Cash and bank

In the reporting year, the cash and cash equivalents of the Company was ₹ 12,290 million, whereas, in FY 2024, it was ₹ 8,769 million.

Particulars	Consolidated			Reason for variance
	FY 2025	FY 2024	% Variance	
Debtors' turnover (times)	30	30	-1.0%	-
Inventory turnover (times)	13	13	3.3%	-
Interest coverage ratio	29.0	18.2	59.3%	Improvement on account of increase in earnings during the year and reduction of interest cost due to repayment of borrowings
Current ratio	3.4	2.4	39.4%	Higher current assets in reporting year and lower current liabilities
Debt equity ratio	0.07	0.13	-45.7%	Reduction on account of repayment of borrowings during the year
Operating profit Margin (%) *	22.5	20.9	7.6%	-
Net profit margin (%)	19.3	15.8	22.1%	Increased operational efficiencies resulted in improvement of net margin

*Formula: (EBIT-Interest Income)/Revenue

Human Resource

The Company believes its strong and skilled professionals to be critical in driving the long-term growth of the Company. In FY 2025, the Company had 6,000+ (Group wise) workforce and ensured them a positive, safe and engaging work environment. In addition, the learning and development activities implemented by the Company help the workforce to upskill themselves and remain relevant to industry demand.

During FY 25, Dr. Lal PathLabs enhanced employee engagement by focusing on wellness, development, and recognition. Programmes were built around five wellness dimensions – Physical, Emotional, Financial, Occupational, and Spiritual. The company launched four Employee Experience Clubs to promote engagement across different areas, organised monthly reviews, cultural celebrations, and volunteering events like blood donation drives. A new recognition programme, RISE, replaced the earlier system, leading to a 90% increase in employee recognitions. Emotional well-being was supported through the '1to1 Help' Employee Assistance Programme, along with virtual yoga and meditation sessions.

Dr. Lal PathLabs promoted a safe and equitable workplace by strengthening inclusive hiring through the SAMATVA programme, onboarding 30 persons with disabilities and providing them with tailored support. Sensitisation sessions were conducted to build awareness and inclusivity. The company maintained strict ethical standards through its Code of Conduct and Whistleblower Policy and ensured operational safety through regular audits and quality certifications like NABL and CAP. Efforts towards environmental responsibility and enhanced cybersecurity further contributed to a safe and healthy working environment.

In FY 25, Dr. Lal PathLabs expanded learning and development through a blended approach of instructor-led training, online courses, coaching, and mentoring. About 74% of employees were covered across 33 programmes, focusing on behavioural, technical, compliance, leadership, and induction training. Key initiatives included structured onboarding journeys like Aarambh and Parichay, leadership development through FLIP, technical

skilling through EDGE and HUNAR, and on-the-job learning under MedNxt and PROJECT NEEV, building strong capabilities across different roles in the organisation.

Environment, Social and Governance

Environmental sustainability remains a key area of focus for the Company. The Company ensures its operations have minimised impact on the environment. Further, Dr. Lal PathLabs implemented several initiatives in FY 2025 to promote sustainability. Additionally, the Company ensures value creation for its stakeholders, such that it contributes towards capacity building and creating resources for the underserved sections in society.

In FY 25, Dr. Lal PathLabs continued to focus strongly on environmental sustainability as part of its long-term business goals. The company worked on reducing its environmental footprint by taking steps to conserve energy, save water, manage waste properly, and lower harmful emissions across its operations. To conserve energy, the company increased its use of renewable sources by expanding its solar energy capacity to 3.18 MW. Major solar projects included expanding the solar plant in Qutubgarh and installing solar panels in Lucknow and Noida. Dr. Lal PathLabs also replaced old air conditioning systems with inverter-based units that are more energy efficient and installed Power Capacitor Banks to reduce energy loss. LED lighting continued to be introduced across facilities to further save energy.

In water conservation, the company reused RO wastewater for non-drinking purposes like washrooms and gardening. All laboratories had Effluent Treatment Plants (ETPs) to properly treat wastewater before it was either reused or safely released. Smart water meters were also being installed at various locations to monitor and reduce water usage.

For waste management, Dr. Lal PathLabs followed strict practices to separate, treat, and safely dispose of both hazardous and non-hazardous waste. Special attention was given to handling biomedical waste, with the continued use of autoclaves for

sterilisation. The company also used biodegradable bags for sample collection to reduce plastic waste.

To reduce emissions, Dr. Lal PathLabs upgraded its older diesel generator sets to newer, more efficient models that meet the latest environmental standards. HVAC systems were optimised by maintaining room temperatures at 24°C to save energy. The company also saved over 1.6 million kilograms of CO₂ emissions by using solar energy and introduced electric bikes for sample collection to further cut down pollution.

Data Privacy

The protection of data for its customers and clients forms an integral component for Dr. Lal PathLabs. This is undertaken by the implementation of data loss prevention measures, software security and threat intelligence.

Data loss prevention

In FY 25, Dr. Lal PathLabs used various tools to prevent the loss of sensitive information. These included data loss prevention (DLP) technologies that help control how data is shared and accessed. The Company also used rights management systems to make sure that only authorised people could access important data. Advanced cybersecurity solutions like Cloud Access Security Broker (CASB), Endpoint Detection and Response (EDR), Advanced Threat Protection (ATP), and email protection were used to stop new types of cyber threats. A centralised data system was also set up to improve reporting and patient care, especially for chronic conditions, which required even stronger data protection.

Software security

To keep its systems safe, Dr. Lal PathLabs regularly carried out vulnerability assessments and penetration tests on its IT applications and cloud platforms. These tests helped find and fix any security gaps. The company also reviewed the coding and system settings of its important software to ensure they were properly secured. Most of its applications, including patient and business portals, were hosted on Microsoft Azure cloud, which added another layer of security. A new cloud-based ERP system was also introduced to improve both security and performance.

Threat intelligence

Dr. Lal PathLabs used a threat intelligence platform to look out for risks like data leaks, fraud, and exposed user credentials across different online platforms. A 24x7 security operations center was set up to monitor threats continuously and act fast if any were found. The company also had a Cyber Crisis Management Plan ready to deal with serious cyber incidents. In addition, by taking part in the Ayushman Bharat Digital Mission and earning certifications, the company followed national standards to ensure health data security.

Company Outlook

- A strong focus on adhering to the highest quality standards and aligning with medical accreditations will remain the key focus of the Company, such that its reputation as a reliable and accurate diagnostics in India. Along with this, consistent efforts are made to improve the experience it offers to its patients by making the entire process smoother and convenient. The Company focuses on improving its overall operational efficiencies through implementing cost reduction strategies, improving the IT system and delivering quicker test results.
- To strengthen the medical excellence such that it enhances the Company's credibility and sustainable growth. This will be achieved through focusing on the quality, integration of advanced technologies and maintaining strong network facilities.
- Fortifying the Company's presence across key geographies will offer diversified revenue generating source to the Company. Such expansion, especially in tier 1 and metro cities will further strengthen its position as the trusted diagnostic partner. Further to this, it is also consistently developing its presence in the tier 2 and tier 4 cities in Northern and Eastern India.
- Leveraging technologies across its value creation, including enhancing patient experience and streamlining its operational efficiencies through adopting sophisticated logistics and data management systems. This initiative remains strategic and integral in driving security and delivering innovative services.

- Through ramping up the infrastructure activities, the Company will secure its access to newer micro markets and expansion to new geographies. Further to this, it will also enhance both the revenue generated and the volume of patients in the coming years, backed by the upgradation of laboratory infrastructure
- Increasing marketing expenditure will help the Company by reaping the benefits through supporting the upgradation in the existing laboratories and its infrastructure. This will also support the Company's strategy to expand its networking and serve a large market
- To strengthen its presence in South India, the Company is exploring acquisitions alongwith organic growth opportunities. Moreover, the Company remains positive of its strong balance sheet that will support acquisitions in the coming years
- Indian diagnostic testing sector is unorganised, therefore the Company aims to fill this gap by providing higher testing infrastructure and integrating advanced technologies such that the quality is not compromised and a larger scale of patients can access it.

Risks and Concerns

Risk Category	Risk description	Mitigation strategy
Economic risk	Fluctuations in economic parameters, such as the level of inflation and alterations in governmental policies will undermine the operational efficiency of the Company	The Company has ability to transfer a part of infilation to the end customer thereby mitigating the margin contraction.
Competition risk	Dr. Lal PathLabs operates in an unorganised industry which heightens the chances of new players entering the industry. These players operate at a competitive price which further undermines the market position of the existing players in the industry.	The Company focuses on expanding its presence such that it can maintain its strong position in the industry. Further, to realise its strong growth and expansion potentials, it continuously invests in high-quality standards, as well as maintains strong performance.
Technology risk	To sustain in the competitive business environment, it is essential for the Company to integrate cutting-edge technology such that its operations remain unscathed.	Dr. Lal PathLabs integrates advanced technology to yield faster and better results. Further to this, accelerated technological innovations will help the Company to mitigate technology risk.
People risk	The Company needs to retain its skilled professionals who can help the Company to surpass the challenges and attain a sustainable growth.	Dr. Lal PathLabs implements effective strategies to retain qualified professionals. It provides competitive benefits, training programmes and a positive and engaging working environment. Additionally, the cohesive work culture and transparency within the Company support the retention of its skilled workforce .
Operational risk	Risk arising from failure to maintain the testing procedure, human errors can adversely affect its operations	The risks associated with operational failure are mitigated by the Company by standardisation of its operating procedure and equipment maintenance. In addition to this, qualified staff and the integration of advanced technologies also help the Company to effectively mitigate the operational risk.

Internal Control Systems and their Adequacy

The Company has established a comprehensive internal controls framework, which includes thoroughly documented policies and procedures spanning financial and operational aspects. This framework guarantees the upkeep of precise accounting records and offers a reasonable level of confidence in the reliability of financial reporting. Additionally, it facilitates efficient monitoring of operations, protects assets from unauthorised use or loss and ensures compliance with relevant regulations.'

Auditors

During the 28th Annual General Meeting held on June 30, 2022, the Members of the Company reaffirmed the appointment of Deloitte Haskins & Sells as Statutory Auditors for five years. Deloitte Haskins & Sells is a firm registered with the Institute of Chartered Accountants of India under Registration No. 117366W/W-100018.

Cautionary Statement

The statement provided in this Management Discussion and Analysis acknowledges that the Company's objectives, projections, estimates, expectations, or predictions may be considered as 'forward-looking statements' under applicable securities laws and regulations. It cautions that actual results may differ significantly from those expressed or implied. Various important factors, such as global and Indian demand and supply conditions, prices of finished goods, availability and prices of input materials, cyclical demand and pricing in the Company's main markets, changes in government regulations and tax regimes, economic developments in India and other relevant countries, as well as factors like litigation and labour negotiations, can impact the Company's operations. The Company does not assume any responsibility to publicly amend, modify, or revise the forward-looking statements based on subsequent developments, information, events, or any other circumstances.

ANNEXURE - 8

Business Responsibility & Sustainability Report



SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Company	L74899DL1995PLC065388
2	Name of the Company	Dr. Lal PathLabs Limited
3	Year of Incorporation	1995
4	Registered office address	Block E, Sector-18, Rohini, New Delhi-110085
5	Corporate office address	12th Floor, Tower B, SAS Tower, Medicity, Sector-38, Gurugram-122001
6	E-mail id	cs@lalpathlabs.com
7	Telephone	0124-3016500
8	Website	www.lalpathlabs.com
9	Financial year for which reporting is being done	FY 2024- 2025
10	Name of the Stock Exchange(s) where shares are listed	i. National Stock Exchange of India Limited ii. BSE Limited
11	Paid-up capital	₹ 83,59,17,350 divided into 8,35,91,735 Equity Shares of ₹ 10/- each (As on March 31, 2025)
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Manoj Kumar Garg, Group Chief Human Resource Officer, Tel: + 91-124-3016-500, Email: cs@lalpathlabs.com
13	Reporting Boundary	Standalone Basis
14	Name of Assurance provider	Not Applicable
15	Type of Assurance obtained	Not Applicable

Notes:

During the year under review, the Member(s) of Suburban Diagnostics (India) Private Limited, Wholly Owned Subsidiary ("Suburban"), in the Extra-ordinary General Meeting on February 06, 2025, accorded approval for voluntary liquidation of Suburban and expeditious consolidation of its business to the Company on a going concern subject to the compliance of applicable laws. Further, pursuant to the voluntary liquidation process, the Liquidator of Suburban, has distributed its entire business undertaking to the Company on a going concern basis on and with effect from close of business hours of March 18, 2025. In view of the same, data(s)/ information(s) of Suburban are also included under this report for the Financial Year 2024-25.

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of turnover
1	Other Human Health Activities	Activities of Independent Diagnostics/ Pathological Laboratories	100%

17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Diagnostic and related healthcare tests and services	869	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices/ Labs	Total
National	Not Applicable as the Company provides Diagnostic	298	298
International	Services in the area of Pathology and Radiology	2	2

19. Markets served by the entity

a. Number of locations:

Locations	Number
National (No. of states)	27 States and 5 Union Territories
International (No. of countries)	Nepal and Bangladesh.
	Additionally, the Company receives samples from international locations such as Kenya, Bhutan, Sri Lanka, Malaysia, Maldives, UAE, Saudi Arabia, Bahrain, Qatar, Kuwait, Ethiopia, Myanmar, Malawi, Ghana, Mauritius, Cameroon, Zimbabwe, Cambodia and Oman for testing in India.

b. What is the contribution of exports as a percentage of the total turnover of the entity: 1.18%

c. A brief on types of customers:

The Company's customers encompasses individual patients, hospitals, clinics, other healthcare providers, and corporate clients.

IV. Employees

20. Details as on March 31, 2025

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	1,542	1,199	77.76	343	22.24
2	Other than Permanent (E)	288	149	51.74	139	48.26
3	Total employees (D+E)	1,830	1,348	73.66	482	26.34
WORKERS						
1	Permanent (F)	3,438	2,487	72.34	951	27.66
2	Other than Permanent (G)	40	14	35.00	26	65.00
3	Total workers (F+G)	3,478	2,501	71.91	977	28.09

Notes:

- "Permanent Employees" includes all the full-time employees with an indeterminate period.
- "Other than Permanent Employee" includes all the employees with a fixed term employment contract, Retainer, Residents, Interns and consultants.

b. Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	2	2	100	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	Total differently abled employees (D+E)	2	2	100	-	-
DIFFERENTLY ABLED WORKERS						
1	Permanent (F)	32	30	93.75	2	6.25
2	Other than Permanent (G)	-	-	-	-	-
3	Total differently abled workers (F+G)	32	30	93.75	2	6.25

21. Participation/inclusion/representation of women

Particulars	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	10	3	30.00
Key Management Personnel (KMP)*	6	1	16.67

(*)Includes Board Members, who are designated as KMP

22. Turnover rate for permanent employees and workers

Particulars	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.02	15.55	15.86	20.84	19.77	20.62	33.37	22.43	30.81
Permanent Workers	10.19	7.63	8.21	10.11	9.93	10.07	10.61	13.49	11.24

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

23. Names of holding / subsidiary / associate companies / joint ventures as on March 31, 2025:

S. No.	Name of Holding/Subsidiary/Associate Companies/Joint Venture	Holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of listed entity? (Yes/No)
1	Paliwal Diagnostics Private Limited	Subsidiary	80	No
2	Dr. Lal Ventures Private Limited	Subsidiary	100	No
3	PathLabs Unifiers Private Limited	Subsidiary	100	No
4	Centrapath Labs Private Limited	Step down Subsidiary	70	No
5	APRL PathLabs Private Limited	Step down Subsidiary	80	No
6	Chanre Laboratory Private Limited	Step down Subsidiary	70	No
7	Dr. Lal PathLabs Nepal Private Limited	Subsidiary	100	No
8	Dr. Lal Path Labs Bangladesh Private Limited	Subsidiary	71.83	No

VI. CSR Details

24. a. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

b. Turnover: ₹ 23, 516 Million*

c. Net worth: ₹ 20,771 Million*

(*)As on March 31, 2025

VII. Transparency and Disclosures Compliances

25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	There were no complaints / grievances received from any specific community.					
Investors (Other than Shareholders)	Yes Investors can contact the officials mentioned in the link below https://www.lalpathlabs.com/investors/investors-inside/investor-contact	There were no complaints / grievances received from any Investors (Other than Shareholders)					
Shareholders	Yes Shareholders, for any of their grievances can reach out to the Company Secretary at https://www.lalpathlabs.com/investors/investors-inside/investor-contact	85	-	All complaints were duly resolved within the reporting period	93	1	1 (One) Shareholder Complaint was unresolved however the same had been resolved as on date
Employees and workers	Yes, Employees and workers can reach out to us via https://lplhr4u.sgcservices.com/Helpdesk/Helpdesk	3,184	16	The Company is under the process of resolving these case as on March 31, 2025	5,012	-	-
Customers	Yes, customer can reach out to us via https://www.lalpathlabs.com/company-information	48,761	377	-	48,805	-	-
Value Chain Partners	Yes, Value Chain Partners can reach out to us via https://www.lalpathlabs.com/company-information	There were no complaints/grievances received from the Value Chain Partners except for some outstanding dues related clarifications. These have been properly addressed and resolved.					

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Workplace Safety	Risk	Workplace safety is crucial, as inadequate measures can result in accidents that harm both employees and the organization. Such incidents may lead to serious injuries and spread of infections to employees working in laboratories. This may result in higher absenteeism and productivity loss and even loss of life. The Company demonstrates its commitment to the safety and environmental stewardship through a comprehensive safety policy that addresses all aspects of workplace safety.	<p>Personnel working in labs may be exposed to risks from various chemicals, infectious materials, fire hazard, electrical shock, gas leak etc. The environment is also at risk of being contaminated by hazardous materials used and wastes generated in the labs. Safety in labs therefore includes protection of both personnel and the environment from hazardous materials. The Company's detailed safety manual outlines policies which cover appropriate measures for all lab operations under its jurisdiction including hazards and their mitigation plans and training of staff. This manual outlines the use of sharps, disposal of bio-waste, reagents and other wastes generated in the labs in accordance with local and national regulations. Annual health checkups are mandatory for technical staff handling samples.</p> <p>Records of accident/incident/injuries of lab personnel is maintained. This record is analysed with the purpose of effectively controlling repetitions and preventing future events.</p> <p>Employees working in labs are provided with essential safety gear, including eye wash stations, gloves, lab coats, goggles, fire sprinklers, and extinguishers. Stringent disinfection protocols ensure a clean and hygienic work environment. Regular fire drills are conducted to train staff in evacuation procedures and clarify their roles during emergencies.</p> <p>Additionally, the Company strictly complies with Bio Medical Waste Management Rules.</p>	Negative implications: This may result in increased workplace accidents. Situations where injuries persist can lead to loss of revenue.
2	Employee Training and development	Risk	Training is essential for business success, as inadequately trained employees are prone to poor job performance and higher levels of work-related stress. A lack of proper training on Standard Operating Procedures (SOPs) and process guidelines can pose significant risks, such as inaccuracies in the testing of patient samples. Well-defined and clear SOPs are vital to ensure consistency, precision, and efficiency in lab operations.	<p>The Company firmly believe that personnel are the most important resource and their wellbeing, safety and development is of its utmost importance. Personnel of the Company are appropriately trained to achieve quality outcomes in the labs and produce accurate, reliable, and timely test results keeping safety at the top of the priority.</p> <p>The Company places significant emphasis on fostering employee growth and has invested in various training and development programs. These initiatives include comprehensive induction training for all new joiners, providing them with the understanding of the organization's policies and practices, along with functional training, compliance training, and online learning modules.</p>	Negative implications: Insufficient or inadequate training can lead to reduction in operational efficiency impacting the profitability and revenue of the Company.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				For purposes of development, the Company is committed to conduct regular employee engagement programs which focus on creating a positive work environment, fostering teamwork, collaboration, and promoting employee satisfaction and well-being. By investing in these employee engagement programs, the Company have been able to improve retention rates, reduce turnover, build a strong and motivated workforce.	
3	Employee benefits	Opportunity	Placing a priority on employee welfare brings advantages to the employees and the organization as well. It fosters a positive work environment, leading to enhanced job satisfaction, boosted morale, and increased motivation to excel. Incentive programs can help in motivating employees to perform at their best, achieve strategic goals, and improve overall Company's performance. Additionally, the Company demonstrates a strong commitment to its employees' well-being through various initiatives such as comprehensive mediclaim policy and accident insurance for frontline employees.	-	Positive - Employee welfare initiatives are crucial for attracting, retaining, and nurturing talent.
4	Energy Management	Opportunity	Energy efficiency is one of the top most priority for the Company and by optimizing energy consumption, the Company can achieve significant savings. Moreover, energy-efficient practices help lower greenhouse gas emissions, reinforcing the Company's commitment to mitigating the human impact on climate change.	-	Positive as energy management presents a valuable opportunity for the Company to enhance its operational efficiency while reducing costs. By adopting innovative energy-efficient technologies and practices, the Company can achieve long-term savings, improve sustainability credentials, and meet regulatory standards.
5	Fire Safety	Risk	A fire incident can severely disrupt lab operations, leading to potential damage to equipment, loss of critical samples, and delays in ongoing tests.	The Company demonstrates its strong commitment to safety by installing a robust Fire Alarm system and equipping all lab operation with Fire Extinguishers. Furthermore, regular fire safety training sessions are organized for staff, underscoring the Company's dedication to maintain a safe and secure workplace. The Company also places evacuation plans at noticeable areas for employee safety and awareness.	Negative implications: Fire safety is critical, as fire incidents can lead to severe risks, including harm to personnel, damage to lab equipments, and loss of valuable samples. Such events can halt operations, compromise safety, and incur significant financial losses.
6	Community development – CSR	Opportunity	As a conscientious entity, the Company views Corporate Social Responsibility (CSR) not merely as a duty, but as an opportunity to create meaningful and lasting connections with the community. Through its diverse CSR initiatives, the Company focuses on addressing social challenges, fostering sustainability, and empowering underprivileged sections of society, thereby contributing to growth and development.	-	Positive - Allocated ₹ 94.53 Million for Corporate Social Responsibility (CSR) activities during FY 2024-2025 towards medical and health programs, enabling better healthcare services while also endorsing research initiatives at leading institutions such as IIM Ahmedabad. The Company also conducted training and skill upliftment initiatives for phlebotomists in rural and semiurban set ups.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:



Principle 1

Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable



Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe



Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains



Principle 4

Businesses should respect the interests of and be responsive towards all its stakeholders



Principle 5

Businesses should respect and promote human rights



Principle 6

Businesses should respect, protect and make efforts to restore the environment



Principle 7

Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



Principle 8

Businesses should promote inclusive growth and equitable development



Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

 **SECTION B:**
MANAGEMENT AND PROCESS DISCLOSURE

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Question		P1	P2	P3	P4	P5	P6	P7	P8	P9
POLICY AND MANAGEMENT PROCESSES										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web link of the policies, if available	https://media.lalpathlabs.com/2025-05/Buisness-Responsibility-&Sustainability-Policy.pdf								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/ No)	N	N	N	N	N	N	N	N	N
4.	Name the national and international codes/ certifications/ labels/ standards	<ul style="list-style-type: none"> • CAP: Two (02) Reference Labs are accredited by College of American Pathologists (CAP). • NABL: Forty (40) labs are accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL). • ISO 27001: The ISO 27001 is the standard for information security management systems (ISMS). It defines requirements an ISMS must meet. The ISO 27001 standard provides companies of any size and from all sectors of activity with guidance for establishing, implementing, maintaining and continually improving an information security management system. 								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any	The Company is committed to adhering to the nine principles outlined in the National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business, as issued by the Ministry of Corporate Affairs. Further, the Company has also set out to monitor its' water and energy footprint by adopting innovative energy solutions.								
6.	Performance of the entity against specific commitments, goals, and targets along-with reasons in case the same are not met	The Company remains vigilant in monitoring its adherence to the specified principle(s) and takes appropriate measures whenever necessary								
GOVERNANCE, LEADERSHIP, AND OVERSIGHT										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Emphasizing the significance of ESG principles, the Company's unwavering commitment to environmental, social, and governance initiatives is an integral part of its operational ethos. Sustainability drives the Company's endeavours, fostering growth, nurturing human capital, and instilling social responsibility. Notable achievements include advancements in waste management, water conservation, paperless initiatives, and renewable energy adoption. Upholding ethical standards and transparency in governance, the Company endeavours to positively impact society and stakeholders.								

Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9												
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>CSR Committee is responsible for implementation and oversight of the Business Responsibility Policies. The constitution as on March 31, 2025 of the CSR Committee is as follows:</p> <table border="1"> <thead> <tr> <th>Name of Member</th> <th>DIN number</th> <th>Designation within the Organisation</th> </tr> </thead> <tbody> <tr> <td>(Hony) Brig. Dr. Arvind Lal</td> <td>00576638</td> <td>Executive Chairman</td> </tr> <tr> <td>Dr. Om Prakash Manchanda *</td> <td>02099404</td> <td>Managing Director</td> </tr> <tr> <td>Mr. Arun Duggal</td> <td>00024262</td> <td>Lead Independent Director</td> </tr> </tbody> </table> <p>(*) Dr. Om Prakash Manchanda (DIN: 02099404) ceased as a Member of the Committee upon completion of his tenure as Managing Director of the Company on March 31, 2025. Mr. Rohit Bhasin (DIN: 02478962), Non-Executive Independent Director appointed as Member of the Committee in place of Dr. Om Prakash Manchanda.</p>									Name of Member	DIN number	Designation within the Organisation	(Hony) Brig. Dr. Arvind Lal	00576638	Executive Chairman	Dr. Om Prakash Manchanda *	02099404	Managing Director	Mr. Arun Duggal	00024262	Lead Independent Director
Name of Member	DIN number	Designation within the Organisation																			
(Hony) Brig. Dr. Arvind Lal	00576638	Executive Chairman																			
Dr. Om Prakash Manchanda *	02099404	Managing Director																			
Mr. Arun Duggal	00024262	Lead Independent Director																			
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, The CSR Committee holds responsibility for making decisions related to sustainability matters																				

10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies & follow up action	CSR Committee									Annually* and as a precautionary measure the review of policies are undertaken as per regulatory requirements as and when needed.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	CSR Committee									Annually* and as a precautionary measure, review of policies are undertaken as per regulatory requirements as and when needed.								

(*) Annual review by the Committee on April 25, 2025

11 Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/ No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not applicable								
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”.

While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

UN SDG Linkage



Introduction to Principle 1

We prioritize ethical business conduct, ensuring integrity and transparency in all our operations. Our commitment to these values is reflected in our robust policies and procedures, which safeguard the interests of our stakeholders and promote sustainable growth.

At Dr. Lal Pathlabs, we aim to achieve this by taking stringent steps to ensure compliance to regulatory norms, imbibing ethical practices at the core of all levels of our workforce via trainings and our well-laid code of conduct.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held*	Topics/ principles covered under the training audits impact	% of persons in respective category covered by the awareness programmes*
Board of Directors	Three (3)	Updates on: 1. SEBI Regulations 2. IT Risk Governance including Data Privacy and Cyber Security 3. Corporate Social Responsibility	100% 100% 100%
Key Managerial Personnel (KMP)	Three (3)	Updates on: 1. SEBI Regulations 2. IT Risk Governance including Data Privacy and Cyber Security 3. Corporate Social Responsibility	100% 100% 100%
Employees (other than BoD and KMPs)	Four (4) trainings held annually for each topic highlighted under compliance	Compliance requirements: 1. POSH 2. Code of Conduct 3. Information Security 4. Data Privacy	96% 93% 89% 89%
	One (1)	Health and Safety	24%
	One (1)	Skill upgradation	60%
	One (1)	Human Rights	99%
Workers	Four (4) trainings held annually for each topic highlighted under compliance	Compliance requirements: 1. POSH 2. Code of Conduct 3. Information Security 4. Data Privacy	96% 89% 84% 84%
	One (1)	Health and Safety	47%
	One (1)	Skill upgradation	71%
	One (1)	Human Rights	99%

Notes: Within Health & Safety, fire safety trainings are also included.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

Type	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹) Brief of the Case Has an appeal	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	None	Nil	NA	NA	NA
Settlement	None	Nil	NA	NA	NA
Compounding fee	None	Nil	NA	NA	NA

Type	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	None	Nil	NA	NA
Punishment	None	Nil	NA	NA

3. Of the instances disclosed in Question 2 above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Code of Conduct for the Company's Board Members and Senior Management aligns with the Company's vision and values, enhancing ethical and transparent processes. It complies with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Code applies to Board Members, Key Managerial Personnel, and Senior Management, defining principles for honesty, integrity, compliance with policies and laws, conflict of interest, and protection of confidential information. It also covers the use of company assets, acceptance of gifts, whistleblower protection, and corporate opportunities. Disclosure requirements for directors and senior management ensure transparency in their interests and transactions.

The policy is available at <https://media.lalpathlabs.com/2025-01/Code-of-conduct-for-Directors-and-Senior-Management.pdf>

Further, our Code of Conduct (COC) for Employees also provides that the Company firmly stand against bribery and corruption in all forms. The Company is committed to conduct business with integrity, transparency, and accountability. It believe that ethical practices are the foundation of success and reputation.

5. Number of Directors/KMPs/employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2024-25	FY 2023-24
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints about conflict of interest

Particulars	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	None	-	None	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	None	-	None	-

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest: None

8. Number of days of accounts payables [(Accounts payable *365) / Cost of goods/services procured] in the following format:

Particulars	FY 2024-25	FY 2023-24
Number of days of accounts payables	42	43

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	15.49	12.82
	b. Number of trading houses where purchases are made from	149	164
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	52.98	43.66
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Not applicable, as the company does not offer its services through dealers or distributors.	
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		
Share of RPTs in **	a. Purchases* (Purchases with related parties / Total Purchases)	1.34	1.01
	b. Sales (Sales to related parties / Total Sales)	0.56	0.49
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	0.09	0.00

(*) Purchase includes Cost of materials consumed and Lab test expenses

(**) In view of voluntary liquidation of Suburban Diagnostics (India) Private Limited, a wholly owned subsidiary and transfer of its entire business undertaking on going concern basis to the Company, the figures for the FY 2023-24 have been restated.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

The Company has not yet conducted any such assessment programs for value chain partners during the year.

2. Does the entity have processes in place to avoid / manage conflicts of interest involving members of the Board? (Yes / No) If Yes, provide details of the same.

Yes, the Company maintains a comprehensive Code of Conduct specifically designed for its Board Members and Senior Management. The Code of Conduct outlines ethical and transparent practices for the Board and Senior Management, aligning with SEBI regulations. It applies to Board members, Key Managerial Personnel, and Senior Management. Key principles include honesty, integrity, compliance with laws, avoiding conflicts of interest, protecting confidential information, proper use of Company assets, and prohibiting acceptance of gifts that could influence business decisions. The Code also emphasizes the protection of whistleblowers, responsible disclosure of information, and adherence to corporate opportunities and legal obligations. The Code of Conduct is available of the Company's website at <https://media.lalpathlabs.com/2025-01/Code-of-conduct-for-Directors-and-Senior-Management.pdf>

PRINCIPLE 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

UN SDG Linkage



Introduction to Principle 2

We prioritize delivering diagnostic services that are resource-efficient and safe. We strive to comprehensively evaluate sustainability challenges across operations, ensuring that we create value for our stakeholders while actively reducing negative impacts on the environment and society.

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impact in FY 2024 - 2025
R&D	-	-	-
Capex	2%	11%	Capex in Solar, Effluent Treatment Plant & Autoclave etc.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company actively pursues sustainable sourcing practices, ensuring that its social and environmental performance extends throughout its supply chain. By communicating expectations to vendors, the Company promotes localization of business operations by giving preference to local suppliers. Committed to environmentally responsible practices, the Company aims to minimize adverse effects on the community, environment, and natural resources while prioritizing public health and safety. Additionally, the Company has entered into a Power Purchase Agreement (PPA) for solar energy, contributing to the reduction of carbon footprints.
 - If yes, what percentage of inputs were sourced sustainably: 25%
- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

As a provider of Diagnostic Services, the Company recognizes that reusing and recycling of waste materials are not directly applicable to its industry. However, the Company engaged authorized vendors for managing the disposal of bio-medical wastes generated during sample collection and testing.
- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable as the Company is in Diagnostics Service Sector

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Not applicable since during the year under review, the Company has not conducted any Life Cycle Perspective / Assessments (LCA) for its services.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:

Not applicable since during the year, the Company has not conducted any Life Cycle Perspective / Assessments (LCA) for its services

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):

Not applicable for the Company's business operations.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

Particulars	FY 2024-25			FY 2023-24		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (Including Packaging)	-	-	-	-	-	-
E Waste	-	-	-	-	-	-
Hazardous Wastes	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

UN SDG Linkage



Introduction to Principle 3

We are committed to conduct regular Employee Engagement programs, which focuses on creating a positive work environment, fostering teamwork, promoting employee satisfaction and well-being.

By investing in these employee engagement programs, the Company has been able to improve retention rates and build a strong and motivated workforce.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits*		Paternity benefits*		Day care facilities	
		No. (B)	(% B/A)	No. (C)	(% C/A)	No. (D)	(% D/A)	No. (E)	(% E/A)	No. (F)	(% F/A)
PERMANENT EMPLOYEES											
Male	1,199	1,199	100	708	59.05	NA	NA	1199	100	-	-
Female	343	343	100	40	11.66	343	100	NA	NA	-	-
Total	1,542	1,542	100	748	48.5	343	100	1,199	100	-	-
OTHER THAN PERMANENT EMPLOYEES											
Male	149	-	-	6	4.03	NA	NA	149	100	-	-
Female	139	-	-	1	0.72	139	100	NA	NA	-	-
Total	288	-	-	7	2.43	139	100	149	100	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits*		Paternity benefits*		Day care facilities	
		No. (B)	(% B/A)	No. (C)	(% C/A)	No. (D)	(% D/A)	No. (E)	(% E/A)	No. (F)	(% F/A)
PERMANENT WORKERS											
Male	2,487	2,255	90.67	337	13.55	NA	NA	2,487	100	-	-
Female	951	851	89.48	18	1.89	951	100	NA	NA	-	-
Total	3,438	3,106	90.34	355	10.33	951	100	2,487	100	-	-
OTHER THAN PERMANENT WORKERS											
Male	14	-	-	1	7.14	NA	NA	14	100	-	-
Female	26	-	-	2	7.69	26	100	NA	NA	-	-
Total	40	-	-	3	7.50	26	100	14	100	-	-

(*) Maternity and Paternity benefits were provided to Female and Male, respectively and therefore 100% is mentioned.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the Company	0.37%	0.37%

2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered (as a % of total employee)	No. of workers covered (as a % of total workers)	Deducted & deposited with the authority (Yes/No/N.A)	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted and deposited with the authority (Yes/No/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	-	9.51	Y	-	11.55	Y
Others- Please Specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard :

The Company believes that sustainable growth is a function of investing in a diverse talent pool. The Company is in a process of building an inclusive culture. The Company through its equal Opportunity policy is ensuring that the PWD are also given opportunity to work. The Company is committed to build an accessible inclusive workplace and welcome the skills and talent of differently abled people. Over the year, it has identified appropriate roles to onboard more differently abled team members through their inclusive hiring practices. The Company is working progressively to increase their participation in the organization and making our physical and digital infrastructure accessible by auditing the existing facilities across the country as per the Rights of Persons with Disabilities Act, 2016. The Company is striving to make its facilities PWD enabled. Certain measures of installing hand grabs in restrooms, fire exit signage's, portable ramps etc. have been taken.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is committed to promote equality and embracing diversity through its internally available Equal Opportunity Policy. This policy reaffirms the Company's dedication to providing equal opportunities to all employees, addressing discrimination and harassment, and ensuring that those whose rights have been violated receive the necessary support and redressal.

5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Permanent employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	75	74.5	92.62	95.24
Female	44	37.50	59.65	39.34
Total	65.88	63.29	82.12	77.01

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Case Details	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Employees	Yes, the Company's employee can raise their grievances through internal HRMS portal i.e. https://lplhr4u.sgcservices.com/Helpdesk/Helpdesk
Other than Permanent Employees	
Permanent Workers	
Other than Permanent Workers	

The Company is committed to maintain a safe, respectful and inclusive workplace. The grievance redressal policy allows employees to raise concerns or complaints of issues they face at work. The scope of grievance can be pertaining to day to day transactional issues or any kind of discrimination, harassment other than POSH, denial of applicable employee benefits, violation of human rights or workplace safety issues. This structured process facilitates addressing issues promptly and fairly, ensuring that employees feel heard and supported. Employees can conveniently submit their complaints or grievances through the designated employee login portal or even reach their HR SPOC who can address them.

7. Membership of employees in association(s) or unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	1,542	4	0.26	1,321	4	0.30
Male	1,199	4	0.33	1,043	4	0.38
Female	343	-	-	278	-	-
Total Permanent Workers	3,438	87	2.53	2,778	92	3.31
Male	2,487	28	1.13	2,131	28	1.31
Female	951	59	6.20	647	64	9.89

8. Details of training given to employees and workers

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		No. (B)	% (B / A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (D)	%(F/D)
Employees										
Male	1,199	102	8.51	729	60.8	1,043	473	45.35	890	85.33
Female	343	49	14.29	190	55.39	278	157	56.47	210	75.54
Total	1,542	151	9.79	919	59.60	1,321	630	47.69	1,100	83.27
Workers										
Male	2,487	756	30.40	1,904	76.56	2,131	1,623	76.16	1,724	80.90
Female	951	507	53.31	547	57.52	647	522	80.68	522	80.68
Total	3,438	1,263	36.74	2,451	71.29	2,778	2,145	77.21	2,246	80.85

9. Details of performance and career development reviews of employees and workers

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1,199	1,199	100	1,043	1,043	100
Female	343	343	100	278	278	100
Total	1,542	1,542	100	1,321	1,321	100
Workers						
Male	2,487	2,487	100	2,131	2,131	100
Female	951	951	100	647	647	100
Total	3,438	3,438	100	2,778	2,778	100

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

The Company is committed to provide a safe working environment for our personnel, patients, clients, and visitors. It takes all possible steps to ensure the health, safety, and welfare of employees, and has developed a safety manual which is available to all lab personnel, and staff are encouraged to review it regularly.

Staff working in the lab area are responsible for performing their jobs in a Safe prescribed manner, eliminating and/or reporting workplace hazards, accidents, incidents, and unsafe practices or conditions to ensure proper storage and disposal of all hazardous materials and wearing protective gear while handling samples.

Additionally, annual health checkups are conducted for all staff involved in sample handling, and where necessary, staff are immunized with the appropriate vaccines.

Further, we also undertake mock drills in relation to safety such as in cases of fires and earthquakes i.e. in situations where immediate evacuation takes precedence. The Company's operations are appropriately governed by evacuation signage boards which ensures that our employees are made aware of safety procedures, and we also ensure the availability of fire equipment to ensure that we can effectively deal with fire outbreaks.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company has carefully crafted comprehensive policies and guidelines to address various hazards and mitigate associated risks effectively. These policies provide a solid framework for identifying work-related hazards, following recommended guidelines, and conducting thorough risk assessments. Further, the Safety Manual outlines detailed procedures for risk assessment, ensuring employees have clear access to protocols and procedures. To ensure compliance with these policies, the Company has a Quality Department whose roles include the conduct of frequent audits to monitor and evaluate adherence levels with the related policies.

Further, our employees also play a great role in eliminating risk factors via reporting workplace hazards, reporting accidents, incidents, and unsafe practices or conditions to the applicable lab/facility supervisors, which in turn ensures that applicable hazards and risks identified are dealt with to avoid future recurrences.

- c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)**

Yes, the Lab Safety Program incorporates specific procedures that employees must adhere to in the event of safety incidents. These procedures delineate the appropriate steps and actions necessary to effectively address such situations. To ensure comprehensive incident documentation, the Company has developed a dedicated internal safety incident reporting tool.

The report includes description of any event or accident, factors contributing to the event and information on first aid or other health care facilities provided on the spot. This information is analyzed with the purpose of effectively controlling repetitions and preventing future events. The records are checked periodically even in the absence of fresh entries.

Supervisors or any lab staff are responsible for recording each safety incident on this platform, facilitating systematic data capture and analysis. Utilizing this reporting tool enables the Company to track safety incidents. Ultimately, this approach fosters a culture of continuous improvement in lab safety.

- d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes, the Company extends Medclaim coverage to all employees except those falling under the ambit of the ESIC Act. Employees covered by ESIC receive all relevant medical benefits under that scheme. Additionally, all employees are eligible for discounted diagnostic investigations.

11. Details of safety related incidents

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	1 (minor)	-
	Workers	3 (minor)	4 (minor)
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (Including the contract workers)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company has established strict guidelines and norms for our employees with regards to prevent work related hazard via the proper utilization of personal protection equipment, safety equipment usage, emergency procedures, fire safety, chemical hygiene, electrical safety, and waste disposal within our laboratories. These guidelines ensure a safe and secure working environment for all employees.

- Safety gear such as eye wash stations, gloves, lab coats, and goggles are provided to staff.
- Fire sprinklers and fire extinguishers are installed at the workplace along with fire evacuation plan.
- Fire drills are conducted periodically.
- Bio-Medical Waste (BMW) segregation and disposal are carried out according to BMW Management Rules, 2016 and CPCB (Central Pollution Control Board) guidelines, as amended from time to time.
- Disinfection protocols are implemented in labs.
- Ergonomic lab furniture is provided to all staff.
- Health check-ups and immunizations are conducted for all those in technical or sample handling roles.

Grievance Redressal Mechanism is in place to ensure that any form of grievances on POSH, Human Rights and other Grievances.

13. Number of complaints on working conditions and health and safety made by employees and workers.

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Health and safety practices	Periodic internal audits are conducted by the Quality team on Health and Safety aspects/practices. (100%)
Working Conditions	Before operationalization of new labs, the project team and lab teams conduct a safety audit of the setup. These safety trainings are conducted regularly. (100%) Additionally, Fire Safety drills are undertaken to ensure that employees are aware of safety requirements and what is necessary in case of non-compliance. (100%) Bio-Medical Waste (BMW) handling training modules are enabled for employee knowledge. (100%).

(*)Assessed by the entity

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

- The lab safety manual serves as a comprehensive guide for all safety-related matters within the organization.
- In the event of any safety incident, specific corrective protocols are in place and diligently followed.
- Regular training sessions are conducted for staff members to enhance safety awareness and practices.
- A risk management guide has been established for all laboratories, ensuring proactive measures to mitigate potential risks.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Employees	Yes, the Company maintains a welfare fund that provides benefits to employees and workers in the event of death. Additionally, the Company offers Personal Accident Insurance to employees and workers in Sales and Home Collection roles.
Workers	

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company conducts regular audits to ensure that all statutory dues have been promptly deposited. Additionally, it also holds third parties contractually responsible for ensuring timely payment of these dues.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

Particulars	Total no. of affected employees / workers		No. of employees / workers rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
	Employees	1 (minor)	-	-
Workers	3 (minor)	4 (minor)	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No): No

5. Details on assessment of value chain partners:

Case Details	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	The Company has not conducted any such assessments for value chain partners during the year.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners: Not applicable

PRINCIPLE 4 BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

UN SDG Linkage



Introduction to Principle 4

We prioritize patients by delivering reliable and accurate diagnostic tests. Our commitment extends to the community through health awareness initiatives and making our services accessible.

Additionally, we take environmental responsibility by adhering to regulatory rules for ensuring the safe disposal of Bio-Medical Waste. Our mechanisms to ensure transparency and ethical practices enable us to build trust and accountability with all stakeholders, demonstrating our dedication to their wellbeing and interests.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company's unwavering commitment to responsible and sustainable business practices is exemplified through its continuous engagement with both internal and external stakeholders. This ongoing dialogue is essential for evaluating the Company's performance, assessing the value delivered to stakeholders, and prioritizing pertinent sustainability issues. The stakeholder identification process is guided by several key factors:

- Alignment with Mission and Vision:** The Company ensures that its stakeholder identification process is in harmony with its Mission and Vision statements or policies. This strategic alignment guarantees that critical stakeholders, essential for achieving the Company's objectives, receive the necessary attention.
- Engaging Key Decision Makers:** Acknowledging their substantial influence, the Company actively engages with key decision makers who shape its operations, direction, and overall outcomes. These individuals are instrumental in shaping the Company's sustainability practices.
- Assessing Stakeholder Power and Influence:** The Company meticulously evaluates individual stakeholders based on their power and influence within the decision-making process. This assessment informs prioritization efforts, focusing on stakeholders who can significantly impact the Company's sustainability performance and overall outcomes.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholders Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Patients/ Customers	No	Website, SMS, newspaper ads, customer service channels, direct patient outreach programs	Ongoing	Regular communication on services and schemes, customer support platforms, feedbackbased improvements
Doctors/ Clinician	No	Digital platforms, in-person meetings, training sessions	Ongoing	New test launch, case study presentation, continuing education (EDGE), regular performance feedback, compliance communications
Employees	No	Emails, engagement surveys, town halls, training sessions, EX Club events, onboarding programs	Ongoing	Implementation of employee wellness programs, EX Clubs, structured L&D under FLIP, EDGE and HUNAR, revamped onboarding and R&R systems
Vendors	No	Digital and in-person meetings, performance evaluations	Ongoing	Periodic reviews, feedback mechanisms, capacity-building sessions, regulatory updates

Stakeholders Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	No	CSR activities, community partnerships, local outreach projects	Ongoing	CSR initiatives focused on education, health, livelihood and social impact aligned with national goals
Govt/ Regulatory Authorities	No	Email communications, formal representations, industry body participation	Ongoing	Submission of regulatory information, participation in forums and consultations, continuous compliance processes
Investors & Shareholders	No	Annual general meetings, conference calls, stock exchange filings, company website	Ongoing	Periodic disclosures, financial reporting, investor meetings, dedicated investor services

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

The Company’s management regularly updates Board/ Committee Members on feedback received from various stakeholders regarding environmental, social, and governance (ESG) matters. This ongoing communication ensures that the Board remains well-informed about stakeholder perspectives and concerns related to ESG issues.

Initially, discussions on ESG matters take place between relevant Business Heads or Functional Heads and the respective stakeholders. These conversations are then summarized and shared with Key Managerial Personnel.

Finally, the summary is escalated to the Board/ Committee Members, providing them with a comprehensive overview of the key points discussed and the insights gained during stakeholder engagements.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

Yes, the feedback from relevant stakeholders, is regularly discussed with Company management. These deliberations offer management an opportunity to comprehensively assess the feedback and contemplate any required actions

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:

There were no such instances as no concerns were received from marginalized groups.

PRINCIPLE 5 BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

UN SDG Linkage



Introduction to Principle 5

We ensure a safe and inclusive work environment, free from discrimination, where employees are treated with dignity and fairness.

By fostering transparency, accountability, and respect for human rights, we demonstrate our dedication to create a positive impact on society while addressing the needs and rights of all stakeholders.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25			FY 2023-24*		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	1,542	1,525	98.90	1,321	121	9.16
Other than Permanent	288	272	94.44	143	32	22.38
Total employees	1,830	1,797	98.20	1,464	153	10.45
Workers						
Permanent	3,438	3,410	99.19	2,778	223	8.03
Other than Permanent	40	39	97.50	6	2	33.33
Total workers	3,478	3,449	99.17	2,784	225	8.08

(* The Company reported the details of training for new joiners only.

2. Details of minimum wages paid to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Permanent	1,542	588	38.13	954	61.87	1,321	594	44.97	727	55.03
Male	1,199	536	44.7	663	55.30	1,043	553	53.02	490	46.98
Female	343	52	15.16	291	84.84	278	41	14.75	237	85.25
Other than permanent	Trainees receive a stipend, while consultants operate under the terms of their respective contracts.									
Male										
Female										
WORKERS										
Permanent	3,438	2,320	67.48	1,118	32.52	2,778	1,822	65.59	956	34.41
Male	2,487	1,661	66.79	826	33.21	2,131	1,441	67.62	690	32.38
Female	951	659	69.30	292	30.70	647	381	58.89	266	41.11
Non-permanent	Trainees receive a stipend, while consultants operate under the terms of their respective contracts.									
Male										
Female										

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

Particulars	Male		Female	
	Number	Median remuneration*/ salary / wages of respective category (in ₹)	Number	Median remuneration*/ salary / wages of respective category (in ₹)
Board of Directors (BoD)	2	4,18,13,325	1	2,60,86,032
Key Managerial Personnel (other than BOD)	3	3,00,00,001	-	-
Employees (other than BOD and KMP's)	1,194	7,50,717	342	18,09,121
Workers	2,487	4,20,228	951	3,73,572

(*) Remuneration means and includes Cost to Company (CTC).

b. Gross wages paid to females as % of total wages paid by the entity:

Particulars	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	27.59	25.94

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company's Human Rights policy framework comprehensively addresses all potential violations. The Company has established a detailed grievance mechanism to meticulously investigate any reported incidents and assess their implications for the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues?

The implementation of a Grievance Redressal Policy enables us to maintain a structured framework for addressing and resolving complaints related to harassment or human rights violations. This policy highlights our commitment to fostering a secure and respectful workplace environment. To facilitate ease of reporting, employees and workers can lodge their complaints or grievances through the employee login portal. The Company prioritize swift action, committing to resolve grievances within a specified timeline, underscoring the dedication to timely and efficient conflict resolution.

Further, the Company have a zonal wise dedicated HR spokesperson (HR Business Partner). Employees can raise their grievances to the applicable business partner and those grievances will be preliminary investigated by them. In case there is any violations of Code of conduct, then the appropriate disciplinary procedures are initiated by the applicable department.

6. Number of complaints on the following made by employees and workers:

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	3*	2	(*) Does not include 1 complaint pending at the beginning of Financial Year	3	1	Out of 3 cases, in 2- no harassment was proven. 1 case is under investigation
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human right related issues	-	-	-	-	-	-

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	3*	3
Complaints on POSH as a % of female employees / workers	0.21	0.30
Complaints on POSH upheld	2	1

(*) Does not include one complaint pending at the beginning of Financial Year

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company regularly conduct staff training on Human Rights issues and violations, highlighting the potential adverse consequences for complainants. All managers are thoroughly informed and held accountable for preventing any recurrence of employee harassment. The Company prioritize creating a safe and supportive environment for all employees and workers. A robust mechanism set in place protects individuals who report discrimination or harassment, safeguarding them from any adverse actions. This includes ensuring no further discriminatory practices are directed towards the complainant, protecting them from bullying, intimidation, or isolation, and maintaining zero tolerance for any form of retaliation. Additionally, the complaint process will not negatively impact the complainant's job security or career progression within the Company.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the critical human rights requirements are generally part of all relevant business agreements/contracts. Within the Company's supplier checklist, the Company ensure that potential suppliers/vendors provide vital information regarding human rights and are strictly compliant with values and outlook towards human rights violations.

10. **Assessments for the year:**

Category	% of offices that were assessed (by entity or statutory authorities or third parties)*
Child labour	No case reported for the period. The Company's systems have inbuilt checks to validate any hiring of employee who is less than 14 years of age. The system will give an alert to the team. (100%)
Forced/ involuntary labour	No case reported for the period. Any such incidence raised shall be addressed by the redressal mechanism. (100%)
Sexual harassment	All cases of POSH are handled by the respective committees and the reports are submitted to the management. The annual report has the details on the cases received and their closures. (100%)
Discrimination at workplace	No case reported for the period. Any such incidence raised shall be addressed by the redressal mechanism. (100%)
Wages	No case reported for the period. Additionally, compliance to minimum wage requirement is audited by the Statutory and the Internal auditors. (100%)
Others – please specify	Not Applicable

(*) Assessed by the entity

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above:**

All cases of POSH are handled by the respective committees and the reports are submitted to the management.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints:**

The Company has implemented a well-defined process for addressing human rights issues, which it currently believes is functioning effectively. However, the Company remains open to reevaluating its processes in the future should specific circumstances or case particulars necessitate such a review.

2. **Details of the scope and coverage of any Human rights due diligence conducted:**

For the financial year ended March 31, 2025, the Company did not conduct any Human Rights due diligence.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016:

Yes, the Company complies with the requirements of the Rights of Persons with Disabilities Act, 2016, in its owned and operated walk-in centres. The Company business leadership is dedicated to prioritizing diversity and inclusion, striving collectively to drive systemic change and enhance inclusivity within the healthcare services provided to all patients. The Company offer Home Collection facilities specifically designed for patients who are unable to visit our centres due to health reasons or disabilities. These home collection services are available across major cities, ensuring accessibility for a wide range of patients.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company has not yet conducted any assessments of Value chain partners on the enlisted aspects during the reporting period.
Discrimination at workplace	
Child Labour	
Forces Labour/ Involuntary Labour	
Wages	
Others – please specify	

The BRSR principles covers only the Company as of now and does not include its Value Chain Partners.

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessment at Question 4 above:

Not applicable

PRINCIPLE 6 BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

UN SDG Linkage



Introduction to Principle 6

Company’s operations are designed to be energy efficient and environmentally conscious, reflecting Company’s commitment to sustainability.

We actively explore and implement eco-friendly practices, by integrating environmental responsibility into Company’s business practices. We strive to minimize our ecological footprint and to contribute to a healthier planet for future generation.

Essential Indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25	FY 2023-24
From renewable sources (in Gj)		
Total electricity consumption (A)	7,397	474
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption from renewable sources (A+B+C)	7,397	474
From non-renewable sources		
Total electricity consumption (D)	78,206	64,176
Total fuel consumption (E)	4,982	139
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	83,188	64,315
Total energy consumed (A+B+C+D+E+F)	90,585	64,789
Energy intensity per rupee of turnover (Total energy consumption/ Revenue in rupees)	0.0000039	0.0000033
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP)	0.000080	0.000075

Parameter	FY 2024-25	FY 2023-24
Energy intensity in terms of physical output (Total energy consumed/ Total employees) GJ/Employee	49.50	44.25
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

(*) For FY 2024-25, PPP: 20.66 (<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>)

For FY 2023-24, PPP: 22.88 (<https://data.worldbank.org/indicator/PA.NUS.PPP>)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No such assessments were undertaken

- Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any: Not Applicable
- Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Ground Water	21,924	73,880
(iii) Third Party Water	1,04,927	49,130
(iv) Seawater/Desalinated Water	-	-
(v) Others	-	-
Total volume of water withdrawal	1,26,851	1,23,010
Total volume of water consumption	1,26,851	1,23,010
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.0000054	0.0000063
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP)	0.00011	0.00014
Water intensity in terms of physical output (Total water consumption/ Total Employees)	69.32	84.02
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

(*) For FY 2024-25, PPP: 20.66 (<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>)

For FY 2023-24, PPP: 22.88 (<https://data.worldbank.org/indicator/PA.NUS.PPP>)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No such assessments were undertaken

- Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24*
Water discharge by destination and level of treatment (in kilolitres)		
i. To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
ii. To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
iii. To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
iv. Sent to third parties		
- No treatment	88,796	85,192
- With treatment – please specify level of treatment	38,055	37,818
	(Physio chemical based ETP Treatment)	(physio chemical based ETP Treatment)

Parameter	FY 2024-25	FY 2023-24*
v. Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	1,26,851	1,23,010

(*) Water discharge (treated and non-treated) sent to local municipality for treatment.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No such assessments were undertaken

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

During the period under review, the Company has strengthened belief in zero liquid discharge by utilising the RO wastewater via flushing and horticultural/gardening purposes at various locations.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	Kgs	717	-
SOx	Kgs	73	-
Particulate matter (PM)	Kgs	161	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others- please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No such assessments were undertaken.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	TCO ₂ e	1,192	370
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	TCO ₂ e	15,793	15,153
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	TCO ₂ e/INR	0.00000072	0.00000079
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	TCO ₂ e/Lakh USD	0.000015	0.000018
Total Scope 1 and Scope 2 emission intensity in terms of physical output	TCO ₂ e/Employees	-	-
Total Scope 1 and Scope 2 emission intensity (Scope 1 and 2 emissions/ total employees)	TCO ₂ e/Employees	9.28	10.60

(*) For FY 2024-25, PPP: 20.66 (<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>)

For FY 2023-24, PPP: 22.88 (<https://data.worldbank.org/indicator/PA.NUS.PPP>)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No such assessments were undertaken.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the entity has undertaken multiple initiatives to reduce GHG emissions and enhance environmental sustainability. During the financial year, the Company transitioned to inverter air conditioners that adjust compressor speed to optimize energy use, resulting in lower electricity consumption and reduced emissions.

The Company also invested in CPCB IV+ compliant diesel generator sets that meet stringent emission norms, helping to minimize the release of pollutants and greenhouse gases. Additionally, LED lighting has been installed across our facilities, significantly lowering energy usage.

To further improve environmental performance, the Company have deployed dual-fuel DG sets capable of operating on both diesel and Piped Natural Gas (PNG), a cleaner alternative that reduces carbon emissions. These efforts collectively contribute to a smaller carbon footprint and align with the commitment to sustainable operations.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-Waste (B)	4.51	5.8
Bio-Medical Waste (C)	583.38	456
Construction and demolition waste (D)	-	-
Battery Waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any.	-	-
Total (A+B+C+D+E+F+G+H)	587.89	461.8
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000025	0.000000023
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP)	0.00000005	0.00000005
Waste intensity in terms of physical output (Total waste generated/ Total employees) MT/ Employee	0.32	0.32
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	4.51	-
(ii) Re-used	-	-
(iii) Other recovery operations (safely disposed)	-	-
Total	4.51	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	583.38	106
(ii) Landfilling	-	-
(iii) Other disposal operations	-	351
Total	583.38	457

(*) For FY 2024-25, PPP: 20.66 (<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>)

For FY 2023-24, PPP: 22.88 (<https://data.worldbank.org/indicator/PA.NUS.PPP>)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No such assessments were undertaken

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

All biomedical waste undergoes segregation in compliance with the Bio-Medical Waste Management Rules 2016 before being transferred to an authorized vendor approved by the state pollution control for safe disposal.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details: Not applicable
12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in FY 2024: No EIAs were undertaken during the reporting period. Hence, Not applicable.
13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances: Yes, the Company is compliant with all applicable laws/ regulations/ guidelines.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
Nil				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, Jharkhand, Karnataka, Maharashtra, Punjab, Puducherry, Rajasthan, Tamil Nadu and Uttar Pradesh
- (ii) Nature of operations: Diagnostic and Pathological testing
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
Surface water	-	-
Groundwater	-	15,318
Third party water	25,929	22,774
Seawater/ desalinated water	-	-
Others	-	-
Total volume of water withdrawal	25,929	38,092
Total volume of water consumption	25,929	38,092
Water intensity per rupee of turnover (Water consumed/Revenue from operations)	0.0000011	0.0000019
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
Into Surface water		
No treatment	-	-
With treatment – please specify level of treatment	-	-
Into Groundwater		
No treatment	-	-
With treatment – please specify level of treatment	-	-
Into Seawater		
No treatment	-	-
With treatment – please specify level of treatment	-	-
Sent to third parties		
No treatment	18,150	25,083
With treatment – please specify level of treatment	7,779	13,009
	(Physio chemical based ETP Treatment)	(Physio chemical based ETP Treatment)
Others		
No treatment	-	-
With treatment – please specify level of treatment	-	-
Total water discharged	25,929	38,092

(*) Water discharge (treated and non-treated) sent to local municipality for treatment.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No such assessments were undertaken

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	TCO ₂ e		
Total Scope 3 emissions per rupee of turnover	TCO ₂ e/INR	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No such assessments were undertaken

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:

Not applicable as the Company does not have any significant direct and indirect impact on biodiversity in ecologically sensitive areas

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Earlier in 2024, the Company had entered into a Power Purchase Agreement (PPA) for solar energy, contributing to the reduction of carbon footprints. Further, as elaborated in question 8 above, the Company undertook transitioning to inverter air conditioners, which optimizes energy and resource utilization by adjusting compressor speed, reducing electricity consumption and emissions. Additionally, the Company invested in CPCB 4-compliant diesel generators which meet the regulatory emission norms, minimizing pollutants and greenhouse gases emitted into the atmosphere. Together, these technologies enhance the Company's energy efficiency and environmental sustainability, contributing to lower carbon footprints in operations

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:

The company has meticulously developed a comprehensive Business Continuity Plan (BCP) tailored specifically for its IT Services. The primary objective of this plan is to facilitate uninterrupted operations from an alternate location in the event of unforeseen circumstances or disruptions at the primary site. When the Disaster Recovery (DR) Plan is activated, the company's IT systems seamlessly transition to the DR facility, strategically located in a different seismic zone. This geographical separation enhances the resilience and stability of the IT infrastructure. The BCP plan encompasses several key objectives:

1. Timely Business Recovery:

The plan aims to restore business operations within the agreed-upon timeframe outlined in the policy terms. This ensures minimal disruption and enables the company to swiftly resume operations.

2. Continuous IT System Functionality:

The BCP plan guarantees that IT systems continue to function seamlessly from the alternate location until the primary site is fully restored. This uninterrupted availability of IT services is essential for maintaining business continuity and mitigating the impact on critical operations.

3. Crisis Response Guidelines:

The plan includes detailed guidelines on how the company should respond during crisis situations. These guidelines assist in managing and mitigating potential risks and challenges associated with disruptive events

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:

While the current adoption of Business Responsibility and Sustainability Reporting (BRSR) principles centers on the company, the organization is endeavoring to broaden its scope to encompass its Value Chain Partners. This strategic initiative mirrors the company's future goals to assess and address environmental impacts across its entire value chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts: No specific assessment has been conducted for the value chain partners regarding environmental aspects.

No specific assessment has been conducted for the value chain partners regarding environmental aspects. Nonetheless, the Company acknowledges the significance of extending assessments to its value chain partners to holistically tackle environmental impacts.

PRINCIPLE 7 BUSINESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

UN SDG Linkage



Introduction to Principle 7

The Company practice proactive advocacy, not to secure specific benefits for the industry, but to promote best practices for the benefit of society at large. This approach ensures that advocacy efforts are focused on contributing positively to public health and well-being.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: Three (3)
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/National)
1.	Federation of Indian Chamber of Commerce and Industry	National
2.	Confederation of Indian Industry	National
3.	Healthcare Foundation of India	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

During the year under review, no adverse orders have been passed by any regulatory body relating to anti-competitive conduct.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

The Company does not engage in influencing regulatory policy. However, we practice proactive advocacy, not to secure specific benefits for the industry, but to promote best practices for the benefit of society at large. This approach ensures that advocacy efforts are focused on contributing positively to public health and well-being.

PRINCIPLE 8 BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

UN SDG Linkage



Introduction to Principle 8

We are dedicated to promote inclusive growth and equitable development, aligning ourselves by actively supporting community health initiatives and providing accessible diagnostic services.

Company's commitment to Corporate Social Responsibility (CSR) is not merely as a duty, but as an opportunity to create meaningful and lasting connections with the community. Through diverse CSR initiatives, the Company focuses on addressing social challenges, fostering sustainability, and empowering underprivileged sections of society, thereby contributing to growth and development.

Essential Indicators

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.:**
Not applicable
- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**
Not applicable
- Describe the mechanisms to receive and redress grievances of the community:**
The Company is not into manufacturing operations and therefore such operations does not have an impact on the lives of local community.
- Percentage of input material (inputs to total inputs by value) sourced from suppliers.**

Particulars	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	24	18
Sourced directly from India *	99.88	99.87

(*) The Company procures goods directly from the vendors registered in India, however, some of the vendors might be sourcing goods from outside India.

- Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

Location	FY 2024-25	FY 2023-24
Rural	1.93	1.97
Semi-urban	2.58	3.06
Urban	50.93	56.09
Metropolitan	44.57	38.88

Categorized as per RBI Classification system- Rural/Semi-urban/Urban/Metropolitan

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above):

Not applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

S. No.	State	Aspirational district	Amount spent (₹ in Million)
1	Andhra Pradesh	Vishakhapatnam	3.42
2	Haryana	Mewat (Nuh)	6.91
Total			10.33

3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

- (b) From which marginalized /vulnerable groups do you procure?

Not Applicable

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Nil				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Nil		

6. Details of beneficiaries of CSR projects

S. No.	CSR Projects (in FY 2024-25)	No. of persons benefitted from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1	LPL Academy for Laboratory Medicine-Phlebotomist Training	1,650	90%
2	LPL Academy for Laboratory Medicine-Phlebotomist Training	7,50	90%
3	LPL Academy for Laboratory Medicine Phlebotomist Training	2,25	90%
4	Health Education in Schools	6,000	80%
5	Ni-Kshay Mitra (Nutritional Support to TB Patients)	2,000	100%
6	Support to National Sports Training	25	100%
7	Strengthening Primary Health Care Delivery Services in Sarojini Nagar (UP)	15,000	100%
8	Establishing a Professorial Chair in Healthcare at IIM Ahmedabad (A Project for Research in Healthcare)	NA	NA
9	LPL Academy for Laboratory Medicine-Phlebotomist Training	150	90%
10	Comprehensive Menstrual Health Solution in Urban Slums Mumbai	1,200	100%

PRINCIPLE 9 BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

UN SDG Linkage



Introduction to Principle 9

We are committed to provide high-quality, safe, and reliable diagnostic services that create value for our customers. Our focus on transparency, ethical practices, and continuous improvement ensures that we meet and exceed customer expectations. This dedication reflects our core values of trust, integrity, and excellence.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

Customers can reach out to the Company through various channels, including voice calls, email, chat, and social media. When complaints are received via these channels, they are tagged in the Customer Relationship Management (CRM) system, generating a unique ID. The DLPL complaint resolution team coordinates with relevant authorities to address and close complaints to the satisfaction of the customer. On average, complaints are resolved within approximately 72 hours. In cases where resolution may take longer, direct follow-up with the concerned manager is necessary.

Additionally, for feedback purposes, the Company sends SMS notifications to customers after registration, requesting their input. This process is known as Net Promoter Score (NPS).

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

The Company offers diagnostic services and does not engage in manufacturing or selling products. Consequently, information related to environmental and social parameters, safe usage, or disposal is not applicable. The Company adheres to Bio Medical Waste Management rules and guidelines for the proper disposal of hazardous and other waste.

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Particulars	FY 2024-25		Remarks	FY 2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	19,939	72		9,463	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other (Technician Related/ Demographic Related)	28,822	305		12,429	-	-

4. Details of instances of product recalls on accounts of safety issues

Particulars	Number	Reasons for recall
Voluntary recalls	Not applicable since the Company operates in the service sector. However, it ensures that services are of superior quality for the benefit of our customers.	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company has implemented a comprehensive cybersecurity and data privacy framework designed to safeguard against evolving cyber threats. This framework encompasses various policies and procedures, including data encryption, role-based access controls, and regular risk assessments aimed at proactively identifying and mitigating potential vulnerabilities.

To further strengthen our security posture, the Company has deployed cutting-edge cybersecurity technologies and maintains a dedicated security team responsible for continuous monitoring and rapid incident response. These measures collectively help manage cybersecurity and data privacy risks, ensuring the adequate level of protection for both patient and organizational data.

The cyber security policies are readily accessible to all employees via the Company intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

- Notify customers in the event of repeat, delay, or critical values related to their diagnostic reports.
- Customers receive SMS notifications once their reports are ready for collection.
- In case of any delays, the customers is provided with direct contact details for our phlebotomists, ensuring efficient coordination.
- No material issues related to cybersecurity or customer data privacy required corrective action during the review period. Additionally, no penalties were imposed by regulatory authorities.

7. Provide the following information relating to data breaches:

- a) Number of instances of data breaches along-with impact: Nil
- b) Percentage of data breaches involving personally identifiable information of customers: Not Applicable
- c) Impact, if any, of the data breaches: Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the Company can be accessed.

Customers can access the Company's services through its website (www.lalpathlabs.com), mobile app, by calling the helpline number, or by visiting the nearest center.

2. Steps taken to inform and educate consumers, especially vulnerable and marginalised consumers, about safe and responsible usage of products and services.

At all the centers prominently display banners promoting prudent and secure utilization of services. Additionally, for the benefit of consumers, sample collection procedure-related videos, information are regularly posted on the Company's YouTube Channel.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

The Company communicates any discontinuation or disruption to its customers by posting notifications on its website for the public's awareness. Additionally, the Company adheres to SEBI (Listing Obligations and Disclosure Requirements) Regulations, promptly informing stock exchanges about material events that may impact its operations.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

As a provider of diagnostic services, the Company does not display product information. However, the Company conducts Net Promoter Score (NPS) surveys after each customer transaction to analyze results and enhance performance.

Annexure - 9

Report on Corporate Governance

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an insight into the management of affairs of the Company. It implies governance with the highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics for efficient and ethical conduct of business.

For your Company, Corporate Governance is more than a set of processes and compliances. It doesn't practice Corporate Governance as an act of Compliance but with the Spirit of Governance. Your Company believes in good corporate governance practices, as they are important for meeting its obligations towards shareholders and other stakeholders.

The Company's Corporate Governance philosophy is based on the following principles:

- Appropriate size and composition of the Board with each Director bringing in expertise in a different area;
- Systematic information flow to the Directors to enable them to effectively discharge their fiduciary duties;
- Ethical business conduct by the Management and Employees;
- Appropriate systems and processes for internal controls on all operations; and
- Timely and accurate disclosure of all material, operational and financial information to the stakeholders.

II. BOARD OF DIRECTORS

Your Company has an optimum mix of Executive, Non-Executive and Independent Directors which is essential to effectuate the two main functions of the Board viz. Governance and Management.

As on March 31, 2025, the Board of your Company comprised of Ten (10) Directors out of which Three (3) were Executive, Two (2) were Non-Executive and Five (5) were Non-Executive Independent Directors.

The names and categories of Directors on the Board, their attendance at Board Meetings held during the Financial Year 2024-25 and at the last Annual General Meeting (AGM) and the number of Directorship and Committees Chairmanship/ Membership held by them as on March 31, 2025, are given hereunder:

Name of Director	Category [#]	Attendance Particulars		No. of other Directorships and Committee Memberships/ Chairmanships			Name of the Listed Companies where Company's Director is also a Director	
		No. of Board Meetings attended	Last AGM held on June 29, 2024	Other Directorships*	Committee Memberships**	Committee Chairmanships**	Name of Listed Company	Category of Directorship
(Hony) Brig. Dr. Arvind Lal (DIN: 00576638)	Chairman & PED	5 out of 5	Yes	7	1	Nil	-	-
Dr. Vandana Lal (DIN: 00472955)	PED	5 out of 5	Yes	3 [^]	Nil	Nil	-	-
Dr. Archana Lal Erdmann (DIN: 08432506)	PGNED	5 out of 5	Yes	1	Nil	Nil	-	-
Dr. Om Prakash Manchanda [§] (DIN: 02099404)	MD	4 out of 5	Yes	4	2	Nil	1. Kaya Limited 2. Sundrop Brands Limited (Formerly known as Agro Tech Foods Limited)	1. NEID 2. NEID
Mr. Rahul Sharma (DIN: 00956625)	NED	5 out of 5	Yes	1	Nil	Nil	-	-
Mr. Arun Duggal (DIN: 00024262)	NEID	5 out of 5	Yes	4	3	1	1. Ask Automotive Limited 2. J B Chemicals and Pharmaceuticals Limited 3. Techno Electric & Engineering Company Limited	1. NEID 2. NEID 3. NEID

Name of Director	Category [#]	Attendance Particulars		No. of other Directorships and Committee Memberships/ Chairmanships			Name of the Listed Companies where Company's Director is also a Director	
		No. of Board Meetings attended	Last AGM held on June 29, 2024	Other Directorships*	Committee Memberships**	Committee Chairmanships**	Name of Listed Company	Category of Directorship
Mr. Rohit Bhasin (DIN: 02478962)	NEID	5 out of 5	Yes	8	7	4	1. Star Health and Allied Insurance Company Limited 2. Yatra Online Limited 3. ICICI Bank Limited	1. NEID 2. NEID 3. NEID
Ms. Somya Satsangi (DIN: 07275574)	NEID	5 out of 5	Yes	1	Nil	Nil	-	-
Mr. Rajit Mehta (DIN: 01604819)	NEID	4 out of 5	Yes	8	Nil	Nil	Max India Limited	MD
Mr. Gurinder Singh Kalra (DIN: 10197218)	NEID	5 out of 5	Yes	Nil	Nil	Nil	-	-

[#]PED - Promoter Executive Director, PGNEID- Promoter Group Non Executive Director, NED - Non Executive Director, NEID - Non Executive Independent Director, MD – Managing Director

*Excludes Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

**For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of other Indian Public Limited Companies have only been considered.

§Dr. Om Prakash Manchanda (DIN: 02099404) ceased as a Director of the Company upon completion of his tenure as Managing Director of the Company on March 31, 2025. The Board of Directors placed on record their appreciation for the services rendered by Dr. Om during his tenure and for his unwavering commitment to the Company.

[^]Suburban Diagnostics (India) Private Limited is under process of voluntary liquidation.

None of our Directors are related to each other, except (Hony) Brig. Dr. Arvind Lal & Dr. Vandana Lal, who are husband & wife and Dr. Archana Lal Erdmann, who is their daughter.

The number of directorships, committee chairmanships and committee memberships of each director is in compliance with the relevant provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Number of Board Meetings

During the Financial Year 2024-25, five (5) meetings of the Board of Directors were held on May 10, 2024, August 07, 2024, August 13, 2024, October 23, 2024, and January 30, 2025. The Directors participated in the Board Meetings through Video conferencing/ in-person. The maximum time gap between two consecutive meetings did not exceed one hundred and twenty (120) days.

The Shareholding of Non-Executive Directors

Name of Director	Category	No. of Equity Shares held (As on March 31, 2025)
Dr. Archana Lal Erdmann	Non-Executive Director (Promoter Group)	15,43,751
Mr. Arun Duggal	Lead Independent Director	NIL
Mr. Rohit Bhasin	Independent Director	NIL
Mr. Rahul Sharma*	Non-Executive Director	24,233
Ms. Somya Satsangi	Independent Director	NIL
Mr. Rajit Mehta	Independent Director	NIL
Mr. Gurinder Singh Kalra	Independent Director	NIL

(*As on March 31, 2025, Mr. Rahul Sharma holds 39,000 fully vested stock options granted to him @ ₹ 311.30/- in February 2015 under the ESOP 2010 Plan of the Company.

Familiarisation Programme for the Independent Directors

The Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Further, periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes are also provided to the Directors in the Board Meetings.

The details of Familiarisation Programme are disclosed on the website of the Company and can be accessed at: <https://media.lalpathlabs.com/2025-05/Familiarization-Programme-for-Independent-Directors.pdf>

Confirmation of Independence

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 and Schedule IV of the Companies Act, 2013.

In the opinion of the Board, all the Independent Directors fulfil the criteria of independence as specified under Regulations 16 & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 and Schedule IV of the Companies Act, 2013 and they are independent from the Management.

Core skills/expertise/competencies of Board of Directors

In context of your Company's business, the Board of Directors have identified the Core Skills/ Expertise/ Competencies for it to function effectively and Directors (as on March 31, 2025) who possess such core Skills/ Expertise/ Competencies are given as detailed below:

Name of Director	Skill/ Expertise/ Competencies					
	Communication & Relationship Skills	Commitment & Engagement	Board and Governance Skills	Specialized Industry & Environment Knowledge	Financial Accounting, Financial Reporting & Management of Financial Risk	Information Technology
(Hony) Brig. Dr. Arvind Lal	✓	✓	✓	✓	✓	-
Dr. Vandana Lal	✓	✓	✓	✓	-	✓
Dr. Archana Lal Erdmann	✓	✓	-	✓	-	✓
Dr. Om Prakash Manchanda *	✓	✓	✓	✓	✓	-
Mr. Rahul Sharma	✓	✓	✓	-	✓	✓
Mr. Arun Duggal	-	✓	✓	✓	✓	-
Mr. Rohit Bhasin	✓	✓	✓	-	✓	-
Ms. Somya Satsangi	✓	✓	✓	-	✓	✓
Mr. Rajit Mehta	✓	✓	✓	-	-	-
Mr. Gurinder Singh Kalra	✓	✓	✓	-	✓	✓

(*) Dr. Om Prakash Manchanda (DIN: 02099404) ceased as a Director of the Company upon completion of his tenure as Managing Director of the Company on March 31, 2025.

Brief Description of Skills/ Expertise/ Competencies



Communication and Relationship Skills

Ability to communicate expectations and concerns in a constructive manner and develop meaningful interpersonal relationships with other Board Members and Executive Management.



Commitment and Engagement

Commitment to the Company, its culture, values and people; displaying a commitment to the Board and the role individual Directors play in ensuring overall Board effectiveness.



Board and Governance Skills

Experience and knowledge of Board governance practices. Clear understanding of roles and responsibilities of the Board of a Company and responsibilities as a Director of the Company.



Specialized Industry and Environmental Knowledge

Specialized knowledge of the industry and environment(s) in which the Company is doing business. Ability to assess and manage strategic and operational risks including but not limited to regulatory and legal risks.



Financial Accounting, Financial Reporting and Management of Financial Risk

In depth understanding of financial reporting and the accounting and control practices required to manage financial risks.



Information Technology

Information Technology expertise with knowledge of current and emerging technologies.

III. AUDIT COMMITTEE

Your Company has duly constituted Audit Committee, and its composition meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All members of the Committee are financially literate and have accounting or related financial management expertise.

During the Financial Year 2024-25, four (4) meetings of Audit Committee were held on May 10, 2024, August 07, 2024, October 23, 2024, and January 30, 2025.

The composition of the Audit Committee and the attendance details of the members are given below:

Name of Member	#Category	Position	No. of meetings, the Member entitled to attend	No. of meetings, the Member attended
Mr. Rohit Bhasin	NEID	Chairperson	4	4
Mr. Arun Duggal	NEID	Member	4	4
Ms. Somya Satsangi	NEID	Member	4	4

*NEID – Non-Executive Independent Director

The Company Secretary of the Company, acted as the Secretary of the Committee.

In addition to the members of Audit Committee, these meetings were also attended by Group Chief Financial Officer, Chief Executive Officer, Internal and Statutory Auditors and other executives as considered necessary for providing inputs to the Committee.

Terms of reference

The brief terms of reference of the Audit Committee, inter-alia, includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Director's Report in terms of clause(c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
9. Approval or any subsequent modification of transactions of the Company with related parties;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- v. Compliance with listing and other legal requirements relating to financial statements;
- vi. Disclosure of any related party transactions; and
- vii. Modified Opinion in the draft audit report.

14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up thereon;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. To review the functioning of the whistle blower mechanism;
20. Approval of the appointment of the Chief Financial Officer of the Company after assessing the qualifications, experience and background, etc. of the candidate;
21. Overseeing the vigil mechanism including to whom directors and employee shall report in case of any concern;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. and
24. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

IV. NOMINATION & REMUNERATION COMMITTEE

Your Company has duly constituted Nomination and Remuneration Committee and its composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2024-25, three (3) meetings of Nomination and Remuneration Committee were held on May 09, 2024, August 07, 2024, and October 23, 2024.

The composition of the Nomination and Remuneration Committee and the attendance details of the members are given below:

Name of Member	#Category	Position	No. of meetings, the Member entitled to attend	No. of meetings, the Member attended
Mr. Arun Duggal	NEID	Chairperson	3	3
Mr. Rahul Sharma	NED	Member	3	3
Ms. Somya Satsangi	NEID	Member	3	3

#NEID - Non-Executive Independent Director; NED - Non-Executive Director

The Company Secretary of the Company, acted as the Secretary of the Committee.

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee, inter alia, includes the following:

1. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with a prescribed criteria, recommend to the Board their appointment and removal.
2. Lay down the evaluation criteria for performance evaluation of Independent Directors and the Board.
3. Carry out evaluation of every Director's performance and also the performance of the Board.
4. Formulation of the criteria for determining the qualifications, positive attributes and independence of a Director.
5. Recommending to the Board a policy, relating to the remuneration of directors, key managerial personnel and other employees. While formulating the policy, the committee must ensure that:
 - i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - iii. Remuneration of Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
6. Devise a policy on Board diversity.
 7. Perform such functions as are required to be performed by the Compensation Committee under the SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021.
 8. Framing suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including SEBI (Prohibition of Insider Trading) Regulations, 2015.
 9. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
 10. Evaluate & prepare, prepare a description of the role and capabilities required of an independent director and
 11. Perform such other activities as may be delegated by the Board of Directors and/or statutorily prescribed under any law to be attended to by such Committee.

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board have carried out annual evaluation of (i) its own Performance; (ii) Performance of Individual Directors; (iii) Performance of Chairman of the Board; and (iv) Performance of all its Committees for the Financial Year 2024-25.

A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors and Chairman of the Board was carried out by the Independent Directors taking into account the views of Executive Directors and Non-Executive Directors.

The Directors expressed their satisfaction with the evaluation process.

Further, the evaluation process confirms that the Board and its Committees continue to operate effectively and the performance of the Directors and the Chair are satisfactory.

V. STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Company has duly constituted Stakeholders Relationship Committee and its composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2024-25, One (1) meeting of Stakeholders Relationship Committee was held on May 09, 2024.

The composition of the Stakeholders Relationship Committee and the attendance details of the members are given below:

Name of Member	#Category	Position	No. of meeting, the Member entitled to attend	No. of meeting, the Member attended
Mr. Arun Duggal	NEID	Chairperson	1	1
Dr. Om Prakash Manchanda *	MD	Member	1	1
Mr. Rahul Sharma	NED	Member	1	1

#NEID - Non-Executive Independent Director; NED - Non-Executive Director, MD - Managing Director

(*) Dr. Om Prakash Manchanda (DIN: 02099404) ceased as Member of the Committee upon completion of his tenure as Managing Director of the Company on March 31, 2025. Mr. Rohit Bhasin (DIN: 02478962), Non-Executive Independent Director appointed as Member of the Committee in place of Dr. Om Prakash Manchanda.

The Company Secretary of the Company acted as the Secretary of the Committee.

Terms of Reference

The Committee supervises the systems of redressal of Investor Grievances and ensures cordial investor relations. The terms of reference the Stakeholders Relationship Committee, inter-alia includes following:

1. Redressal of all security holders’ and investors’ grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints.
2. Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/ consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time.
3. Overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services.

4. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
6. Review of measures taken for effective exercise of voting rights by shareholders.
7. Carrying out such other functions as may be specified by the Board from time to time.

Compliance Officer

Mr. Vinay Gujral, Company Secretary is the Compliance Officer of the Company, and his contact details are given hereunder:

Dr. Lal PathLabs Limited

12th Floor, Tower-B, SAS Tower, Medicity,
Sector-38, Gurugram - 122001
Ph: +91 124 3016500
Fax: +91 124 4234468
E-mail: cs@lalpathlabs.com

The details of Shareholders’ complaints received and resolved during the Financial Year ended March 31, 2025, are given below:

Particulars	No. of Complaints
Number of Shareholders’ complaints outstanding as at April 1, 2024	01
Number of Shareholders’ complaints received during Financial Year	85
Number of Shareholders’ complaints resolved to the satisfaction of Shareholders during Financial Year	86
Number of pending Shareholders’ complaints as at March 31, 2025	0

VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company has duly constituted Corporate Social Responsibility Committee and its composition meets the requirements of Section 135 of the Companies Act, 2013.

During the Financial Year 2024-25, two (2) meetings of Corporate Social Responsibility Committee were held on May 09, 2024 and January 30, 2025.

The composition of the Corporate Social Responsibility Committee and the attendance details of the members are given below:

Name of Member	#Category	Position	No. of meetings, the Member entitled to attend	No. of meetings, the Member attended
(Hony) Brig. Dr. Arvind Lal	Chairman & PED	Chairperson	2	2
Mr. Arun Duggal	NEID	Member	2	2
Dr. Om Prakash Manchanda *	MD	Member	2	2

#PED - Promoter Executive Director; NEID - Non-Executive Independent Director; MD - Managing Director

(*) Dr. Om Prakash Manchanda (DIN: 02099404) ceased as Member of the Committee upon completion of his tenure as Managing Director of the Company on March 31, 2025. Mr. Rohit Bhasin (DIN: 02478962), Non-Executive Independent Director appointed as Member of the Committee in place of Dr. Om Prakash Manchanda.

The Company Secretary of the Company acted as the Secretary of the Committee.

Terms of Reference

The terms of reference of the Corporate Social Responsibility Committee, inter alia, includes the following:

1. Formulate and Recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. Recommend the amount of expenditure to be incurred on the CSR activities referred in Schedule VII;
3. Monitor the CSR Policy of the Company from time to time;
4. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of CSR Rules; and
5. Such other activities as the Board of Directors may determine from time to time.

VII. RISK MANAGEMENT COMMITTEE

Your Company has duly constituted Risk Management Committee in compliance of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2024-25, two (2) meetings of Risk Management Committee were held on May 31, 2024, and December 09, 2024, and maximum time gap between two consecutive meetings did not exceed Two Hundred and Ten (210) days.

The composition of the Risk Management Committee and the attendance details of the members are given below:

Name of Member	#Category	Position	No. of meetings, the Member entitled to attend	No. of meetings, the Member attended
Ms. Somya Satsangi	NEID	Chairperson	2	2
Mr. Arun Duggal	NEID	Member	2	2
Mr. Rahul Sharma	NED	Member	2	2
Mr. Rohit Bhasin	NEID	Member	2	2
Mr. Shankha Banerjee*	CEO	Member	2	2
Mr. Munender Soperna	GCIDO	Member	2	2

#NEID - Non-Executive Independent Director, NED - Non-Executive Director, CEO - Chief Executive Officer, GCIDO – Group Chief Information and Digital Officer

(*) During the financial year under review, there were changes in the constitution of the Committee as detailed below:

- Mr. Bharath U ceased as a Member of the Committee consequent to resignation as CEO of the Company w.e.f. May 9, 2024.
- Mr. Shankha Banerjee appointed as Member of the Committee w.e.f May 21, 2024.

The Company Secretary of the Company, acted as the Secretary of the Committee.

Terms of Reference

The terms of reference of the Risk Management Committee, inter-alia includes the following:

1. To formulate a detailed risk management policy which shall include:
 - i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - ii. Measures for risk mitigation including systems and processes for internal control of identified risks;
 - iii. Business continuity plan;
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken; and
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

VIII. SENIOR MANAGEMENT

Particulars of Senior Management as on March 31, 2025:

S. No.	Name	Designation	Change during FY 2024-25 (Appointment/ Resignation/ Change in Designation)
1	Dr. Om Prakash Manchanda	Managing Director	Completion of Tenure on March 31, 2025
2	Mr. Bharath U	Chief Executive Officer	Resigned w.e.f. May 09, 2024
3	Mr. Shankha Banerjee	Chief Executive Officer	Re-designated as Chief Executive Officer w.e.f. May 21, 2024
4	Mr. Ved Prakash Goel	Group Chief Financial Officer and Chief Executive Officer – International Business	Re-designated as Group Chief Financial Officer and Chief Executive Officer-International Business w.e.f. August 13, 2024
5	Mr. Jai Prakash Meena	Chief Operating Officer	-
6	Mr. Munender Soperna	Group Chief Information & Digital Officer	-
7	Mr. Manoj Kumar Garg	Group Chief Human Resource Officer	-
8	Mr. Vinay Gujral	Company Secretary & Compliance Officer	-

IX. REMUNERATION OF DIRECTORS

The details of Remuneration of Directors for the Financial Year ended March 31, 2025, are given below:

(₹ In Million)

S. No.	Name of Director	Salary & Perquisites	Per- formance Linked Incentive	Com- mission Payable	Con- tribution towards Provident Fund	Sitting Fees	Severance Fee	Service Contract	Notice Period	Total
1	(Hony) Brig. Dr. Arvind Lal	31.40	-	-	0.81	-	None, unless otherwise agreed by Board of Directors	5 years	3 months	32.21*
2	Dr. Vandana Lal	25.18	-	-	0.65	-	None, unless otherwise agreed by Board of Directors	5 years	3 months	25.83*
3	Dr. Om Prakash Manchanda	40.19	7.07	-	2.40	-	-	-	-	49.66**
4	Dr. Archana Lal Erdmann	-	-	4.00	-	0.40	-	-	-	4.40
5	Mr. Rahul Sharma	-	-	4.00	-	0.80	-	-	-	4.80***
6	Mr. Arun Duggal	-	-	7.50	-	1.80	-	-	-	9.30
7	Mr. Rohit Bhasin	-	-	5.00	-	0.90	-	-	-	5.90
8	Ms. Somya Satsangi	-	-	4.00	-	1.10	-	-	-	5.10
9	Mr. Rajit Mehta	-	-	4.00	-	0.35	-	-	-	4.35
10	Mr. Gurinder Singh Kalra	-	-	4.00	-	0.45	-	-	-	4.45

* Does not include retiral benefits.

** Dr. Om Prakash Manchanda ceased as a Director of the Company upon completion of his tenure as Managing Director of the Company on March 31, 2025. The total remuneration does not include perks/ benefits viz. Car perk, Leave encashment and Gratuity upon superannuation aggregating to ₹ 29.10 Million and non-cash (stock related) perk of ₹ 133.30 Million arising on the exercise of Stock Options, vested over the years.

*** Does not include a non-cash (stock related) perk of ₹ 51.19 Million arising on the exercise of Stock Options, vested over the years.

Dr. Om Prakash Manchanda was granted 60,000 stock options @ ₹ 2904.39 (Grant Price) under the Dr. Lal PathLabs Employee Stock Option Plan 2022 (ESOP Scheme) on August 13, 2024, to be vested and exercisable in accordance with the ESOP Scheme of the Company.

Criteria for making payments to Non-Executive Directors

Non-Executive Directors of the Company are paid sitting fees for attending Board/ Committee meetings and Commission within the limits prescribed under Companies Act, 2013.

The Nomination and Remuneration Policy of the Company, inter alia, disclosing detailed criteria of making payments to Non-Executive Directors of the Company is placed on Company's website at: <https://media.lalpathlabs.com/2025-05/Nomination-&Remuneration-Policy.pdf>

X. GENERAL BODY MEETINGS

Details of Annual General Meetings held during the last three years are as under:

Financial Year	Date	Venue	Details of Special Resolutions approved
2023-24	June 29, 2024 at 10:00 A.M. (IST)	Meeting held through Video Conferencing	<ol style="list-style-type: none"> 1. Re-appointment of Dr. Vandana Lal (DIN: 00472955) as Whole-Time Director of the Company 2. Payment of remuneration to Mr. Rahul Sharma (DIN: 00956625), Non-Executive Director, in the event of exercise of ESOPs in excess of 50% of total remuneration payable to all Non-Executive Directors
2022-23	September 12, 2023 at 10.30 A.M. (IST)	Meeting held through Video Conferencing	<ol style="list-style-type: none"> 1. Appointment of Mr. Gurinder Singh Kalra (DIN: 10197218) as an Independent Director of the Company 2. Appointment of Mr. Rajit Mehta (DIN: 01604819) as an Independent Director of the Company 3. Payment of Commission to Non-Executive Directors including Independent Directors 4. Payment of remuneration in excess of 5% of Net Profits of the Company to Dr. Om Prakash Manchanda (DIN: 02099404), Managing Director, in the event of exercise of ESOPs 5. Payment of remuneration in excess of 1% of Net Profits of the Company to Mr. Rahul Sharma (DIN: 00956625), Non-Executive Director, in the event of exercise of ESOPs 6. Payment of remuneration to Mr. Rahul Sharma (DIN: 00956625), Non-Executive Director, in the event of exercise of ESOPs in excess of 50% of total remuneration payable to all Non-Executive Directors 7. Payment of remuneration to Directors in excess of 11% of Net Profits of the Company, in the event of exercise of ESOPs
2021-22	June 30, 2022 at 10.30 A.M. (IST)	Meeting held through Video Conferencing	<ol style="list-style-type: none"> 1. Approval of the "Dr. Lal PathLabs Employee Stock Option Plan 2022" 2. To approve grant of employee stock options to the employees of subsidiary company(ies) of the Company under "Dr. Lal PathLabs Employee Stock Option Plan 2022" 3. Approval of secondary acquisition of shares through Trust route for the implementation of "Dr. Lal PathLabs Employee Stock Option Plan 2022" 4. Provision of money by the Company for subscription of its shares by the Trust under the "Dr. Lal PathLabs Employee Stock Option Plan 2022" 5. Increasing the limit of Managerial Remuneration to enable Mr. Rahul Sharma (DIN: 00956625), Non-Executive Director of the Company, to exercise the Stock Options granted under ESOP 2010 Plan of the Company

XI. POSTAL BALLOT

During the Financial Year 2024-25, pursuant to the provisions of Sections 108 & 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") your Company passed the following Special Resolution through postal ballot via remote e-voting facility:

Payment of Commission to Non-Executive Directors including Independent Directors:

Date of Postal Ballot Notice	January 30, 2025
Cut-off Date of register of members for dispatch of notice	January 31, 2025
Voting Period	February 08, 2025, at 9:00 A.M. (IST) to March 09, 2025, at 5:00 P.M. (IST)
Date of passing resolution	March 09, 2025
Date of declaration of result	March 10, 2025

The Board of Directors of the Company appointed M/s K.K Singh & Associates, Company Secretaries, as the Scrutinizer in accordance with the provisions of the Act & Rules made thereunder for conducting the postal ballot (e-voting process) in a fair and transparent manner.

The details of voting pattern in respect of the Special Resolution passed through postal Ballot is as under:

Resolution required: (Ordinary / Special)				Special				
Whether promoter/promoter group are interested in the agenda/resolution?				No				
Description of resolution considered				Payment of Commission to Non-Executive Directors including Independent Directors				
Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)= [(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
Promoter and Promoter Group	E-Voting	4,50,61,135	4,50,61,135	100.0000	4,50,61,135	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000
	Total	4,50,61,135	4,50,61,135	100.0000	4,50,61,135	0	100.0000	0.0000
Public-Institutions	E-Voting	3,30,00,114	2,91,54,465	88.3466	2,91,52,748	1,717	99.9941	0.0059
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000
	Total	3,30,00,114	2,91,54,465	88.3466	2,91,52,748	1,717	99.9941	0.0059
Public- Non Institutions	E-Voting	55,26,486	9,54,350	17.2687	9,53,557	793	99.9169	0.0831
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000
	Total	55,26,486	9,54,350	17.2687	9,53,557	793	99.9169	0.0831
Total		8,35,87,735	7,51,69,950	89.9294	7,51,67,440	2,510	99.9967	0.0033

Procedure for Postal Ballot:

Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014, ('Rules') and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company provided e-voting facility to its Members to cast their votes electronically through e-voting platform by CDSL.

The Company completed dispatch (through email only) of Postal Ballot Notice dated January 30, 2025 on February 07, 2025 to all the Members whose names appeared in the Register of Members / List of Beneficial Owners maintained by the Company/ Depositories respectively as at close of business hours on Friday, January 31, 2025, (the "Cut-off date") and whose e-mail addresses were registered with the Company / Depositories.

The e-Voting commenced at 9:00 A.M. (IST) on Saturday, February 08, 2025 and ended on Sunday, March 09, 2025 at 5:00 P.M. (IST). The Company also published a notice in Newspapers regarding completion of dispatch of postal ballot notice.

The scrutinizer submitted the report after completion of the scrutiny and the results of voting by postal ballot were then announced on March 10, 2025.

The voting results were communicated to the Stock Exchanges besides being displayed on the website of the Company, i.e. www.lalpathlabs.com and on the website of CDSL at www.evotingindia.com.

As on date of this report, none of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through postal ballot.

XII. MEANS OF COMMUNICATION

The quarterly/half-yearly/yearly results are intimated to the Stock Exchanges immediately after the Board Meeting at which they are approved. The results of the Company are also published in at least one national newspaper (usually Financial Express) and one regional newspaper (usually Jansatta) having wide circulation.

The financial results along with presentations made by the Company to Analysts/Investors are also posted on the website of the Company viz. www.lalpathlabs.com. The Company's website also displays all official news releases.

The Company organizes investor conference calls to discuss its financial results every quarter, where investor queries are answered by the Executive Management of the Company. The transcripts of the conference calls are posted on our website and sent to the Stock Exchanges as well.

All price sensitive information and matters that are material to shareholders are disclosed to the Stock Exchanges, where the securities of the Company are listed.

XIII. GENERAL SHAREHOLDER INFORMATION

a) Corporate Identification Number:
L74899DL1995PLC065388

b) Annual General Meeting: The 31st Annual General Meeting of the Company is scheduled to be held as under:

Date and Time	Saturday, June 28, 2025, at 10:00 AM (IST)
Venue	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated September 19, 2024 and May 5, 2020 and all other relevant circulars issued from time to time thus venue requirements are not applicable for this AGM. For more details please refer to the Notice of 31 st AGM.

c) Financial Year: The Company follows Financial Year from April 1 to March 31. The Current Financial Year of the Company is April 1, 2024, to March 31, 2025.

d) Final Dividend Payment: On or before July 27, 2025

e) Listing on Stock Exchanges:

Name of Stock Exchange	Security Code/Symbol	Address
BSE Limited	539524	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
National Stock Exchange of India Limited	LALPATHLAB	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

Listing fees for the Financial Year 2024-25 & 2025-26 have been paid to both the Stock Exchange.

f) Registrar and Share Transfer Agent:

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)
Noble Heights, 1st Floor,
Plot NH 2, C-1 Block LSC,
Near Savitri Market, Janakpuri,
New Delhi - 110058,
Contact No. +91 11 49411000
Email id: delhi@in.mpms.mufg.com

g) Share Transfer System:

SEBI has mandated that, effective April 1, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. As on March 31, 2025, all the equity shares are in dematerialized form only.

h) Distribution of shareholding as on March 31, 2025:

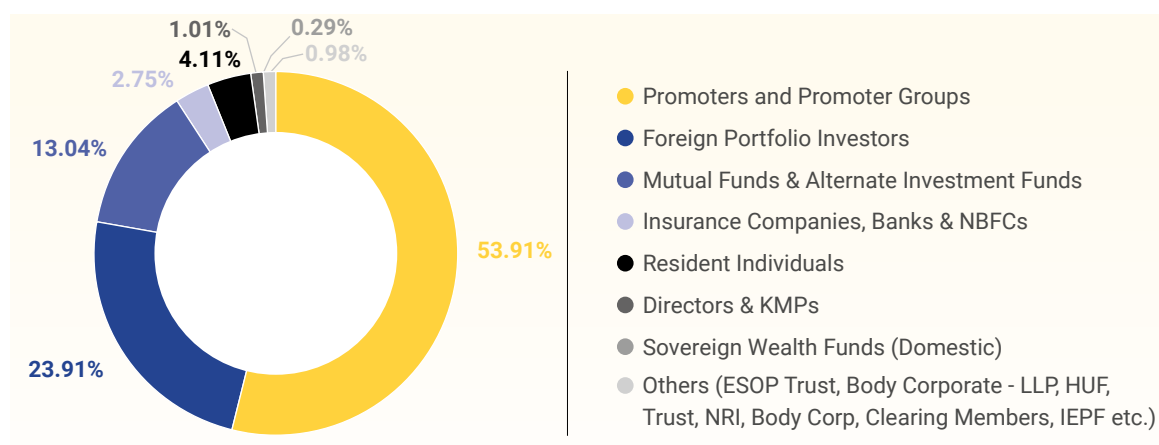
a) Distribution of Shareholding

Slab	No. of Shareholders	% to total No. of Shareholders	No. of Shares	% to total No. of Shares
1 - 500	1,17,294	99.04	28,87,274	3.45
501 - 1,000	436	0.37	3,09,871	0.37
1,001 - 2,000	212	0.18	3,00,450	0.36
2,001 - 3,000	84	0.07	2,05,037	0.25
3,001 - 4,000	43	0.04	1,51,521	0.18
4,001 - 5,000	29	0.02	1,30,746	0.16
5,001 - 10,000	67	0.06	4,88,398	0.58
10,001 - Above	264	0.22	7,91,18,438	94.65
Total	1,18,429	100	8,35,91,735	100

b) Categories of Equity Shareholders as on March 31, 2025:

S. No.	Category	No. of Equity Shares	% to Total No. of Equity Shares
1	Promoters and Promoter Groups	4,50,61,135	53.91
2	Foreign Portfolio Investors	1,99,85,334	23.91
3	Mutual Funds & Alternate Investment Funds	1,09,01,758	13.04
4	Insurance Companies, Banks & NBFCs	22,97,747	2.75
5	Resident Individuals	34,32,707	4.11
6	Directors & KMPs	8,46,916	1.01
7	Sovereign Wealth Funds (Domestic)	2,42,804	0.29
8	Others (ESOP Trust, Body Corporate - LLP, HUF, Trust, NRI, Body Corp, Clearing Members, IEPF etc.)	8,23,334	0.98
	Total	8,35,91,735	100.00

Graphic presentation of the Shareholding pattern as on March 31, 2025:



i) Dematerialisation of Shares and Liquidity:

The shares of the Company are compulsorily traded in dematerialized form. As on March 31, 2025, all equity shares are in dematerialized form only. The equity shares of the Company are actively traded at NSE & BSE.

j) Outstanding GDRs/ ADRs/ Warrants or Convertible Instruments:

No GDRs/ ADRs/Warrants or Convertible Instruments has been issued by the Company.

k) Commodity price risk or foreign risk and hedging activities:

The Company does not have commodity price risk nor does the Company engage in hedging activities.

l) Plant Locations:

The Company does not have any manufacturing or processing plants.

m) Address for Correspondence:

Registered Office

Dr. Lal PathLabs Limited
 Block E, Sector-18, Rohini, New Delhi - 110085
 Ph: +91-11-4988-5050
 E-mail: cs@lalpathlabs.com

Corporate Office

Dr. Lal PathLabs Limited
 12th Floor, Tower-B, SAS Tower, Medicity, Sector-38, Gurugram - 122001
 Ph: +91 124 3016500
 E-mail: cs@lalpathlabs.com

Your Company has designated cs@lalpathlabs.com as an exclusive email ID for investors for the purpose of registering their complaints and the same has been displayed on Company's website also.

n) List of Credit Ratings:

Name of Rating Agency	Type of Rating	Rating	Rating Action
CARE Ratings Limited	Issuer Rating	CARE AA; Stable	Assigned on April 22, 2025

XIV. DISCLOSURES

a) Related Party Transactions (RPTs)

The Company has not entered into any materially significant transactions with the related parties that may have potential conflict with the interests of the Company at large. Transactions with related parties are being disclosed in Note No. 47 to the Standalone Financial Statements of the Company forming part of the Annual Report and are transacted after obtaining applicable approval(s), wherever required. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs which can be accessed at the Company's website at: <https://media.lalpathlabs.com/2025-01/Policy-on-Related-Party-Transactions.pdf>

b) Non-Compliances by the Company

During the last three years, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any other statutory authority for non-compliance of any matter related to capital markets.

c) Whistle Blower Policy

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations. The Company promotes ethical behaviour in its operations and has a Whistle Blower Policy which is overseen by the Audit Committee. Under the Whistle Blower Policy, employees and stakeholders are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to the Audit Committee.

The policy on Whistle Blower Policy has been posted on the website of the Company at: <https://uat-cdn.drlallab.com/2023-06/Whistle-Blower-Policy.pdf>

d) Details of compliance with mandatory requirements on Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with the mandatory requirements on Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) Subsidiary Companies

The Board of Directors of the Company have formulated a policy for determining "material" subsidiaries. The said Policy has been placed on the website of the Company at: <https://media.lalpathlabs.com/2025-01/Policy-for-Determining-Material-Subsidiaries.pdf>

Details of Material Subsidiary:

As on March 31, 2025, there was no material subsidiary of the Company.

f) Practicing CS Certification

A certificate from a Company Secretary in Practice that as on March 31, 2025, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority is annexed to this Report as **Annexure - A**.

g) Statutory Auditor Fee

The Company and its Subsidiaries paid ₹ 29.68 Million (including statutory audit fees) to the Statutory Auditors during the financial year 2024-25.

h) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In compliance of the terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act") and Rules made thereunder, the Company has in place a policy to prevent and deal with sexual harassment at workplace.

Status of Complaints under the POSH Act during the Financial Year 2024-25 is detailed below:

Particulars	Number of Complaints
Complaint pending at beginning of Financial Year	01
Complaint received during Financial Year	03
Complaint resolved during Financial Year	02
Complaint pending at end of Financial Year	02

i) Detail of compliance with the corporate governance requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015

The Company is in compliance with the applicable corporate governance requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015. Further, securities of the Company have not been suspended for trading at any point of time during the financial year ended March 31, 2025.

j) Recommendation of Committee(s) of the Board of Directors

During the year, all recommendations of Committees of Board of Directors, which are mandatorily required, were accepted by the Board.

k) Disclosures with respect to demat suspense account/ unclaimed suspense account

There are no shares which are lying in demat suspense account/unclaimed suspense account.

l) Insider Trading

In terms of the SEBI (Prohibition of Insider Trading) Regulations 2015 ('PIT Regulations'), the Company has a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Insiders. The said Code lays down guidelines which provide for the procedure to be followed and disclosures whilst dealing with shares of the Company. Further, in terms of the PIT Regulations, the Company has in place a Code of Practices and Procedures of Fair Disclosures of Unpublished Price Sensitive Information.

m) Board Procedures

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of your Company. The tentative annual calendar of Board Meetings for the ensuing year is decided in advance by the Board.

The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board has access to any information within your Company which includes the information as specified in Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

n) Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors of the Company was held on May 10, 2024, without the presence of Non-Independent Directors and wherein all Independent Directors were present in person.

The Company Secretary was an invitee to the said meeting and facilitated the conduct of the meeting.

o) Non- mandatory requirements

The Company has adopted the following non-mandatory requirements on Corporate Governance:

i. Chairman's Office

Since your Company did not have a Non-Executive Chairman during the Financial Year 2024-25, hence, the requirement of maintaining a Chairman's Office was not applicable to the Company.

ii. Shareholder Rights

The quarterly / half yearly / yearly financial results of your Company are published in widely circulated newspapers.

iii. Audit qualifications

There was no audit qualification on your Company's financial statements, during the year under review.

iv. Reporting of Internal Auditor

The Internal Auditors of the Company i.e. M/s. Ernst & Young LLP (EY) directly reports to the Audit Committee of the Company.

p) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised funds through preferential allotment or qualified institutions placement during the year.

q) Reconciliation of Share Capital Audit

The Quarterly Audits were also carried out by the Practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL. The audit reports for the same were submitted to the Stock Exchange viz. BSE and NSE within timelines as prescribed under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The audit report confirms that the total issued / paid-up and listed capital is in agreement with the aggregate of the total number of shares in physical form, if any and the total number of shares in dematerialised form (held with NSDL and CDSL).

r) Particulars of Loans and advances

During the year under review, the Company and/ or its subsidiaries have not given any Loans and advances, whether directly or indirectly to firms/ companies in which any of the Director is interested.

s) **Disclosure of agreements, if any, binding the Company**

In terms of Regulation 30A read with Clause 5A of Para A of Part A of Schedule III of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, there are no such agreements entered which will impact the management or control of the Company.

t) **Fund raising by issuance of debt securities**

Pursuant to the relevant SEBI Circular(s) on framework for fund raising by issuance of debt securities, during the year under review, your Company has not taken any term loan including raising of funds by issuance of debts securities.

XV. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct, which is applicable to all Directors and Senior Management personnel of the Company. The Code has also been posted on the website of the Company.

All Board Members and Senior Management Executives have affirmed compliance with the Code of Conduct for the Financial Year 2024-25.

An annual declaration signed by the Chief Executive Officer of the Company affirming compliance to the Code by the Board of Directors and the Senior Management is annexed to this Report as **Annexure - B**. The Code of Conduct is available on website of the Company at: <https://media.lalpathlabs.com/2025-01/Code-of-conduct-for-Directors-and-Senior-Management.pdf>

XVI. CEO/ CFO CERTIFICATION

In compliance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Chief Executive Officer and Chief Financial Officer of the Company to the Board of Directors as specified in Part B of Schedule II of the said regulations is annexed to this Report as **Annexure - C**.

XVII. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate on Corporate Governance issued by Company Secretary in Practice is annexed to this Report as **Annexure - D**.

XVIII. MEMBERS SATISFACTION SURVEY

The Company invites feedback from all Members on various service areas that it continually works on.

The feedback in the form of a questionnaire is attached along with Notice of convening 31st Annual General Meeting.

Members are requested to fill up the "Members Satisfaction Survey" form and provide their valuable feedback by emailing the same at cs@lalpathlabs.com through their registered e-mail ID or sending the signed copy to the Corporate Office of the Company at 12th Floor, Tower B, SAS Tower, Medicity, Sector-38, Gurugram – 122001.

Annexure – A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Dr. Lal PathLabs Limited
Block E, Sector-18, Rohini
New Delhi-110085

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Dr. Lal PathLabs Limited and having CIN: L74899DL1995PLC065388 and having Registered office at Block E, Sector-18, Rohini, New Delhi - 110 085 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and based on declarations received from respective Directors, We hereby certify that as on Financial Year ended on **March 31, 2025** none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No.	Name of the Director	DIN	Date of appointment in Company
1.	(Hony) Brig. Dr. Arvind Lal	00576638	14/02/1995
2.	Dr. Vandana Lal	00472955	14/02/1995
3.	Dr. Archana Lal Erdmann	08432506	17/05/2019
4.	Mr. Arun Duggal	00024262	02/02/2023
5.	Dr. Om Prakash Manchanda	02099404	01/02/2011
6.	Mr. Rahul Sharma	00956625	22/07/2005
7.	Mr. Rohit Bhasin	02478962	08/11/2022
8.	Ms. Somya Satsangi	07275574	08/02/2019
9.	Mr. Gurinder Singh Kalra	10197218	27/07/2023
10.	Mr. Rajit Mehta	01604819	27/07/2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates

Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 5715/2024

Dr. S. Chandrasekaran

Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000199083

Date: April 25, 2025
Place: New Delhi

Annexure - B

DECLARATION - COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Shankha Banerjee, Chief Executive Officer of the Company, hereby declare that the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended **March 31, 2025**.

Date: April 25, 2025
Place: Gurugram

Shankha Banerjee
Chief Executive Officer

Annexure - C

CEO AND CFO CERTIFICATION

The Board of Directors,
Dr. Lal PathLabs Limited

We, the undersigned to the best of our knowledge and belief, certify that:

- a) We have reviewed financial statements and the cash flow statement for the **Financial Year 2024-25** and that to the best of our knowledge and belief:
 - I. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - II. 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) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the 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) We have indicated to the Auditors and the Audit committee:
 - I. Significant changes in the internal control over financial reporting during this year;
 - II. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - III. 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 systems over financial reporting.

Date: April 25, 2025
Place: Gurugram

Shankha Banerjee
Chief Executive Officer

Ved Prakash Goel
Group Chief Financial Officer & CEO – International Business

Annexure - D

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER LISTING REGULATIONS, 2015

To
The Members
Dr. Lal PathLabs Limited
Block E, Sector-18 Rohini, New Delhi-110085

We have examined all relevant records of Dr. Lal PathLabs Limited ("the Company") for the purpose of certifying of all the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2025. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 5715/2024

Date: April 25, 2025
Place: New Delhi

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No.: 715
UDIN: F001644G000199151

Independent Auditor's Report

To The Members of Dr. Lal Pathlabs Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **Dr. Lal PathLabs Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flows Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue recognition – Reliance on information technology and system for controls over pricing master file</p> <p>We identified reliance on information technology and system for controls over pricing master file as a key audit matter due to a likelihood of material misstatement in revenue recognition, resulting from unauthorised alterations to the pricing master file, on account of high volume of patient transactions.</p> <p>Refer to notes 2.3 and 26 to the standalone financial statements.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Obtained an understanding of and assessed and tested the design, implementation and operating effectiveness of relevant internal controls relating to authorisation of alterations to the pricing master file. • Tested the controls around the access rights to the price masters by involving information technology specialists. • Tested the automated controls for auto pick of the prices defined in the system based on the tests selected. • Tested the reports of changes in the pricing master files for completeness and accuracy and for the selected samples of alterations during the year, verified that the changes were authorised.

Independent Auditor's Report (Contd..)

Sr. No.	Key Audit Matter	Auditor's Response
2	<p>Impairment of intangible assets (Goodwill)</p> <p>The Company has intangible asset with indefinite life comprising Goodwill of Rs. 4,700 million as at March 31, 2025 on account of acquisition of Suburban Diagnostics (India) Private Limited.</p> <p>The Company's evaluation of impairment of goodwill requires the management to assess the recoverable value of cash generating unit to its carrying value in accordance with Ind AS 36, Impairment of Assets. The recoverable amount is determined based on the value in use model.</p> <p>The Company has determined recoverable value, which includes use of discounted cash flow model to estimate recoverable value which requires management and Board of Directors to make estimates and assumptions related to future cash flow forecasts (including forecast of future revenue and operating margins), discount rates and the long-term growth rates applied to these future cash flow forecasts and the same is reviewed by Board of Directors. Changes in these estimates and assumptions could have a significant impact on the assessment of the recoverable value and the consequential impact on carrying value of Goodwill.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Evaluated the design, implementation and operating effectiveness of controls over impairment assessment, including controls relating to review of future cash flow forecasts (including forecast of future revenue and operating margins) and controls relating to review of assumptions of discount rates and the long-term growth rates; • Evaluated the reasonableness of the estimates used by management in assessment of future cash flow forecasts and operating margins by comparing them to Historical revenue and operating margins, latest approved targets and long term plans; • With the assistance of our fair value specialist, evaluated the appropriateness of the valuation methodology and reasonableness of the key valuation assumptions used by management and tested mathematical accuracy of the calculations used in assessment of recoverable value; • Evaluated the sensitivity analysis performed by the management on the projections by varying key assumptions such as discount and growth rates (including terminal growth rate). • Evaluated the appropriateness of the accounting and disclosures in the standalone financial statements in compliance with the accounting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

- (a) The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Business Responsibility and Sustainability Report and Report on Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon.
- (b) Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- (c) In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- (d) If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

Independent Auditor's Report (Contd..)

concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- (e) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company which are companies incorporated in India so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.

Independent Auditor's Report (Contd..)

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flows Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 36 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 35 to the standalone financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer Note 52 to the standalone financial statements.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 48 (h) to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 48 (i) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.

Independent Auditor's Report (Contd..)

As stated in note 19 (v) and 20 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account for the period April 01, 2024 to March 31, 2025 which have a feature of recording audit trail (edit log) facility and the same operated for all relevant transactions recorded in the software except that audit trail for one software that was used during the period April 01, 2024 to April 30, 2024 did not have audit trail enabled at the database level to log any direct data changes.

In case of the other accounting software (SaaS Based application) that was implemented from May 1, 2025, the Company does not have access to the database of the software and consequently, we are unable to comment on whether audit trail feature was enabled at database level for this period.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of the accounting softwares used by the Company for the period for which the audit trail feature was enabled and operating.

Additionally audit trail has been preserved by the Company as per the statutory requirements for record retention.

In respect of one accounting software used for maintenance of inventory records in one of the locations in the Company till January 31, 2025, in the absence of management's evaluation of the audit trail feature for the said accounting software, we are unable to comment whether the audit trail feature was enabled and if there were any instances of the audit trail feature been tampered with.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

Rashim Tandon

Partner

(Membership No. 95540)

(UDIN: 25095540BMOXIG4153)

Place: Gurugram

Date: April 25, 2025

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of **Dr. Lal PathLabs Limited** (“the Company”) as at March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s and Board of Director’s Responsibility for Internal Financial Controls

The Company’s management and Board of Director’s are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on “the internal control with reference to standalone financial statements 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”. 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

Annexure “A” to the Independent Auditor’s Report (Contd..)

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements

were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm’s Registration No. 117366W/W-100018)

Rashim Tandon

Partner

(Membership No. 95540)

(UDIN: 25095540BMOXIG4153)

Place: Gurugram

Date: April 25, 2025

Annexure “B” to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) In respect of its fixed assets (Property, Plant and Equipment):
- (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment property and relevant details of right-of-use assets.
- (ii) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment, capital work- in-progress, investment property and right-of-use assets so as to cover all the items in a phased manner over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.
- (c) With respect to immovable properties (other than properties where the Company is the lessee) disclosed in the note 48 to the standalone financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed / occupancy certificate provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

Description of property	As at the balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held*	Reason for not being held in name of Company*
	Gross carrying value (₹ Million)	Carrying value in the standalone financial statements (₹ Million)				
Flat No 4A, First Floor, 11 B.T. Road, Baranagar, Parganas (North), Kolkata.	0.18	0.08	Dr. Lal PathLabs Private Limited	No	April 01, 2013	These properties were acquired pursuant to the amalgamation of Medicave Diagnostic Centre Private Limited with the Company with effect from May 21, 2015 with the appointed date being April 01, 2013. The title of these properties was mutated in the name of Dr. Lal PathLabs Private Limited on February 19, 2018. Subsequently, the Company was converted into a public company and the Registrar of Companies NCT of Delhi & Haryana issued a fresh certificate of incorporation w.e.f August 19, 2015.
Flat No 4, First Floor, 11 B.T. Road, Baranagar, Parganas (North), Kolkata.	0.18	0.08	Dr. Lal PathLabs Private Limited	No	April 01, 2013	
Flat no. 3, Premises no. 11, Mouza Nainan, B.T. Road, Baranagar, Parganas (North), Kolkata along with garage.	0.18	0.08	Dr. Lal PathLabs Private Limited	No	April 01, 2013	
Room No 7 & 8, 48B, B.T. Road, Baranagar, Parganas (North), Kolkata.	0.10	0.05	Dr. Lal PathLabs Private Limited	No	April 01, 2013	
Room No 11 & 13, 48B, B.T. Road, Baranagar, Parganas (North), Kolkata.	0.07	0.04	Dr. Lal PathLabs Private Limited	No	April 01, 2013	

Annexure “B” to the Independent Auditors' Report (Contd..)

In respect of immovable properties that have been taken on lease (where the Company is the lessee) and disclosed in the standalone financial statements as right-of use asset as at the balance sheet date, the lease agreements are duly executed in favour of the Company, except for the following:

Description of property	As at the balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held*	Reason for not being held in name of Company*
	Gross carrying value (₹ Million)	Carrying value in the standalone financial statements (₹ Million)				
Leasehold building situated at Sector 18, Block E, Rohini, Delhi.	136.98	69.80	Dr. Lal PathLabs Private Limited	No	April 08, 2005	The lease deed was signed on April 08, 2005 in the name of Dr. Lal PathLabs Private Limited. Subsequently, the Company was converted into a public company and the Registrar of Companies NCT of Delhi & Haryana issued a fresh certificate of incorporation w.e.f August 19, 2015.

- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (iii) The Company has made investments in companies and other parties and granted loans to other parties during the year, in respect of which:

- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (a) The Company has provided loans during the year and details of which are given below:

(₹ in Millions)

Particulars	Loans
A. Aggregate amount granted/ provided during the year:	
- Others	0.97
B. Balance outstanding as at balance sheet date in respect of the above cases:	
- Others	10.20

- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of fixed deposits. Based on the information and explanations given to us no returns or statements were required to be filed by the Company with such banks till the date of this report.

- (b) The investments made and the terms and conditions of the grant of all the above-mentioned loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation and no interest is charged based on stipulation in respect thereof.

Annexure “B” to the Independent Auditors' Report (Contd..)

- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (g) The Company has not made investments in firms or Limited Liability Partnerships and has not provided any guarantee or security, and granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and has not granted any loans to companies, firms and Limited Liability Partnerships during the year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 related to running of laboratories for carrying out pathological investigations. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year and there were no undisputed amounts payable in respect of these dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- We have been informed that the operations of the Company did not give rise to any liability of Sales Tax, Service Tax, duty of Excise and Value Added Tax during the year.
- (b) There are no statutory dues in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company which have not been deposited on account of disputes as on March 31, 2025.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

Annexure “B” to the Independent Auditors' Report (Contd..)

- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year covering specific processes scoped in for review as per Internal Audit plan covering period upto March 2025 for the period under the audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, associate company, as applicable, or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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

Rashim Tandon
Partner

Place: Gurugram
Date: April 25, 2025

(Membership No. 95540)
(UDIN: 25095540BMOXIG4153)

Standalone Balance Sheet

as at 31 March, 2025

(in ₹ million, unless otherwise stated)

Particulars	Notes	As at	As at
		31 March, 2025	31 March, 2024
Assets			(Refer Note 42)
1. Non-current assets			
(a) Property, plant and equipment	3a	1,899.57	1,875.05
(b) Right-of-use assets	3b	1,307.29	1,382.45
(c) Capital work-in-progress	3c	34.76	39.51
(d) Investment property	3d	333.58	337.05
(e) Goodwill	4	4,710.80	4,710.80
(f) Other intangible assets	5	2,260.62	2,738.70
(g) Intangible assets under development	5	-	16.97
(h) Financial assets			
(i) Investments	6	1,139.38	1,129.38
(ii) Loans	7	0.04	0.32
(iii) Other financial assets	8	797.22	287.68
(i) Non-current tax assets (net)	9	69.02	149.40
(j) Deferred tax assets (net)	10	845.32	439.87
(k) Other non-current assets	11	39.09	20.53
Total non-current assets		13,436.69	13,127.71
2. Current assets			
(a) Inventories	12	322.65	328.52
(b) Financial assets			
(i) Investments	13	3,017.02	1,002.79
(ii) Trade receivables	14	1,053.95	874.66
(iii) Cash and cash equivalents	15a	2,665.96	3,443.42
(iv) Bank balances other than (iii) above	15b	5,009.40	4,073.32
(v) Loans	16	10.16	11.61
(vi) Other financial assets	17	479.96	443.64
(c) Other current assets	18	213.71	185.96
Total current assets		12,772.81	10,363.92
Total assets		26,209.50	23,491.63
Equity and liabilities			
1. Equity			
(a) Equity share capital	19	835.92	834.78
(b) Other equity	20	20,506.41	17,172.43
Total equity		21,342.33	18,007.21
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	44	982.81	979.69
Total non-current liabilities		982.81	979.69
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	833.34
(ii) Lease liabilities	44	525.91	588.75
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		130.70	62.87
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,799.84	1,739.68
(iv) Other financial liabilities	23	546.55	467.91
(b) Provisions	24	336.16	349.65
(c) Current tax liabilities (net)	9	138.47	131.61
(d) Other current liabilities	25	406.73	330.92
Total current liabilities		3,884.36	4,504.73
Total liabilities		4,867.17	5,484.42
Total equity and liabilities		26,209.50	23,491.63

The accompanying notes are integral part of these standalone financial statements

1-54

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rashim Tandon
Partner

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

(Hony) Brig. Dr. Arvind Lal
(DIN: 00576638)
[Executive Chairman]

Ved Prakash Goel
[Chief Financial Officer &
CEO- International Business]

Place: Gurugram
Date: 25 April, 2025

Place: Gurugram
Date: 25 April, 2025

Shankha Banerjee
[Chief Executive Officer]

Vinay Gujral
[Company Secretary]

Place: Gurugram
Date: 25 April, 2025

Standalone Statement of Profit and Loss

for the year ended 31 March, 2025

(in ₹ million, unless otherwise stated)

Particulars	Notes	As at	
		31 March, 2025	31 March, 2024
1. Income			(Refer Note 42)
(a) Revenue from operations	26	23,516.15	21,250.63
(b) Other income	27	1,115.22	663.03
Total income		24,631.37	21,913.66
2. Expenses			
(a) Cost of materials consumed	28	4,552.40	4,278.72
(b) Employee benefits expense	29	4,575.37	4,025.70
(c) Finance costs	30	214.99	285.98
(d) Depreciation and amortisation expense	31	1,341.50	1,357.86
(e) Fees to collection centers/channel partners		3,351.03	3,078.83
(f) Other expenses	32	4,383.29	4,061.27
Total expenses (net)		18,418.58	17,088.36
3. Profit before tax		6,212.79	4,825.30
4. Tax expense			
(a) Current tax	33	1,633.40	1,412.20
(b) Deferred tax	10	(393.24)	(54.20)
Total tax expense (net)		1,240.16	1,358.00
5. Profit for the year (A)		4,972.63	3,467.30
6. Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit obligations		(48.49)	(3.55)
- Income tax in relation to items that will not be reclassified to profit or loss	10	12.20	0.91
Total other comprehensive income/ (loss) (B)		(36.29)	(2.64)
7. Total comprehensive income for the year (A+B)		4,936.34	3,464.66
8. Earnings per equity share	34		
- Basic earnings per share (Face value of INR 10 each)		59.70	41.72
- Diluted earnings per share (Face value of INR 10 each)		59.61	41.66

The accompanying notes are integral part of these standalone financial statements

1-54

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rashim Tandon
Partner

Place: Gurugram
Date: 25 April, 2025

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

(Hony) Brig. Dr. Arvind Lal
(DIN: 00576638)
[Executive Chairman]

Ved Prakash Goel
[Chief Financial Officer &
CEO- International Business]

Place: Gurugram
Date: 25 April, 2025

Shankha Banerjee
[Chief Executive Officer]

Vinay Gujral
[Company Secretary]

Place: Gurugram
Date: 25 April, 2025

Standalone Cash Flow Statement

for the year ended 31 March, 2025

Accounting policy

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 from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents

(in ₹ million, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2025	Year ended 31 March, 2024
Cash flows from operating activities			(Refer Note 42)
Profit for the year		4,972.63	3,467.30
Adjustments to reconcile profit before tax to net cash from operating activities:			
Tax expense (net)		1,240.16	1,358.00
Interest income		(613.76)	(503.56)
Rental income from investment property		(34.72)	(20.12)
Dividend income from a subsidiary company		(240.00)	(32.00)
Net gain on sale or fair valuation of investments (at FVTPL)		(195.77)	(99.00)
Surrender value of keyman insurance policy (at FVTPL)		(3.35)	(9.29)
Loss on disposal/discard of property, plant and equipment (net)		21.51	2.18
Expense recognised in respect of employee share based compensation		270.95	217.06
Finance costs		214.99	285.98
Depreciation and amortisation expense		1,341.50	1,357.86
Provision for impairment of trade receivables and advances		31.14	(0.03)
Bad debts / advances written off (net)		3.92	5.79
Remeasurement of the defined benefit obligation		(48.49)	(2.64)
Operating cash flow before working capital changes		6,960.71	6,027.53
Adjustment for (increase)/decrease in operating assets:			
(Increase)/decrease in inventories		5.87	(30.24)
(Increase)/decrease in trade receivables		(214.35)	(133.35)
(Increase)/decrease in loans		1.73	1.02
(Increase)/decrease in other financial assets		(10.22)	15.65
(Increase)/decrease in other assets		(25.90)	(36.55)
Adjustment for increase/(decrease) in operating liabilities:			
Increase/(decrease) in trade payables		127.99	305.97
Increase/(decrease) in other financial liabilities		38.17	57.80
Increase/(decrease) in provisions		(13.49)	81.09
Increase/(decrease) in other liabilities		75.81	35.31
Cash generated from operations		6,946.32	6,324.23
Income taxes paid (net of refunds)		(1,546.33)	(1,278.22)
Net cash generated from operating activities (a)		5,399.99	5,046.01
Cash flows from investing activities			
Payments for purchase of property, plant and equipment		(433.14)	(470.94)
Proceeds from disposal of property, plant and equipment		6.74	8.52
Payments for purchase of other intangible assets		(95.40)	(61.88)
Dividend received from a subsidiary company		240.00	32.00
Interest received		577.98	409.88
Rental income from investment property		34.72	20.12
Purchase of investment in subsidiaries		(10.00)	(3.54)
Payments for purchase of investments in mutual funds		(5,556.74)	(3,153.22)
Proceeds from sale of investments in mutual funds		3,738.28	3,694.61
Bank deposits placed with the banks		(9,293.12)	(5,778.08)
Bank deposits with banks encashed		7,860.72	5,314.22
Net cash flow from/(used in) investing activities (b)		(2,929.96)	11.69

Standalone Cash Flow Statement

for the year ended 31 March, 2025

(in ₹ million, unless otherwise stated)

Particulars	Notes	Year ended	Year ended
		31 March, 2025	31 March, 2024
Cash flows from financing activities			
Proceeds from exercise of share options		127.03	34.88
Repayment of borrowings		(833.34)	(1,533.37)
Interest paid		(30.44)	(93.39)
Repayment of lease liability		(327.32)	(326.15)
Interest paid on lease liability		(184.55)	(192.59)
Dividend paid on equity shares		(1,998.87)	(1,994.69)
Net cash used in financing activities (c)		(3,247.49)	(4,105.31)
Net increase in cash and cash equivalents (a+b+c)		(777.46)	952.39
Cash and cash equivalents at the beginning of the year [refer note 15(a)]		3,443.42	2,491.03
Cash and cash equivalents at the end of the year as per Balance Sheet		2,665.96	3,443.42
Components of cash and cash equivalents			
Cash on hand		23.59	15.97
Balance with scheduled banks:			
- on current accounts		124.92	142.36
- on cash credit accounts		-	20.54
- deposits with maturity of less than 3 months		2,517.45	3,264.55
Total cash and cash equivalents [refer note 15(a)]		2,665.96	3,443.42

The accompanying notes are integral part of these standalone financial statements 1-54

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rashim Tandon
Partner

Place: Gurugram
Date: 25 April, 2025

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

(Hony) Brig. Dr. Arvind Lal
(DIN: 00576638)
[Executive Chairman]

Ved Prakash Goel
[Chief Financial Officer &
CEO- International Business]

Place: Gurugram
Date: 25 April, 2025

Shankha Banerjee
[Chief Executive Officer]

Vinay Gujral
[Company Secretary]

Place: Gurugram
Date: 25 April, 2025

Standalone Statement of Changes in Equity

for the year ended 31 March, 2025

a. Equity share capital (Refer Note 42)

Particulars	(in ₹ million, unless otherwise stated)	
	Numbers	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at 1 April, 2023	8,33,67,877.00	833.68
Equity share capital issued against share options	1,09,975.00	1.10
Balance as at 31 March, 2024	8,34,77,852.00	834.78
Balance as at 1 April, 2024	8,34,77,852.00	834.78
Equity share capital issued against share options	1,13,883.00	1.14
Balance as at 31 March, 2025	8,35,91,735.00	835.92

b. Other equity

Particulars	Capital reserve	Reserves and surplus					Total other equity	
		Capital redemption reserve account	Securities premium	General reserve	Share options outstanding account	Treasury shares		Retained earnings
Balance as at 1 April, 2023	(786.47)	4.45	934.88	1,017.14	582.66	(118.53)	13,817.58	15,451.71
Profit for the year	-	-	-	-	-	-	3,467.30	3,467.30
Other comprehensive income/ (loss) for the year, net of income tax	-	-	-	-	-	-	(2.64)	(2.64)
Total comprehensive income for the year	-	-	-	-	-	-	3,464.66	3,464.66
Addition during the year on account of issue of equity shares	-	-	114.03	-	-	-	-	114.03
Payments of dividends (Refer to note 20)	-	-	-	-	-	-	(1,994.78)	(1,994.78)
Share options exercised during the year (Refer to note 20 and 45)	-	-	-	233.32	(288.20)	(25.37)	-	(80.25)
Employee share based compensation expense (Refer to note 29)	-	-	-	-	217.06	-	-	217.06
Balance as at 31 March, 2024 (Refer note 42)	(786.47)	4.45	1,048.91	1,250.46	511.52	(143.90)	15,287.46	17,172.43

Standalone Statement of Changes In Equity

for the year ended 31 March, 2025

Particulars	Reserves and surplus							Total other equity
	Capital reserve	Capital redemption reserve account	Securities premium	General reserve	Share options outstanding account	Treasury shares	Retained earnings	
Balance as at 1 April, 2024	(786.47)	4.45	1,048.91	1,250.46	511.52	(143.90)	15,287.46	17,172.43
Profit for the year	-	-	-	-	-	-	4,972.63	4,972.63
Other comprehensive income/ (loss) for the year, net of income tax	-	-	-	-	-	-	(36.29)	(36.29)
Total comprehensive income for the year	-	-	-	-	-	-	4,936.34	4,936.34
Addition on acquisition of shares of subsidiaries	-	-	-	-	-	-	(2.71)	(2.71)
Additions during the year on account of issue of equity shares	-	-	198.94	-	-	-	-	198.94
Payments of dividends (Refer to note 20)	-	-	-	-	-	-	(1,999.06)	(1,999.06)
Share options exercised during the year (Refer to note 20 and 45)	-	-	-	196.48	(216.05)	(50.91)	-	(70.48)
Employee share based compensation expense (Refer to note 29)	-	-	-	-	270.95	-	-	270.95
Balance as at 31 March, 2025	(786.47)	4.45	1,247.85	1,446.94	566.42	(194.81)	18,222.03	20,506.41

The accompanying notes are integral part of these standalone financial statements

1-54

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Rashim Tandon

Partner

For and on behalf of the Board of Directors of

Dr. Lal PathLabs Limited

(Hony) Brig. Dr. Arvind Lal

(DIN: 00576638)

[Executive Chairman]

Shankha Banerjee

[Chief Executive Officer]

Ved Prakash Goel

[Chief Financial Officer &

CEO- International Business]

Vinay Gujral

[Company Secretary]

Place: Gurugram

Date: 25 April, 2025

Place: Gurugram

Date: 25 April, 2025

Notes to the Standalone Financial Statements

1. GENERAL INFORMATION

- i. Dr. Lal PathLabs Limited ("the Company") is a public company domiciled in India and incorporated on 14 February, 1995 under the provisions of the Companies Act, 1956. 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, immuno-chemistry, immunology, virology, cytology, and other pathological and radiological investigations.

The equity shares of the Company are listed on The National Stock Exchange of India and Bombay Stock Exchange.

The registered address and principal place of business of the Company is Block E, Sector-18, Rohini, New Delhi- 110085.

- ii. The Board of Directors of the Company, at their meeting held on January 30, 2025, accorded in-principle approval for the voluntary liquidation of Suburban Diagnostics India Private Limited ("SDIPL"), to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of SDIPL in their meeting dated February 6, 2025 and the members of SDIPL in their Extra Ordinary General meeting held on February 6, 2025 accorded their approval for consolidation of the business of SDIPL through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of SDIPL has transferred the entire business undertaking to the Company on a going concern basis on and with effect from March 18, 2025.

Consequent to the liquidation becoming effective, the Company has Restated the previous years numbers as described in note 42.

The accompanying Restated financial statements reflect the results of the activities undertaken by the Company during the year ended March 31, 2024.

2 MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Basis of preparation and presentation

These standalone 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. For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

2.3 Revenue recognition

The Company's revenue is primarily generated from business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, haematology, histopathology, microbiology, electrophoresis, immuno-chemistry, immunology, virology, cytology, and other pathological and radiological investigations for customers through various arrangements.

Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognised at a point in time when the Company satisfies performance obligations by transferring the promised services to its customers. Generally, each test represents a separate performance obligation for which revenue is recognised when the test report is generated i.e when the performance obligation is satisfied.

Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of discounts and schemes offered to the customers by the Company.

For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling

Notes to the Standalone Financial Statements

price net of discounts. The price that is regularly charged for a test when registered separately is the best evidence of its standalone selling price.

The Company has assessed that it is primarily responsible for fulfilling the performance obligation and has no agency relationships. Accordingly, the revenue has been recognised at the gross amount and fees to collection centers/channel partners has been recognised as an expense.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as "unearned revenue"). Refer to note 27.

The Company disaggregates revenue from contracts with customers by geography.

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.

2.4.1 The Company as lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The Company has also entered into lease agreements as a lessor with respect to some of its investment properties.

When the Company is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease which is forming part of 'other income'.

2.4.2 The Company as lessee

The standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves use of an identified asset, (ii) the Company has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and building. The Company determines whether an arrangement is a lease at contract inception by establishing if the contract conveys the right to control the use of identified asset for a period of time in exchange for consideration. On commencement date, it recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short term leases and low value assets. For these short-term and low value leases, the Company recognises the lease payments on straight-line basis over the term of the lease.

The Right-of-use assets are initially recognised at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

The Right-of-use assets are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at present value of the future lease payments over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if it is not readily determinable, using the incremental borrowing rate. For leases with similar characteristics, the Company, on a lease by lease basis, adopts either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The interest cost on lease liability (computed using effective interest method), is expensed in the Statement of Profit and Loss.

Right-of-use assets and lease liability includes the options to extend / terminate the lease before the end of the lease term when it is reasonably certain that this option will be exercised.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to

Notes to the Standalone Financial Statements

each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Lease payments have been classified as financing cash flows.

Lease liabilities and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. This does not apply to right-of-use assets that meet the definition of investment property, which has been presented in the Balance Sheet as investment property.

2.5 Functional and presentation currency

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone 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 and compensated absences and incentives.

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.

Remeasurement, 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. Remeasurement 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.

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 has taken various policies with insurer managed funds to meet its obligation towards gratuity. The Company contributes all ascertained liabilities to a gratuity fund administered through a separate trust which is governed by board of trustees. The board of trustee comprises of the officers of the Company. 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 after the end of the period in which the employee renders the related service.

Notes to the Standalone Financial Statements

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 after 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.

2.7 Taxation

Tax expense comprises deferred tax and current tax expenses. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to equity, in which the case of equity, it is recognised in equity or other comprehensive income.

2.7.1 Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards ("ICDS") enacted in India by using tax rates and tax laws that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is included either in other comprehensive income or in equity depending on the recognition of underlying transaction. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.7.2 Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax

losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.8.1 Property, plant and equipment

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

Freehold land is carried at historical cost.

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use on the reporting date and materials at site.

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

Notes to the Standalone Financial Statements

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.

2.8.2 Depreciation methods, estimated useful lives and residual value

Depreciation on furniture and fixtures is calculated using the straight-line method 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.

Depreciation on all other property, plant and equipment 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.

Leasehold improvements are depreciated over the useful lives of the assets or the unexpired lease period, whichever, is lower.

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

Building	30 years
Plant and equipment	13-15 years
Computers	3 years
Furniture and fixtures	5 years
Vehicles	8-10 years

The asset's residual value, 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.

Assets purchased during the year costing INR 5,000 or less are depreciated at the rate of 100%.

Freehold land/Leasehold land in the nature of perpetual lease is not amortised.

2.8.3 Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill such as trademark, non-compete fee and customer relationship are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Significant estimates are required to be made in determining the value of these intangible assets as per Ind AS 103. These valuations are conducted by independent valuation experts. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.8.4 Derecognition of tangible assets

A tangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of a tangible asset, are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2.8.5 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16, "Property, plant and equipment" requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Depreciation methods, useful lives and residual values are in accordance with the policy of property, plant and equipment.

2.9 Intangible assets

2.9.1 Intangible assets acquired separately

Trademarks and softwares are carried at cost which is incurred and stated in the relevant license

Notes to the Standalone Financial Statements

agreement with the technical knowhow 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 softwares 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.

2.9.3 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, is measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2.10 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets including non-complete, customer relationship and brand with definite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset

for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.11 Inventories

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

2.12 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 standalone financial statements by way of notes to standalone financial statements when an inflow of economic benefits is probable.

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

2.13 Financial instruments

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

Notes to the Standalone Financial Statements

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. 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.

Trade receivables are initially measured (initial recognition amount) at their transaction price (in accordance with Ind AS 115) unless those contain a significant financing component determined in accordance with Ind AS 115 or when the entity applies the practical expedient in accordance with para 63 of Ind AS 115 and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.14 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial instruments that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts that form an integral part of the effective interest rate) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for financial instruments other than those financial assets classified as at Fair Value Through Profit and Loss. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial instruments that do not meet the amortised cost criteria or fair value through other comprehensive income (FVTOCI) are measured at fair value through profit or loss (FVTPL).

2.14.1 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.

2.14.2 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.14.3 Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash

Notes to the Standalone Financial Statements

flows that are solely payments of principal and interest on the principal amount outstanding.

2.14.4 Financial assets at fair value through profit or loss ('FVTPL')

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

2.14.5 Investments in subsidiaries

Investments representing equity interest in subsidiaries carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.14.6 Foreign exchange gain and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income

Effective 1 April, 2018, the Company has adopted Appendix B to Ind AS 21-Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

2.14.7 Impairment of financial assets

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on

the financial asset has increased significantly since initial recognition.

2.14.8 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

2.14.9 Income recognition

Interest Income: Interest income from a financial asset is recognised using the effective interest rate method. 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.

Income from units in Mutual Funds/ Dividend from subsidiary: Dividend from units in mutual funds/ dividend from subsidiary companies is recognised when the Company's right to receive payment is established by the reporting date. Income on investment made in the units of fixed maturity plans of mutual funds is recognised based on the yield earned and to the extent of reasonable certainty.

2.15 Financial liabilities and equity instruments

2.15.1 Classification of debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.15.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

2.15.3 Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective

Notes to the Standalone Financial Statements

contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

2.15.4 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

2.16 Finance costs

Finance costs comprise interest cost on borrowings, lease liabilities and net defined benefit liability, gains or losses arising on re-measurement of financial assets measured at FVTPL, gains/ (losses), net, on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

2.17 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.18 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 45.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.19 Earnings per share

Basic earnings per share is 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.

2.20 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.

2.21 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.

2.22 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

2.23 Use of estimates and judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the

Notes to the Standalone Financial Statements

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 standalone 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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements are included in the following notes:

Accounting of reagent rental equipments

The Company has entered into agreements with certain suppliers for purchase of reagent. As part of the agreement, the Company has the right to use equipment supplied by the suppliers free of charge subject to purchase of minimum committed quantities of reagents.

The cost of reagents which includes the cost of rental of the equipment is recorded as cost of material consumed.

Carrying amount of investments in subsidiaries

Determining whether the carrying amount of investments in subsidiaries is recoverable involves significant estimates as these investments are in unlisted companies with fair values not readily available. The Company reviews the investments for impairment to assess whether the carrying amount is recoverable based on a number of factors including profitability, net asset value, liquidity and working capital (Refer to note 6).

Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There is no such change in the useful life of the assets (Refer to note 3).

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss may arise (Refer to note 4).

Impairment of intangible assets

Determining whether intangible assets are impaired requires an estimation of the value in use of the cash-generating units to which intangible assets has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss may arise (Refer to note 5).

Defined benefit obligations

Key assumptions related to life expectancies, salary increases and withdrawal rates (Refer to note 43)

2A Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April, 2025.

Notes to the Standalone Financial Statements

Note 3a: Property, plant and equipment

Particulars	(in ₹ million, unless otherwise stated)	
	As at 31 March, 2025	As at 31 March, 2024
Carrying amounts of:		
Freehold land	109.57	109.57
Freehold buildings	31.08	31.08
Leasehold buildings	230.27	257.81
Plant and equipment	1,122.16	1,054.77
Computers	79.49	71.76
Furniture and fixtures	57.24	68.64
Vehicles	7.52	19.43
Leasehold improvements	262.24	261.99
Capital work-in-progress	1,899.57	1,875.05
	34.76	39.51

Particulars	Freehold land	Freehold buildings	Leasehold buildings	Plant and equipment	Computers	Furniture and fixtures	Vehicles	Leasehold improvements	Total
Balance as at 1 April, 2023	109.57	18.66	513.24	1,967.92	397.09	96.95	44.76	530.04	3,678.23
Additions	-	0.28	-	260.27	41.56	9.00	9.05	100.10	420.26
Additions on Business Combinations (refer note 42)	-	22.54	-	203.10	35.07	90.32	4.97	0.45	356.45
Disposals/ adjustments	-	-	-	(74.03)	(20.57)	(10.28)	(6.75)	(5.86)	(117.49)
Balance as at 31 March, 2024	109.57	41.48	513.24	2,357.26	453.15	185.99	52.03	624.73	4,337.45
Additions	-	-	-	327.11	56.81	8.51	-	65.52	457.95
Disposals/ adjustments	-	-	-	(34.35)	(12.57)	(4.57)	(19.81)	(4.04)	(75.34)
Balance as at 31 March, 2025	109.57	41.48	513.24	2,650.02	497.39	189.93	32.22	686.21	4,720.06
Accumulated depreciation									
Balance as at 1 April, 2023	-	7.20	226.63	1,057.85	329.86	69.02	26.98	300.11	2,017.65
Additions on Business Combinations (refer note 42)	-	1.44	-	59.74	22.36	33.79	2.66	0.45	120.44
Depreciation expense	-	1.76	28.80	249.54	49.36	21.02	8.66	68.04	427.18
Elimination on disposals of assets	-	-	-	(64.64)	(20.19)	(6.48)	(5.70)	(5.86)	(102.87)
Balance as at 31 March, 2024	-	10.40	255.43	1,302.49	381.39	117.35	32.60	362.74	2,462.40
Depreciation expense	-	-	27.54	256.94	48.43	19.85	5.64	65.27	423.67
Elimination on disposals of assets	-	-	-	(31.57)	(11.92)	(4.51)	(13.54)	(4.04)	(65.58)
Balance as at 31 March, 2025	-	10.40	282.97	1,527.86	417.92	132.69	24.70	423.97	2,820.49
Carrying amount									
Balance as at 1 April, 2023	109.57	11.46	286.61	910.07	67.23	27.93	17.78	229.93	1,660.58
Additions on Business combinations (refer note 42)	-	21.10	-	143.36	12.71	56.53	2.31	-	236.01
Additions	-	0.28	-	260.27	41.56	9.00	9.05	100.10	420.26
Disposals/ adjustments	-	-	-	(9.39)	(0.38)	(3.80)	(1.05)	-	(14.62)
Depreciation expense	-	(1.76)	(28.80)	(249.54)	(49.36)	(21.02)	(8.66)	(68.04)	(427.18)
Balance as at 31 March, 2024	109.57	31.08	257.81	1,054.77	71.76	68.64	19.43	261.99	1,875.05
Additions	-	-	-	327.11	56.81	8.51	-	65.52	457.95
Disposals/ adjustments	-	-	-	(2.78)	(0.65)	(0.06)	(6.27)	-	(9.76)
Depreciation expense	-	-	(27.54)	(256.94)	(48.43)	(19.85)	(5.64)	(65.27)	(423.67)
Balance as at 31 March, 2025	109.57	31.08	230.27	1,122.16	79.49	57.24	7.52	262.24	1,899.57

Notes:

- The Company had not revalued its property, plant and equipment during the year ended 31 March, 2025 and 31 March, 2024
- Refer note 48 in respect of title deeds of immovable properties not in the name of the Company.
- Refer to note 21 (Current borrowings) for disclosure of assets held as security.

Notes to the Standalone Financial Statements

Note 3b: Right-of-use-assets

(in ₹ million, unless otherwise stated)

	Right-of-use land	Right-of-use buildings	Total
Gross carrying value			
Balance as at 1 April, 2023	160.26	2,897.09	3,057.35
Additions	-	151.68	151.68
Additions on Business Combinations	-	311.76	311.76
Transfer to investment property	-	(339.66)	(339.66)
Disposals	-	(12.95)	(12.95)
Balance as at 31 March, 2024	160.26	3,007.92	3,168.18
Additions	-	277.25	277.25
Disposals	-	(7.30)	(7.30)
Balance as at 31 March, 2025	160.26	3,277.87	3,438.13
Accumulated depreciation			
Balance as at 1 April, 2023	6.56	1,259.66	1,266.22
Additions on Business Combinations	-	153.75	153.75
Depreciation expense	1.64	364.12	365.76
Elimination on disposals of assets	-	-	-
Balance as at 31 March, 2024	8.20	1,777.53	1,785.73
Depreciation expense	1.04	344.07	345.11
Elimination on disposals of assets	-	-	-
Balance as at 31 March, 2025	9.24	2,121.60	2,130.84
Net carrying value			
Balance as at 1 April, 2023	153.70	1,637.43	1,791.13
Additions	-	151.68	151.68
Additions on Business Combinations	-	158.01	158.01
Transfer to investment property	-	(339.66)	(339.66)
Disposals	-	(12.95)	(12.95)
Depreciation expense	(1.64)	(364.12)	(365.76)
Balance as at 31 March, 2024	152.06	1,230.39	1,382.45
Additions	-	277.25	277.25
Transfer to investment property	-	-	-
Disposals	-	(7.30)	(7.30)
Depreciation expense	(1.04)	(344.07)	(345.11)
Balance as at 31 March, 2025	151.02	1,156.27	1,307.29

Notes:

- The Company had not revalued its right-of use assets during the year ending 31 March, 2025 and 31 March, 2024
- Refer to note 48 in respect of immovable properties that have been taken on lease and the lease agreements are not duly executed in favour of the Company.

Note 3c: Capital-Work-in Progress (CWIP)

(a) CWIP ageing schedule

(in ₹ million, unless otherwise stated)

	As at 31 March, 2025	As at 31 March, 2024
Projects in progress		
- Less than 1 year	34.76	39.51
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(A)	34.76	39.51
Projects temporarily suspended		
- Less than 1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(B)	-	-
Total (A+B)	34.76	39.51

- (b) There is no capital-work-progress, whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to the Standalone Financial Statements

Note 3d: Investment property

(in ₹ million, unless otherwise stated)

	Total
Cost	
Balance as at 1 April, 2023	-
Additions	-
Disposals	-
Transferred from Right-of-use asset	339.66
Balance as at 31 March, 2024	339.66
Additions	-
Disposals	-
Transferred from Right-of-use asset	-
Balance as at 31 March, 2025	339.66
Accumulated depreciation	
Balance as at 1 April, 2023	-
Elimination on disposals of assets	-
Depreciation expense	2.61
Balance as at 31 March, 2024	2.61
Elimination on disposals of assets	-
Depreciation expense	3.47
Balance as at 31 March, 2025	6.08
Net carrying value	
Balance as at 1 April, 2023	-
Additions	-
Transferred from Right-of-use asset	339.66
Disposals	-
Depreciation expense	(2.61)
Balance as at 31 March, 2024	337.05
Additions	-
Transferred from Right-of-use asset	-
Disposals	-
Depreciation expense	(3.47)
Balance as at 31 March, 2025	333.58

Notes:

- All of the investment properties are held under leasehold interests.
- There is no impairment in respect of investment property.

Disclosure of information on fair value of the Company's investment properties

- i) During the year ended 31 March 2024, the Company had classified Right-of-use of buildings relating to 7th and 8th Floor of SAS Tower, Gurugram into Investment property as per Ind AS 40. The fair value of the same as at 31 March, 2025 has been arrived at INR 434.30 million (31 March 2024: 428.77 million) on the basis of valuation carried by A2Z Valuers, independent valuer not connected with the Company, using the market value by income approach. Independent valuer is a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The Company has no restrictions on the realisation and remittance of income from investment properties and no contractual obligation to purchase, construct or develop investment properties.

- ii) The property rental income earned by the Company from its investment properties, all of which is leased out under operating leases, amounted to INR 34.72 million (31 March 2024: INR 20.12 Million). Direct operating expenses arising on the investment properties, all of which generated rental income in the year, amounted to INR Nil. (31 March 2024: Nil)

Notes to the Standalone Financial Statements

Note 4: Goodwill

Goodwill represents purchase consideration in excess of net fair value identifiable assests and liabilities including any contingent consideration payable.

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Cost or deemed cost		
Balance at the beginning of year	4,710.80	10.80
Additions on account of business combinations (Refer note 42)		4,700.00
Balance at the end of year	4,710.80	4,710.80

Impairment of goodwill

For the purpose of impairment testing, goodwill has been allocated to the cash generating unit – 'Labs CGU'. The recoverable amount of cash-generating units is determined based on a value in use calculation which uses cash flow projections based on financial forecasts covering a 5-7 years period, and a discount rate of 12.50 % per annum (as at 31 March, 2024: 12.50% per annum).

Cash flow projections during the forecast period are based on the same expected gross margins and inflation throughout the forecast period. The cash flows beyond that five-year period have been extrapolated using a steady growth rate of 5 % per annum (as at March 31, 2024: 5% per annum;), which is the projected long-term average growth rate for Labs CGU. The directors believe that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. Based on impairment testing as above, the management believes that the recoverable amounts of goodwill are higher than their respective carrying amounts and hence no amounts are required to be recorded for impairment in the carrying amounts of goodwill.

Note 5: Other intangible assets

(in ₹ million, unless otherwise stated)

Carrying amounts of	As at 31 March, 2025	As at 31 March, 2024
Computer software	200.19	183.47
Customer relationship	1434.44	1522.48
Brands	612.32	1010.39
Non-compete agreements	13.99	21.50
Trademarks	0.29	0.87
	2260.02	2738.70
Intangible asstes under development	-	16.97

Notes to the Standalone Financial Statements

Note 5: Other intangible assets (Contd..)

Intangible assets under development

(in ₹ million, unless otherwise stated)

	Computer software	Customer relationships	Brands	Non-compete agreements	Trademarks	Total
Cost or deemed cost						
Balance as at 1 April, 2023	595.95	-	-	-	14.06	610.01
Additions	64.62	-	-	-	-	64.62
Additions on Business combinations	50.91	1,732.00	1,957.70	40.97	-	3,781.58
Disposals	(4.81)	-	-	-	-	(4.81)
Balance as at 31 March, 2024	706.67	1,732.00	1,957.70	40.97	14.06	4,451.40
Additions	109.66	-	-	-	-	109.66
Disposals	(27.23)	-	-	-	-	(27.23)
Balance as at 31 March, 2025	789.10	1,732.00	1,957.70	40.97	14.06	4,533.83
Accumulated amortisation						
Balance as at 1 April, 2023	445.15	-	-	-	12.61	457.76
Additions on Business combinations	15.21	121.48	549.24	11.51	-	697.45
Amortisation expense	67.65	88.04	398.07	7.96	0.58	562.30
Elimination on disposals of assets	(4.81)	-	-	-	-	(4.81)
Balance as at 31 March, 2024	523.20	209.52	947.31	19.47	13.19	1,712.70
Amortisation expense	74.45	88.04	398.07	8.11	0.58	569.25
Elimination on disposals of assets	(8.74)	-	-	-	-	(8.74)
Balance as at 31 March, 2025	588.91	297.56	1,345.38	27.58	13.77	2,273.21
Carrying amount						
Balance as at 1 April, 2023	150.80	-	-	-	1.45	152.25
Additions	64.62	-	-	-	-	64.62
Additions on Business combinations	35.70	1,610.52	1,408.46	29.46	-	3,084.13
Amortisation expense	(67.65)	(88.04)	(398.07)	(7.96)	(0.58)	(562.30)
Balance as at 31 March, 2024	183.47	1,522.48	1,010.39	21.50	0.87	2,738.70
Additions	109.66	-	-	-	-	109.66
Disposals	(18.49)	-	-	-	-	(18.49)
Amortisation expense	(74.45)	(88.04)	(398.07)	(8.11)	(0.58)	(569.25)
Balance as at 31 March, 2025	200.19	1,434.44	612.32	13.39	0.29	2,260.62

Note : The company has not revalued its intangible assets the year ending 31 March, 2025 and 31 March, 2024

Intangible assets under development:

(a) Intangible assets under development ageing schedule

(in ₹ million, unless otherwise stated)

Inatangible assets under development	As at 31 March, 2025	As at 31 March, 2024
Projects in progress		
- Less than 1 year	-	16.97
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(A)	-	16.97
Projects temporarily suspended		
- Less than 1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(B)	-	-
Total (A+B)	-	16.97

Notes to the Standalone Financial Statements

Note 6: Investments

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
In Shares (unquoted)		
In subsidiary companies (Value at cost)		
16,000 (31 March, 2024: 12,800) equity shares of INR 10 each fully paid up in Paliwal Diagnostics Private Limited. (Refer to note 39)	181.66	129.48
Nil (31 March, 2024: 8,000) equity shares of INR 10 each fully paid up in Medicare Private Limited. (Refer to note 39)	-	52.18
400,000 (31 March, 2024: 400,000) equity shares of NPR 100 each fully paid up in Dr Lal PathLabs Nepal Private Limited.	25.05	25.05
276,811 (31 March, 2024: 276,811) equity shares of BDT 100 each fully paid up in Dr. Lal PathLabs Bangladesh Private Limited.	42.67	42.67
2,000,000 (31 March, 2024: 1,000,000) equity shares of INR 10 each fully paid up in Dr. Lal Ventures Private Limited.	20.00	10.00
71,307,692 (31 March, 2024: 71,307,692) equity shares of INR 10 each fully paid up in PathLabs Unifiers Private Limited	870.00	870.00
Nil (31 March, 2024: 69,953) equity shares of KES 1000 each fully paid up in Dr. Lal PathLabs Kenya Private Limited (Refer to note 40)	-	48.31
Less: Provision for impairment	-	(48.31)
	1,139.38	1,129.38
Aggregate carrying value of unquoted investments	1,139.38	1,129.38
Aggregate amount of impairment in value of investments	-	48.31

Note 7: Loans (unsecured, considered good, unless stated otherwise)

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Loans to employees	0.04	0.32
	0.04	0.32

Note 8: Other financial assets (Unsecured considered good, unless stated otherwise)

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Security deposits	126.19	116.01
Surrender value of keyman insurance policy	36.79	33.82
Non-current bank balances*	634.22	137.71
Interest accrued on loans, fixed deposits	0.02	0.14
	797.22	287.68

* Refer note 21 for disclosure of assets held as security.

Note 9: Non-current tax assets/Current tax liabilities (net)

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Tax assets		
Taxes paid (net)	69.02	149.40
Tax liabilities		
Income tax payable (net)	(138.47)	(131.61)
	(69.45)	17.79

Notes to the Standalone Financial Statements

Note 10: Deferred tax assets (net)

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Deferred tax assets	879.15	453.84
Deferred tax liabilities	(33.83)	(13.97)
	845.32	439.87

Movement of deferred tax assets/liabilities (net) for year ended 31 March 2025

(in ₹ million, unless otherwise stated)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets on:				
Property, plant and equipment and other intangible assets (refer note 42(b))	208.76	421.37	-	630.13
Compensated absences	27.61	5.20	-	32.81
Gratuity	60.40	(20.80)	12.20	51.80
Provision for impairment of trade receivables	74.31	(6.30)	-	68.01
Disallowed expenditure	80.64	15.76	-	96.40
Deferred tax liabilities on:				
Surrender value of keyman insurance policy	(8.50)	(0.76)	-	(9.26)
Fair valuation gains on mutual funds	(3.35)	(21.22)	-	(24.57)
	439.87	393.24	12.20	845.32

Movement of deferred tax assets/liabilities (net) for the year ended 31 March 2024

(in ₹ million, unless otherwise stated)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets on:				
Property, plant and equipment and other intangible assets	188.15	20.61	-	208.76
Compensated absences	24.04	3.57	-	27.61
Gratuity	43.55	15.93	0.92	60.40
Provision for impairment of trade receivables	81.29	(6.98)	-	74.31
Disallowed expenditure	67.99	12.65	-	80.64
Deferred tax liabilities on:				
Surrender value of keyman insurance policy	(10.48)	1.98	-	(8.50)
Fair valuation gains on mutual funds	(9.79)	6.44	-	(3.35)
	384.75	54.20	0.92	439.87

Note 11: Other non-current assets (unsecured considered good, unless otherwise stated)

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Capital advances	33.67	13.26
Advances to related parties (Refer to note 47)	0.24	0.24
Others	5.18	7.03
	39.09	20.53

Notes to the Standalone Financial Statements

Note 12: Inventories

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Reagents, chemicals, surgicals and laboratory supplies (Net of provision 31 March 2025: 72.17 Million (31 March 2024: 77.47 Million))	322.18	325.85
Stores and others	0.47	2.67
	322.65	328.52

The Company's business does not involve any conversion process for materials. Reagents and chemicals are used to conduct various pathology and radiology tests and are consumed in the process. The mode of valuation of inventories has been stated in note 2.11.

Note 13: Investments

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Investment in mutual funds (quoted) carried at fair value through profit or loss		
UTI Liquid Cash Plan Direct Growth 14,194.41 (31 March, 2024: Nil) units	60.34	-
Axis Liquid Fund Direct Growth Nil (31 March, 2024: 14,924) units	-	40.05
Axis Money Market Fund Direct Plan Growth 1,63,165.24 (31 March, 2024: 74,318.90) units	231.04	215.12
ICICI Prudential Money Market Direct Growth 1,330,083.95 (31 March, 2024: Nil) units	501.00	-
Invesco India Liquid fund Direct Growth 16,970.24 (31 March, 2024: Nil) units	60.41	-
Mahindra Manulife Liquid fund Direct Growth 72,506.49 (31 March, 2024: 73,784.78) units	122.47	116.01
Kotak Money Market Fund Direct Growth 36,758.52 (31 March, 2024: 29,609.38) units	163.41	122.06
SBI Savings Fund Direct Plan Growth Nil (31 March, 2024: 15,53,925.38) units	-	62.84
JM Liquid Fund Direct Growth 1,850,748.24 (31 March, 2024: 758,343.33) units	131.08	50.06
Nippon India Money Market Fund Direct Growth 77,669.89 (31 March, 2024: 18,760.45) units	320.15	71.69
HDFC Money Market Fund Direct Plan Growth Option 84,287.57 (31 March, 2024: Nil) units	481.86	-
Mirae Asset Money Market Fund Direct Plan Growth Option 59,276.07 (31 March, 2024: 61,307.62) units	162.39	71.15
SBI Liquid Fund Direct Plan Growth Nil (31 March, 2024: 24,003.49) units	-	90.72
Nippon India Money Market Fund Regular Growth 13,798.76 (31 March, 2024: 13,798.76) units	56.17	52.15
UTI Money Market Direct Growth 172,674.37 (31 March, 2024: 23,387.26) units	528.49	110.94
Sundaram Liquid fund Direct Growth 53,393.23 (31 March, 2024: Nil) units	122.36	-
SBI Liquid fund Direct Growth 17,408.06 (31 March, 2024: Nil) units	70.61	-
Axis Money market fund Direct growth 3,691.07 (31 March, 2024: Nil) units	5.24	-
	3,017.02	1,002.79

Note 14: Trade receivables

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade receivables		
Secured, considered good	202.35	191.54
Unsecured, considered good	851.60	683.12
Credit impaired	270.21	295.24
	1,324.16	1,169.90
Less: Allowance for doubtful debts (expected credit loss allowance)	(270.21)	(295.24)
	1,053.95	874.66

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. There are two customers with balance of ₹ 232.75 Million who represent more than 5% of the total balance of trade receivables.

Notes to the Standalone Financial Statements

Note 14: Trade receivables (Contd..)

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

(in ₹ million, unless otherwise stated)

Age of receivables	As at 31 March, 2025	As at 31 March, 2024
0-90 days	899.33	719.07
90-180 days	166.79	174.75
180-360 days	199.84	57.83
More than 360 days	58.20	218.25
	1324.16	1,169.90

(in ₹ million, unless otherwise stated)

Movement in the expected credit loss allowance	Year ended 31 March, 2025	Year ended 31 March, 2024
Balance at beginning of the year	295.24	322.97
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(25.03)	(27.73)
Balance at end of the year	270.21	295.24

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Ageing	Expected Credit loss(%)	
	As at 31 March, 2025	As at 31 March, 2024
0-90 days	3-6%	0-8%
90-180 days	17-29%	16-35%
180-360 days	34-56%	34-90%
More than 360 days	61-100%	61-100%

Trade receivables ageing schedule

(in ₹ million, unless otherwise stated)

Outstanding for following period from the date of transaction	As at 31 March, 2025	As at 31 March, 2024
(i) Undisputed trade receivables, considered good		
- Less than 6 months	1,044.42	871.01
- 6 months - 1 year	9.53	3.36
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
	1,053.95	874.37
(ii) Undisputed trade receivables, credit impaired		
- Less than 6 months	21.70	17.48
- 6 months - 1 year	190.29	64.94
- 1-2 years	41.49	82.91
- 2-3 years	-	33.41
- More than 3 years	-	53.80
	253.48	252.54
	(A) 1,307.43	1,126.91
(iii) Disputed trade receivables, credit impaired		
- Less than 6 months	-	0.29
- 6 months - 1 year	0.02	3.51
- 1-2 years	4.65	7.35
- 2-3 years	7.38	19.34
- More than 3 years	4.68	12.50
	16.73	42.99
	(B) 16.73	42.99
Total (A+B)	1324.16	1,169.90

Notes to the Standalone Financial Statements

Note 15a: Cash and cash equivalents

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balances with banks		
- in current accounts	124.92	142.36
- in cash credit accounts*	-	20.54
Deposit with maturity of less than 3 months **	2,517.45	3,264.55
Cash on hand	23.59	15.97
	2,665.96	3,443.42

*secured by first charge on the current assets of the Company, both present and future.

** Refer note 21 for disclosure of assets held as security.

Note 15b: Bank balances other than (15a) above

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balance in unclaimed dividend accounts	1.31	1.12
Deposit with banks held as margin money deposits against guarantees	11.72	13.78
Deposit with maturity of 3-12 months **	4,996.37	4,058.42
	5,009.40	4,073.32

** Refer note 21 for disclosure of assets held as security.

Note 16: Loans (unsecured considered good, unless stated otherwise)

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Loans to employees	10.16	11.61
	10.16	11.61

Note 17: Other financial assets (unsecured considered good, unless otherwise stated)

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Deposit with others	149.97	147.11
Interest accrued on deposits	329.99	296.53
	479.96	443.64

Note 18: Other current assets (unsecured considered good, unless otherwise stated)

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balances with government authorities	4.63	4.18
Advances to suppliers	34.80	12.17
Other advances	12.64	7.09
Prepaid expenses*	161.64	161.66
Prepaid rent	-	0.86
	213.71	185.96

*Includes 31 March, 2025: Nil (31 March, 2024: INR 1.41 million) for excess CSR spent available for set off (Refer to note 38)

Notes to the Standalone Financial Statements

Note 19: Equity share capital

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Equity share capital		
Authorised		
107,960,000 equity shares of INR 10 each (as at 31 March, 2024: 107,960,000 equity shares of INR 10 each)	1,079.60	1,079.60
	1,079.60	1,079.60
Issued, subscribed and fully paid-up		
83,591,735 equity shares of INR 10 each (as at 31 March, 2024: 83,477,852 equity shares of INR 10 each)	835.92	834.78
	835.92	834.78

(i) The reconciliation of the number of shares outstanding at the beginning and at the end of reporting year:

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity share capital				
At the beginning of the year	8,34,77,852	834.78	8,33,67,877	833.68
Issued during the year	1,13,883	1.14	1,09,975	1.10
Outstanding at the end of the year	8,35,91,735	835.92	8,34,77,852	834.78

(ii) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	Amount	Number of shares	Amount
(i) Dr Arvind Lal	2,57,45,443	30.80%	2,61,15,443	31.28%
(ii) Dr Vandana Lal	1,60,82,327	19.24%	1,60,82,327	19.27%

(iii) Details of shares held by promoters*:

Particulars	As at 31 March, 2025		As at 31 March, 2024		% Change during the year
	Number of shares	Amount	Number of shares	Amount	
(i) Dr Arvind Lal	2,57,45,443	30.80%	2,61,15,443	31.28%	(0.48%)
(ii) Dr Vandana Lal	1,60,82,327	19.24%	1,60,82,327	19.27%	(0.03%)
(iii) Archana Lal Erdmann	15,43,751	1.85%	16,93,751	2.03%	(0.18%)
(iv) Anjaneya Lal	16,89,614	2.02%	16,89,614	2.02%	(0.00%)

* Promoter here means promoter as defined in the Companies Act, 2013

(iv) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share, (Previous year INR 10 per share). Each holder of equity shares is entitled to one vote per equity share. The Company declares and pays dividends in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(v) Proposed dividends on equity shares**

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Proposed dividend on equity shares for the year ended on 31 March 2025: INR 6 per equity share (31 March 2024: INR 6 per share)	501.55	500.87
	501.55	500.87

**Such dividend proposed is in accordance with section 123 of the Companies Act 2013, as applicable.

(vi) There are no bonus shares issued by the Company and no shares have been issued for consideration other than cash and no shares have been bought back during the period of five years immediately preceding the reporting date including the current year.

Notes to the Standalone Financial Statements

Note 19: Equity share capital (Contd..)

(vii) Share options granted under the Company's employee share options plans

- (a) The shareholders of the Company approved 'Dr. Lal PathLabs Private Limited Employee Stock Option Plan 2010' ("ESOP 2010") at the Annual General Meeting held on 20 August, 2010 to grant a maximum of 38,08,960 options (after considering bonus shares issued during the earlier year and subdivision of shares of INR 100 each into 10 shares of INR 10 each) to specified categories of employees of the Company. Each option granted and vested under the ESOP 2010 shall entitle the holder to acquire 1 equity share of INR 10 each. As per resolution passed on 21 August, 2015, the Company approved to cease further grants under the ESOP 2010. (Refer to note 45 for details of options granted, vested and issued under the ESOP 2010)
- (b) The shareholders of the Company approved 'Dr. Lal PathLabs Employees Restricted Stock Unit Plan 2016' ('RSU 2016') at the Annual General Meeting held on 28 July, 2016 to grant a maximum of 12,44,155 Restricted Stock Units ("RSUs") to key employees and directors of the Company and its subsidiaries. Each RSU granted and vested shall entitle the holder to acquire 1 equity share of INR 10 each. (Refer to note 45 for details of RSUs granted, vested and issued under RSU 2016)
- (c) The shareholders of the Company approved 'Dr Lal PathLabs Employee Stock Option Plan 2022' ('ESOP 2022') at the Annual General Meeting held on 30 June, 2022 to grant a maximum of 12,50,278 options to employees of the Company and its subsidiaries. Each option granted and vested under the ESOP 2022 shall entitle the holder to acquire 1 equity share of INR 10 each. (Refer to note 45 for details of options granted, vested and issued under ESOP 2022)

Note 20: Other equity

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
General reserve (refer note (i) below)	1,446.94	1,250.46
Securities premium (refer note (ii) below)	1,247.85	1,048.91
Share option outstanding account (refer note (iii) below)	566.42	511.52
Retained earnings (refer note (iv) below)	18,222.03	15,287.46
Capital redemption reserve account (refer note (v) below)	4.45	4.45
Treasury shares (refer note (vi) below)	(194.81)	(143.90)
Capital reserve (refer note (vii) below)	(786.47)	(786.47)
	20,506.41	17,172.43

(i) General reserve

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Balance at the beginning of the year	1,250.46	1,017.14
Addition on share options exercised*	196.48	233.32
Balance at the end of the year	1,446.94	1,250.46

*Represents difference between the employee share based compensation cost booked and the average cost of equity shares issued under the share options scheme to the eligible employees of the Company and its subsidiaries.

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.

(ii) Securities premium

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Balance at the beginning of the year	1,048.91	934.88
Additions during the year	198.94	114.03
Balance at the end of the year	1,247.85	1,048.91

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Notes to the Standalone Financial Statements

Note 20: Other equity (Contd..)

(iii) Share option outstanding account

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Balance at the beginning of the year	511.52	582.66
Compensation options granted during the year	270.95	217.06
Options exercised/adjusted	(216.05)	(288.20)
Balance at the end of the year	566.42	511.52

The above relates to share options granted by the Company under its employee share option plans. Upon exercise of the share options by the employees of the Company and its subsidiaries, the proportionate cost of shares exercised is transferred to General Reserves after adjusting the cost of related treasury shares. Further information about share based payments to employees is set out in Note 45.

(iv) Retained earnings

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Balance at the beginning of the year	15,287.46	13,817.58
Profit for the year	4,972.63	3,467.30
Remeasurement of defined benefit obligation, net of income tax	(36.29)	(2.64)
Less: Appropriations		
Transaction with NCI	(2.71)	-
Final dividend on equity shares INR 6 per share for the year ended 31 March 2024 (Previous Year INR 6.00 per share for the year ended 31 March 2023)	(499.37)	(498.31)
Interim dividend on equity shares INR 18 per share (Previous year INR 18.00 per share)	(1,499.69)	(1,496.47)
Balance at the end of the year	18,222.03	15,287.46

The final dividend of INR 6 per equity share proposed in the previous year ended 31 March, 2024 which was approved by the members at the Annual General Meeting held on 29 June, 2024 and paid by the Company during the year in accordance with section 123 of the Act, as applicable.

The interim dividend of INR 18 per equity share declared and paid by the Company during the year and until the date of approval of the Standalone Financial Statements is in compliance with section 123 of the Act.

The Board of Directors of the Company has proposed final dividend of INR 6 per equity share (previous year ended 31 March, 2024 INR 6 per equity share) for the year ended 31 March, 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

(v) Capital redemption reserve account

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Balance at the beginning of the year	4.45	4.45
Additions during the year	-	-
Balance at the end of the year	4.45	4.45

The Company in the previous years had bought back its equity shares and as per requirement of erstwhile section 77 of Companies Act, 1956, nominal value of the shares so purchased was transferred to the capital redemption reserve account.

Notes to the Standalone Financial Statements

Note 20: Other equity (Contd..)

(vi) Treasury shares

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Balance at the beginning of the year	(143.90)	(118.53)
Change during the year	(50.91)	(25.37)
Balance at the end of the year	(194.81)	(143.90)

During the year ended 31 March, 2012, the Company had constituted Dr. Lal PathLabs Employee Welfare Trust ("EWT Trust") to acquire, hold and allocate/transfer equity shares of the Company to eligible employees from time to time on the terms and conditions specified under respective plans. The financial statements of the EWT Trust have been included in the financial statements of the Company, in accordance with the requirements of Ind AS.

Equity shares of the Company purchased from employees and primary market from time to time in the earlier years and held by EWT as at 31 March, 2025 aggregated to 224,462 equity shares (31 March, 2024: 264,725 equity shares) of face value INR 10 each.

(vii) Capital reserve

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Balance at the beginning of the year	(786.47)	(786.47)
Additions during the year	-	-
Balance at the end of the year	(786.47)	(786.47)

INR 786.47 million forming part of capital reserve comprises:

- On approval of the Scheme of Amalgamation between the Company (Transferee Company) and its erstwhile wholly owned subsidiary, namely Delta Ria and Pathology Private Limited (Transferor Company) by the Hon'ble New Delhi Bench and Hon'ble Ahmedabad Bench of the National Company Law Tribunal on 23 October 2018 and 11 December 2018 respectively, the difference between the carrying value of investments in the books of account of the Transferee Company and the amount of the net assets of the Transferor Company had been adjusted in Capital reserve amounting to INR 33.00 million as stipulated in the scheme.
- On approval of the Scheme of Amalgamation between the Company (Transferee Company) and its erstwhile wholly owned subsidiary, namely APL Institute of Clinical Laboratory & Research Private Limited (Transferor Company) by the Hon'ble New Delhi Bench and Hon'ble Ahmedabad Bench of the National Company Law Tribunal on 13 May 2022 and 17 March 2023 respectively, the difference between the carrying value of investments in the books of account of the Transferee Company and the share capital of the Transferor Company had been adjusted in Capital reserve amounting to INR 72.25 million as stipulated in the scheme.
- The Board of Directors of the Company, at their meeting held on January 30, 2025, accorded in-principle approval for the voluntary liquidation of "SDIPL", to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of SDIPL in their meeting dated February 6, 2025 and the members of SDIPL in their Extra Ordinary General meeting held on February 6, 2025 have accorded their approval for consolidation of the business of SDIPL through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of SDIPL has transferred the entire business undertaking to the Company on a going concern basis on and with effect from March 18, 2025 which resulted in capital reserve amounting to INR 681.22 million. (Refer note 42)

Notes to the Standalone Financial Statements

Financial liabilities - current

Note 21: Borrowings

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Current maturities of long term borrowings	-	833.34
	-	833.34

Particulars of term loans:

i) Security

Term loan from HDFC Bank Limited is secured by way of exclusive charge on the movable assets of plant and machinery and current assets of the Company both present and future

ii) Terms of repayment and interest rate

Term loan from HDFC Bank Limited (including current maturities) was repayable in 36 quarterly installments of INR 208.33 Million starting from May 2022 and ending on March 2025, with put call option (applicable after 6 months) and carries interest which is linked to 3 month T-Bill.

iii) The Company has used the borrowings from banks for the specific purpose for which it was taken.

Note 22: Trade payables

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Total outstanding dues of micro enterprises and small enterprises (MSME)	130.70	62.87
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,799.84	1,739.68
	1,930.54	1,802.55

Trade payables are non-interest bearing and are normally settled within a period of 30-45 days.

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is INR 130.70 million (INR 62.87 million on 31 March, 2024) and no interest has been paid or is payable during the year under the terms of the MSMED Act, 2006.

Trade payables ageing schedule

(in ₹ million, unless otherwise stated)

Outstanding for following period from the date of transaction	As at	As at
	31 March, 2025	31 March, 2024
(i) Outstanding dues of micro enterprises and small enterprises		
- Less than 1 year	130.70	62.87
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
	(A) 130.70	62.87
(ii) Outstanding dues of other than micro enterprises and small enterprises		
- Less than 1 year	958.67	871.36
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
	(B) 958.67	871.36
(iii) Unbilled dues	(C) 841.17	868.32
	Total (A+B+C) 1,930.54	1,802.55

Notes to the Standalone Financial Statements

Note 22: Trade payables (Contd..)

Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
a. Amounts payable to suppliers under MSMED (suppliers) as on last day		
Principal	130.70	62.87
Interest due thereon	-	-
b. Payments made to suppliers beyond the appointed day during the year		
Principal	-	-
Interest due thereon	-	-
c. Amount of interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSMED	-	-
d. Amount of interest accrued and remaining unpaid as on last day	-	-
e. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note 23: Other financial liabilities - current

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Payable towards capital goods	64.21	23.74
Security deposits received	481.65	442.47
Other payables	0.69	1.70
	546.55	467.91

Note 24: Provisions

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Provision for employee benefits		
- Provision for compensated absences	130.36	109.69
- Provision for gratuity (Refer to note 43)	205.80	239.96
	336.16	349.65

Note 25: Other current liabilities

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Advances from customers	88.02	107.18
Statutory dues	203.43	114.70
Unearned revenue	101.27	97.63
Deferred revenue	14.01	11.41
	406.73	330.92

Notes to the Standalone Financial Statements

Note 26: Revenue from operations

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Sale of services	23,514.42	21,249.24
Other operating revenues	1.73	1.39
	23,516.15	21,250.63

Revenue disaggregation as per geography has been included in segment information (Refer to note 37).

(i) The Company generates its entire revenue from contracts with customers for the services at a point in time. The Company is engaged mainly in the business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, hematology, histopathology, microbiology, electrophoresis, immuno-chemistry, immunology, virology, cytology, other pathological and radiological investigations.

(ii) Transaction price allocated to the remaining performance obligations

The Company has applied practical expedient in Ind AS 115 "Revenue from contracts with customers" and has accordingly not disclosed information about remaining performance obligations which are part of the contracts that have original expected duration of one year or less and where the Company has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date.

iii) Disclosure of contract balances

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Trade receivables (Refer to note 14)	1,053.95	777.92
Advances from customers (Refer to note 25)	88.02	102.63
Unearned revenue (Refer to note 25)	101.27	96.56
Deferred revenue (Refer to note 25)	14.01	11.41

iv) Movement in contract liabilities during the year:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Balance at beginning of the year	96.56	84.54
Add: Addition during the year	101.27	96.56
Less: Deletion during the year	(96.56)	(84.54)
Balance at end of the year	101.27	96.56

Note 27: Other income

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
a) Interest income from		
- Bank deposits (at amortised cost)	582.78	499.09
- Income-tax refund	28.54	2.40
- Others	2.44	2.07
b) Dividend income from		
- a subsidiary company (Refer to Note 47)	240.00	32.00
c) Others		
- Rental income from investment property	34.72	20.12
- Net Gain on sale or fair valuation of investments (at FVTPL)	195.77	99.00
- Surrender value of keyman insurance policy (at FVTPL)	3.35	9.29
- Profit on disposal of property, plant and equipment (net)	-	(2.18)
- Provision for impairment of Investment written back (Refer to Note 40)	5.30	-
- Miscellaneous balances written back	22.32	1.24
	1,115.22	663.03

Notes to the Standalone Financial Statements

Note 28: Cost of materials consumed

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Inventories at the beginning of the year	325.85	296.43
Add : Purchases during the year	4,548.73	4,308.14
Less : Inventories at the end of the year	(322.18)	(325.85)
	4,552.40	4,278.72

Note 29: Employee benefits expense

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Salaries, wages and bonus	3,946.77	3,528.45
Employee share based compensation (Refer note 45)	270.95	217.06
Contribution to provident and other funds	124.10	125.73
Gratuity expense (Refer to note 43)	120.39	67.80
Staff welfare expenses	113.16	86.66
	4,575.37	4,025.70

Note 30: Finance costs

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Interest on lease liability	184.55	192.59
Interest on:		
- Term loan taken from bank	29.81	89.73
- overdraft facilities taken from bank	0.62	3.23
Interest others	0.01	0.43
	214.99	285.98

Note 30a : Reconciliation of liabilities arising from financing activities

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	Cash flows	Non cash changes		As at 31 March, 2024
			New leases	Other *	
Borrowings					
Non-current borrowings	-	-	-	-	-
Current borrowings	-	(833.34)	-	-	833.34
Lease liabilities					
Non-current lease liabilities	982.81	(449.03)	277.25	174.90	979.69
Current lease liabilities	525.91	(62.84)	-	-	588.75
Total liabilities from financing activities	1,508.72	(1,345.21)	277.25	174.90	2,401.78

* The effect of finance cost incurred and derecognition of lease liabilities.

Note 30b : Reconciliation of liabilities arising from financing activities

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2024	Cash flows	Non cash changes		As at 31 March, 2023
			New leases	Other *	
Borrowings					
Non-current borrowings	-	(833.34)	-	-	833.34
Current borrowings	833.34	(700.03)	-	-	1,533.37
Lease liabilities					
Non-current lease liabilities	979.69	(562.13)	151.68	175.68	1,214.46
Current lease liabilities	588.75	83.91	-	-	504.84
Total liabilities from financing activities	2,401.78	(2,011.59)	151.68	175.68	4,086.01

* The effect of finance cost incurred and derecognition of lease liabilities.

Notes to the Standalone Financial Statements

Note 31: Depreciation and amortisation expense

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Depreciation of property, plant and equipment	423.67	427.18
Depreciation of investment property	3.47	2.61
Depreciation of right-of-use assets	345.11	365.77
Amortisation of other intangible assets	569.25	562.30
	1,341.50	1,357.86

Note 32: Other expenses

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Electricity and water charges	254.77	244.73
Rent	266.90	234.18
Rates and taxes	14.82	13.74
Insurance	87.82	87.78
Repairs and maintenance		
- Building	26.52	46.18
- Plant and equipment	156.34	119.87
- Others	535.84	535.28
Advertisement and sales promotion	761.57	717.77
Travelling and conveyance	329.38	258.64
Postage and courier	665.33	530.32
Communication costs	49.27	77.42
Printing and stationery	135.79	135.82
Retainership fees to technical consultants	318.39	222.44
Legal and professional charges	77.17	160.12
Laboratory test charges	205.81	140.24
Payment to auditors (Refer note (a) below)	20.10	17.87
Donation other than to political parties	0.46	0.19
Corporate social responsibility expense (Refer note 38)	94.53	95.91
Loss on disposal / discard of property, plant and equipment and other intangible assets (net)	21.51	-
Provision for impairment of trade receivables and advances	31.14	(0.03)
Bad debts / advances written off (net)	3.92	5.79
Miscellaneous expenses	325.91	417.01
	4,383.29	4,061.27

Note:

(i) Payments to auditors (including taxes)

As auditors:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Audit fees	10.29	13.09
Limited review	5.76	1.95
Tax audit fees	1.89	1.16
Other services	0.35	0.59
Reimbursement of expenses	1.81	1.08
	20.10	17.87

Notes to the Standalone Financial Statements

Note 33: 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.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India ("Ind AS") adjusted in accordance with the provisions of the Income tax Act, 1961. Such adjustments generally relate to depreciation of property, plant and equipment, disallowances of certain provisions and accruals, and similar exemptions, and retirement benefit accruals. Statutory income tax is charged at 22% (2023-24: 22%) plus a surcharge and education cess. The combined Indian statutory tax rate for the fiscal year 2023-24 and for the fiscal year 2024-25 was 25.168%.

Income tax returns submitted by companies are regularly subjected to a comprehensive review and challenge by the tax authorities.

Note 33.1: Income tax recognised in Statement of Profit and Loss

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Current tax		
In respect of the current year	1,643.36	1,412.20
In respect of the prior years	(9.96)	-
	1,633.40	1,412.20
Deferred tax		
In respect of the current year	(393.24)	(54.20)
In respect of the prior years	-	-
	(393.24)	(54.20)
Total income tax expenses recognised in the current year	1,240.16	1,358.00

The income tax expense for the year can be reconciled to the accounting profit as follows:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Profit before tax	6,212.79	4,825.30
Statutory tax rate	25.168%	25.168%
Income tax expenses calculated at 25.168%	1,563.63	1,214.43
Effect of expenses that are not deductible in determining taxable profit	23.91	147.35
Tax difference on account of deduction under chapter VI-A	(60.40)	(8.05)
Deferred tax due to other Intangible acquired on liquidation (Refer note 42)	(284.36)	-
Adjustments recognised in the current year in relation to taxes of previous years	(9.96)	-
Deferred tax on defined benefit obligation recognised in OCI	(12.20)	(0.91)
Income taxable at different rate	4.49	5.78
Others	15.05	(0.60)
Income tax expenses recognised in profit or loss	1,240.16	1,358.00

Note 33.2: Income tax recognised in other comprehensive income

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Deferred tax		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	12.20	0.91
	12.20	0.91

Notes to the Standalone Financial Statements

Note 34: Earnings per equity share

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Profit for the year	4,972.63	3,467.30
Number of equity shares	8,35,91,735	8,34,77,852
Weighted average number of equity shares outstanding during the year	8,35,44,636	8,34,49,289
Weighted average shares held with the "Dr. Lal PathLabs Employee Welfare Trust"	2,51,649	3,42,849
Dilutive impact of share options outstanding	1,25,197	1,29,813
Basic earnings per share of INR 10 each	59.70	41.72
Diluted earnings per share of INR 10 each	59.61	41.66
Face value per share - (in INR)	10	10

Note 34.1 Reconciliation of weighted average number of ordinary shares used a denominator in calculating basic and diluted earnings per share

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Weighted average number of shares for calculating basic earnings per share	8,32,92,987	8,31,06,440
Add : share options outstanding	1,25,197	1,29,813
Weighted average number of shares for calculating dilutive earnings per share	8,34,18,184	8,32,36,253

Note 35: Capital and other commitments

(a) Estimated amount of capital contracts remaining to be executed and not provided for:

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	107.38	101.42

b. Other commitment

- The Company has no other commitments other than those in the nature of its routine business operation for purchase/sales as per the normal operating cycle of Company.
- The Company does not have any long term commitments or material non-cancellable contractual commitments/ contracts, including derivative contracts for which there were any material foreseeable losses other than the ones recognised or disclosed elsewhere.

Note 36: Contingent liabilities

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Claims against the Company not acknowledged as debts*		
i) Income tax**	-	30.50
ii) Others	105.91	70.38

* Based on the discussions with the solicitor/ expert opinions taken/status of the case, the management believes that the Company has strong chances of success in above mentioned cases and hence no provision is considered necessary at this point in time as the likelihood of liability devolving on the Company is less than probable.

**In the previous year, the Company received orders from the Income tax department under section 147 read with 144B of the Income Tax Act, 1961 under section 69C of the act for assessment years 2016-17 and 2019-20 amounting to INR 39.01 million and INR 2.87 million respectively. The Company filed an appeal with the "Joint Commissioner (Appeals) or the Commissioner (Appeals)" dated 12 April 2024 and deposited an amount of INR 30.50 million under protest thereof. During the current year the Company has filed an application under the Vivad Se Vishwas Scheme and the amount has been written off.

Notes to the Standalone Financial Statements

Note 37: Segment Reporting

The Company is engaged solely in the business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, hematology, histopathology, microbiology, electrophoresis, immuno-chemistry, immunology, virology, cytology, other pathological and radiological investigations.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore there is no reportable segment for the Company, in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments', notified under the Companies (Indian Accounting Standard) Rules, 2015.

Information about geographical areas

- a) The Company is domiciled in India. The amount of its revenue from operations from external customers broken down by location of customers is tabulated below:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
India	23,237.86	20,991.70
Outside India	278.29	258.93
Total	23,516.15	21,250.63

- b) The Company's non-current assets (excluding financial assets, deferred tax assets and certain other non-current assets) broken down by location of customers is tabulated below:

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
India	10,649.31	11,249.93
Outside India	-	-
Total	10,649.31	11,249.93

- c) Information about major customers

No single customer contributed more than 10% or more to the Company's revenue during the years ended 31 March, 2025 and 31 March, 2024.

Note 38: Corporate Social Responsibility (CSR)

In light of Section 135 of the Companies Act, 2013, the Company has incurred expenses on Corporate Social Responsibility (CSR) aggregating to INR 94.53 Million (Previous year INR 95.91 Million) for CSR activities.

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
(a) Amount required to be spent by the Company during year	95.89	89.74
(b) Amount approved by the board to be spent during the year	95.94	91.15
(c) Amount of expenditure incurred	94.53	87.39
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above*	94.53	95.91
(d) Shortfall/(excess) at the end of the year (Refer note a below)		
(i) Ongoing projects	-	-
(ii) Other than ongoing project	1.36	(1.41)
(e) Total of previous years shortfall	(1.41)	4.76
(f) Details of related party transactions		
- Donations made to Lal PathLab Foundation (Refer note 47)	94.53	95.91

*The Company has contributed INR 94.53 Million (Previous year INR 95.91 Million) to "Lal PathLabs Foundation" which is carrying out Corporate Social Responsibility (CSR) activities on behalf of the Company, as mentioned in Schedule VII of Companies Act, 2013. The Company's CSR activities primarily focuses on programs that promote health education and create sustainable livelihood opportunities through skill development.

Notes to the Standalone Financial Statements

Note 38: Corporate Social Responsibility (CSR) (Contd..)

Details of ongoing projects under 135(6) of the Companies Act, 2013

(in ₹ million, unless otherwise stated)

Balance as on 1 April 2024		Amount required to be spent during the year	Amount spent during the year		Balance as on 31 March 2025	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil	Nil	10.00	10.00	Nil	Nil	Nil

(in ₹ million, unless otherwise stated)

Balance as on 1 April 2023		Amount required to be spent during the year	Amount spent during the year		Balance as on 31 March 2024	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil	3.00	Nil	Nil	3.00	Nil	Nil

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

(in ₹ million, unless otherwise stated)

Balance as on 1 April 2024	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2025 (Refer note (b) below)
(1.41)	Nil	85.89	84.53	(0.05)

(in ₹ million, unless otherwise stated)

Balance as on 1 April 2023	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2024 (Refer note (b) below)
4.76	Nil	86.74	92.91	(1.41)

Details of excess CSR expenditure under Section 135(5) of the Act

(in ₹ million, unless otherwise stated)

Balance excess spent as at 1 April 2024	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2025
(1.41)	85.89	84.53	(0.05)

(in ₹ million, unless otherwise stated)

Balance excess spent as at 1 April 2023	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2024
(4.76)	86.74	92.91	(1.41)

Note A:

The Company has spent an excess amount of ₹ 0.05 million (31 March, 2024 : ₹ 1.41 million) with respect to other than ongoing projects as approved by the Board of Directors in excess of the minimum requirement as per section 135 (5) of the Companies Act, 2013. The Company does not intends to carry forward the excess amount spent during the year of ₹ 0.05 million (intend to carry forward the excess amount of ₹ 1.41 million spent during the year ended 31 March 2023). The carry forward amount for the year ended 31 March 2023 ₹ 1.41 million has been set off in the current year.

Notes to the Standalone Financial Statements

Note 39:

The Board of Directors of the subsidiaries, Paliwal Medicare Private Limited (PMPL) and Paliwal Diagnostics Private Limited (PDPL) in their meetings held on 25 October, 2021 and 25 October, 2021 respectively have approved the "Scheme of Amalgamation" of PMPL with PDPL w.e.f. 1 April, 2021, the appointed date. As per the said scheme, the undertaking of PMPL shall stand transferred to and vested in PDPL on a going concern basis without any further act, deed of matter. The Hon'ble Allahabad Bench of the National Company Law Tribunal ('Hon'ble Tribunal' or 'NCLT') sanctioned the Scheme of Amalgamation ('Scheme') between the subsidiaries Paliwal Medicare Private Limited (PMPL) (Transferor Company) and Paliwal Diagnostics Private Limited (PDPL) (Transferee Company) on 3 September, 2024 respectively.

Note 40:

During the Current year, Dr. Lal PathLabs Kenya Private Limited (Wholly Owned Subsidiary), a Company incorporated in the Republic of Kenya, has been dissolved and its name has been struck off, with effect from the date of publication of gazettenotification dated 13 September, 2024. The Company had made a total investment of INR 48.31 million which has been provided for. Therefore, the amount received during the year of INR 5.30 million has been treated as income.

Note 41: Research and Development

Details of expenditure incurred on approved in-house Research and Development facilities:

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Capital expenditure	2.00	2.11
Revenue expenditure	40.00	36.68
	42.00	38.79

Note 42: Business combination (Liquidation of Suburban Diagnostics (India) Private Limited)

The Company owns acquired 100% shares in Suburban Diagnostics India Private Limited ("SDIPL") at a cost of INR 9,604.52 million. The investment in SDIPL was fair valued under IND AS 103 in the books of the Company upon a business combination transaction on November 12, 2021 at INR 9,667.10 million.

The Board of Directors of the Company, at their meeting held on January 30, 2025, accorded in-principle approval for the voluntary liquidation of SDIPL, to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of SDIPL in their meeting dated February 6, 2025 and the members of SDIPL in their Extra Ordinary General meeting held on February 6, 2025 have accorded their approval for consolidation of the business of SDIPL through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of SDIPL has transferred the entire business undertaking to the Company on a going concern basis on and with effect from March 18, 2025.

a) Accounting impact of the voluntary liquidation

The said distribution of business undertaking has been accounted for using the pooling of interests method in accordance with Appendix C of Ind AS 103 'Business combinations of entities under common control'. Accordingly, the comparative financial information for the previous periods have been restated to give effect of the consummation of business undertaking from beginning of the period disclosed and all assets, liabilities and reserves of SDIPL together with intangible assets – Customer relationships and Brands, which were appearing in the consolidated financial statements are now part of the standalone financial statements of the Company. Further, intercompany balances including the related investment in SDIPL appearing in the books of the Company have been eliminated

Notes to the Standalone Financial Statements

Note 42: Business combination (Liquidation of Suburban Diagnostics (India) Private Limited) (Contd..)

Details in respect of business combination is provided below:

(in ₹ million, unless otherwise stated)

Particulars	Amount as on 01 April, 2023
Property, plant and equipment	236.01
Right-of-use assets	158.01
Goodwill	4,696.46
Other Intangible assets	3,081.62
Other financial assets	89.20
Non-current tax assets (net)	26.26
Deferred tax assets (net)	59.24
Other non-current assets	2.95
Inventories	64.92
Investment (current)	31.39
Trade receivables	113.83
Cash and cash equivalents	287.85
Other Bank balances	439.60
Other financial assets	23.26
Other current assets	14.06
Total assets acquired (A)	9,324.66
Liabilities	
Retained earning	30.98
General Reserve	34.50
Other financial liabilities	106.84
Trade payables	108.40
Other financial liabilities	83.64
Provisions	36.15
Other current liabilities	14.47
Total liabilities acquired (B)	414.98
Net assets recognised pursuant to the Scheme (C)=(A)-(B)	8,909.68
Book value of investment in books of Company Immediately before distribution of business undertaking (D)	9,590.90
Capital Reserve on Business Combination (Voluntary Liquidation) (C-D)	(681.22)
Capital Reserve on Business Combination (Voluntary Liquidation) (C-D)	(681.22)

b) Tax impact

Pursuant to the voluntary liquidation, the entire business undertaking of SDIPL along with all assets and liabilities, including all rights and obligations under various agreements entered into by SDIPL have been acquired by the Company, on a going concern basis, Details of such assets & liabilities at a value as determined by an independent valuer for tax purpose is set out below:

(in ₹ million, unless otherwise stated)

Particulars	Amount
Goodwill	4,421.00
Intangible assets – assembled workforce	85.00
Customer relationship	1,692.00
Brand	1,990.00
Tangible assets	329.00
Net working capital including cash	529.00
Other current assets	758.00
Deferred tax assets	47.00
Total fair value of net assets before Debts	9,851.00
Less: Debts	97.00
Fair value of net assets	9,754.00

The above distribution resulted in inter-alia recognition of Customer relationships and Brand in block of intangible assets in tax books of the Company at fair value as on March 18, 2025 basis the valuation report of an independent valuer ('PPA report'). Further, a deferred tax credit of INR 408 million has been recognised in statement of profit or loss on account of difference between tax base and book base of intangibles asset.

Notes to the Standalone Financial Statements

Note 43: Employee benefit plans

43.1 Defined contribution plans

The Company operates defined contribution retirement benefit plans for all its qualifying employees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

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 contribution is paid to Provident Fund authorities which is expensed during the year.

The total expense recognised in profit or loss of INR 120.34 million (for the year ended 31 March, 2024: INR 122.02 million) represents contributions payable to provident fund by the Company at rates specified in the rules of the plans. As at 31 March, 2025, contributions of INR 15.19 million (as at 31 March, 2024: INR 21.15 million) due in respect of the reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

43.2 Defined benefit plans

Gratuity: The Company operates a funded gratuity benefit plan. Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary for each completed year of service, Vesting occurs upon completion of 4.5 years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date.

43.3 The Company is exposed to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan assets is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in Insurer managed funds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

43.4 Actuary assumptions - Gratuity:

(in ₹ million, unless otherwise stated)

Date of Valuation	As at 31 March, 2025	As at 31 March, 2024
Discount rate (per annum) (Refer note 1 below)	6.65%	7.15-7.20%
Rate of salary increase (per annum) (Refer note 2 below)	9%-10%	9%-10%
Rate of return (per annum) (Refer note 3 below)	6.25%	6.35%
Retirement age	60 years	60 years
Attrition rate	6.4-10.78%	1-24.00%
Mortality table	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

Notes:

- The discount rate is based on the prevailing market yield of India Government securities as at the balance sheet date for the estimated term of obligations.
- The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Notes to the Standalone Financial Statements

Note 43: Employee benefit plans (Contd..)

43.5 Amounts recognised in the Standalone Statement of Profit and Loss and other comprehensive income are as follows:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Service cost :		
Current service cost	59.18	55.09
Past service cost and (gain)/loss from settlements	46.46	-
Net interest expense	14.75	12.71
Components of defined benefit costs recognised in employee benefit expenses	120.39	67.80
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	0.45	0.84
Actuarial (gains)/losses arising from changes in demographic assumptions	15.56	10.22
Actuarial (gains)/losses arising from changes in financial assumptions	19.32	(12.71)
Actuarial (gains)/losses arising from experience adjustments	13.16	5.20
Component of remeasurement of defined benefit obligations	48.49	3.55
Total	168.88	71.35

43.6 Movements in the present value of the defined benefit obligation are as follows:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Opening defined benefit obligation	456.67	361.71
Addition on account of Business combinations	-	30.28
Current service cost	59.18	55.09
Interest cost	30.23	28.73
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions	15.56	10.22
Actuarial gains and losses arising from changes in financial assumptions	19.32	(12.71)
Actuarial gains and losses arising from experience adjustments	13.16	5.20
Past service cost, including losses/(gains) on curtailments	46.46	-
Benefits paid	(43.12)	(21.85)
Closing defined benefit obligation	597.46	456.67

43.7 The amount included in the Standalone Balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows :

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Present value of funded defined benefit obligation	597.46	456.67
Fair value of plan assets	391.66	216.71
Net liability arising from defined benefit obligation	205.80	239.96

43.8 Movements in the fair value of the plan assets are as follows :

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Opening fair value of plan assets	216.71	218.93
Interest income	15.49	16.02
Remeasurement gain (loss):		
Return on plan assets (excluding amounts included in net interest expense)	(0.45)	(0.84)
Actuarial gain/ (loss) on plan assets	-	-
Contributions from the employer	200.00	-
Benefits paid	(40.09)	(17.40)
Closing fair value of plan assets	391.66	216.71

Expected contribution in respect of gratuity for the next year is ₹ 205.80 million (For the year ended 31 March, 2024 ₹ 206.22 million)

Notes to the Standalone Financial Statements

Note 43: Employee benefit plans (Contd..)

43.9 The fair value of the plan assets at the end of the reporting period for each category, are as follows.

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Insurer managed funds	391.66	216.71

43.10 Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Discount rate		
- Impact due to increase of 100 basis points	(44.77)	(56.74)
- Impact due to decrease of 100 basis points	51.47	67.53
Salary increase		
- Impact due to increase of 100 basis points	49.75	63.42
- Impact due to decrease of 100 basis points	(44.22)	(54.66)
Withdrawal rate		
- Impact due to 25% increase	(17.67)	(41.67)
- Impact due to 25% decrease	23.84	46.25

43.11 Maturity Profile of Defined Benefit Obligation

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Within the next 12 months (next annual reporting year)	72.09	63.15
Between 2 and 5 years	228.73	197.45
Between 6 and 10 years	260.97	188.25
More than 10 years	593.23	317.40
Total expected payments	1,155.02	766.25

Note 44:

Effective 1 April, 2019, the Company adopted Ind AS 116 "Leases" to its leases using the modified retrospective approach with the option to measure the right-of-use asset at an amount equal to the lease liability (i.e. as per para C8(c) (ii) of Ind AS 116), adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

The Company has applied this standard to land leases and building leases etc. to evaluate whether these contracts contain lease or not. Based on evaluation of the terms and conditions of the arrangements, the Company has evaluated such arrangements to be leases. Under this standard, all lease contracts, with limited exceptions, are recognised in the financial statements by way of right-of-use assets and corresponding lease liabilities.

When measuring lease liabilities, the weighted average discount rate used to calculate the lease liability in the opening balance under Ind AS 116 on 1 April, 2019 was 11.25%.

The Company recognises a lease liability measured at the present value of the remaining lease payments. The right-of-use assets are recognised at cost, which comprises the amount of the measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease

The Company has cash outflows for lease of underlying assets amounting to INR 778.77 (31 March, 2024: INR 752.91 million) out of which rent charges is amounting to INR 266.90 million (31 March, 2024: INR 234.18 million) which includes rentals for short term lease and low value lease.

Notes to the Standalone Financial Statements

Note 44: (Contd..)

Payments recognised as an expenses

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Short term lease	266.90	234.18

Details of lease liability:

The following is the movement in lease liabilities during the year:

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Balance as at beginning of the year	1,568.44	1,587.77
Additions on account of Business combinations	-	172.04
Additions	277.25	151.68
Finance cost accrued during the period	184.55	192.59
Payment/adjustment of lease liabilities	(511.87)	(518.73)
Derecognition of lease liability	(9.65)	(16.91)
Balance as at end of the year	1,508.72	1,568.44
Current	525.91	588.75
Non-current	982.81	979.69

The table below provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Less than one year	525.91	588.75
One to five years	1279.17	1,271.24
More than five years	681.62	700.43
Total	2,486.70	2,560.42

Details of right-of-use assets:

The following is the movement in right-of-use assets during the year ended:

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
As at 1 April, 2023	153.70	1,637.43
Additions	-	151.68
Additions on Business combinations	-	158.01
Deletions	-	(12.95)
Transfer to investment property	-	(339.66)
Depreciation expense	(1.64)	(364.12)
As at 31 March, 2024	152.06	1,230.39
Additions	-	277.25
Deletions	-	(7.30)
Depreciation expense	(1.04)	(344.07)
As at 31 March, 2025	151.02	1,156.27

Notes to the Standalone Financial Statements

Note 44: (Contd..)

44A The Company has used accounting softwares for maintaining its books of account for the period 01 April, 2024 to 31 March, 2025 which have a feature of recording audit trail (edit log) facility and the same operated for all relevant transactions recorded in the software except that audit trail for one software that was used during the period 01 April, 2024 to 30 April, 2024 did not have audit trail enabled at the database level to log any direct data changes. In case of the other accounting software (SaaS Based application) that was implemented from 1 May, 2024, the Company does not have access to the database of the software and accordingly it is not possible to determine, whether audit trail feature was enabled at database level for this period.

In respect of one accounting software used for maintenance of inventory records in one of the locations in the Company till 31 January, 2025, the software did not have the audit trail feature enabled throughout the year. Additionally audit trail has been preserved by the Company as per the statutory requirements for record retention.

Note 45 Share based payments plans

Note 45.1 Employee Share Option Plan-2010

45.1.1 Details of employee share based plan of the Company

The shareholders of the Company approved 'Dr. Lal PathLabs Private Limited Employee Stock Option Plan 2010' ("ESOP 2010") at the Annual General Meeting held on 20 August, 2010 to grant a maximum of 3,808,960 options to specified categories of employees of the Company. Each option granted and vested under the ESOP 2010 shall entitle the holder to acquire 1 equity share of INR 10 each. The Company had granted 3,730,340 options till the year ended 31 March, 2015, all of which have all been vested as at 31 March 2019. As per resolution passed on 21 August, 2015, the Company approved to cease any further grants under the ESOP 2010.

The following ESOP 2010 tranches were in existence during the current year:

Grant date	Number	Expiry date	Exercise price (in ₹)	Fair Value at grant date (in ₹)
23 January, 2015	1,62,180	Refer Note 1 below	311.30	490.42

Note 1: All options vest after 48-60 months from date of grant subject to satisfaction of vesting conditions. The exercise period is five years from the date on which the Company's shares were listed on a recognised stock exchange in India or a period of 10 years from date of respective vesting, whichever period ends later. Options not exercised within exercise period lapses.

45.1.2 Fair value of share options granted in the year

There were no options granted during the years ended 31 March, 2025 and 31 March, 2024.

45.1.3 Movements in share options during the year

The reconciliation of share options outstanding at the beginning and end of the year:

Particulars	2024-25		2023-24	
	Number of options	Weighted average exercise price (in INR)	Number of options	Weighted average exercise price (in INR)
Balance at beginning of year	58,983	311.30	1,18,983	311.30
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	19,983	-	60,000	-
Expired during the year	-	-	-	-
Balance at end of year	39,000	311.30	58,983	311.30

45.1.4 Share options exercised during the year

19,983 shares were exercised during the year

Notes to the Standalone Financial Statements

Note 45 Share based payments (Contd..)

45.1.5 Share options outstanding at the end of the year

The share options outstanding at the end of the year has a weighted average exercise price of INR 311.30 (as at 31 March, 2024: INR 311.30) and a weighted average remaining contractual life of years 2.13 years (as at 31 March, 2024: 3.13 years)

Note 45.2 Restricted Share Option Plan

45.2.1 Details of employee share based plan of the Company

The shareholders of the Company approved 'Dr. Lal PathLabs Employees Restricted Stock Unit Plan 2016' ('RSU 2016') at the Annual General Meeting held on 28 July, 2016 to grant a maximum of 12,44,155 Restricted Stock Units ("RSUs") to key employees and directors of the Company and its subsidiaries. Each RSU granted and vested shall entitle the holder to acquire 1 equity share of INR 10 each. Under RSU 2016, for the performance year 2016-17, options of INR 10 each granted to eligible employees is 225,000 out of which 6,225 options were forfeited on non satisfaction of vesting conditions. For the performance year 2017-18, options of INR 10 each granted to eligible employees is 225,716 and 9,602 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2018-19, options of INR 10 each granted to eligible employees is 219,132 and 28,498 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2019-20, options of INR 10 each granted to eligible employees is 213,841 and 27,631 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2020-21, options of INR 10 each granted to eligible employees is 1,12,200 and 12,468 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2021-22, options of INR 10 each granted to eligible employees is 131,594 and 11,793 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2022-23, options of INR 10 each granted to eligible employees is 21,200 and 27,533 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2023-24, options of INR 10 each granted to eligible employees is 20,200 and 10,962 options were forfeited on non satisfaction of vesting conditions.

Further, for the performance year 2024-25, options of INR 10 each granted to eligible employees is 18,000 and 3422 options were forfeited on non satisfaction of vesting conditions. The Company has accounted for the expense of options proportionately for the period under employee cost on the basis of weighted average fair value.

The following share- based payment arrangements were in existence during the current and prior years:

Option series	Number	Grant date	Expiry date	Exercise Price (in ₹)	Fair Value at grant date (in ₹)
Series 1	2,03,400	29 July, 2016	Refer Note 1 below	10.00	943.00
Series 2	3,600	1 August, 2016	Refer Note 1 below	10.00	953.59
Series 3	8,000	21 September, 2016	Refer Note 1 below	10.00	1,182.34
Series 4	10,000	10 October, 2016	Refer Note 1 below	10.00	1,030.56
Series 5	2,14,716	7 August, 2017	Refer Note 1 below	10.00	795.15
Series 6	11,000	8 February, 2018	Refer Note 1 below	10.00	854.73
Series 7	2,10,132	10 August, 2018	Refer Note 1 below	10.00	908.45
Series 8	9,000	6 November, 2018	Refer Note 1 below	10.00	855.73
Series 9	2,13,841	13 August, 2019	Refer Note 1 below	10.00	1,045.81
Series 10	1,12,200	31 July, 2020	Refer Note 1 below	10.00	1,811.83
Series 11	1,14,844	8 April, 2021	Refer Note 1 below	10.00	3,002.90
Series 12	750	29 July, 2021	Refer Note 1 below	10.00	3,002.90
Series 13	4,500	1 November, 2021	Refer Note 1 below	10.00	3,461.04
Series 14	11,500	6 December, 2021	Refer Note 1 below	10.00	3,461.04
Series 15	21,200	29 July, 2022	Refer Note 1 below	10.00	2,084.30
Series 16	20,200	27 July, 2023	Refer Note 1 below	10.00	2,353.05
Series 17	18,000	10 May, 2024	Refer Note 1 below	10.00	2,163.55

Note 1: All options vest after 1 year but within 4 years of date of grant subject to satisfaction of vesting conditions. The exercise period is five years from the date of respective vesting or such other shorter period as may be decided by the Nomination and Remuneration Committee from time to time. Options not exercised within the exercise period lapse.

Notes to the Standalone Financial Statements

Note 45 Share based payments (Contd.)

45.2.2 Fair value of share options granted in the year

The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

Option Series	Series 1	Series 2	Series 3	Series 4	Series 5	Series 6
Grant date share price	961.75	972.50	1,201.35	1,049.65	814.25	873.40
Exercise price (in INR)	10	10	10	10	10	10
Expected volatility	31.58%	31.58%	31.58%	31.58%	31.48%	21.71%
Option life	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years
Dividend yield	0.18%	0.18%	0.15%	0.17%	0.22%	0.20%
Risk-free interest rate	7.32%-7.36%	7.29%-7.35%	6.90%-7.18%	6.76%-6.96%	6.65%-6.96%	7.73%-8.03%

Option Series	Series 7	Series 8	Series 9	Series 10	Series 11	Series 12
Grant date share price	939.45	886.75	1,086.45	1,881.05	2,987.35	3,621.45
Exercise price (in INR)	10	10	10	10	10	10
Expected volatility	22.33%	25.66%	31.79%	32.28%	33.29%	33.29%
Option life	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years
Dividend yield	0.35%	0.37%	0.41%	0.53%	0.54%	0.54%
Risk-free interest rate	7.99%-8.19%	7.92%-8.01%	6.69%-6.98%	5.65%-5.96%	6.12%-6.52%	6.12%-6.52%

Option Series	Series 13	Series 14	Series 15	Series 16	Series 17
Grant date share price	3,508.85	3,710.00	2,144.50	2,416.60	2,231.55
Exercise price (in INR)	10	10	10	10	10
Expected volatility	33.72%	33.72%	34.30%- 38.60%	34.10%- 38.00%	34.50%- 36.20%
Option life	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years
Dividend yield	0.56%	0.56%	0.50%	0.50%	0.60%
Risk-free interest rate	6.07%-6.35%	6.07%-6.35%	7.00%-7.40%	7.20%	7.30%

45.2.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	2024-25		2023-24	
	Number of options	Weighted average exercise price (in ₹)	Number of options	Weighted average exercise price (in ₹)
Balance at beginning of year	1,78,162	10.00	3,74,143	10.00
Granted during the year	18,000	10.00	20,200	10.00
Forfeited during the year	3,422	10.00	10,962	10.00
Exercised during the year	73,168	10.00	2,05,219	10.00
Expired during the year	-	-	-	-
Balance at end of year	1,19,572	10.00	1,78,162	10.00

Notes to the Standalone Financial Statements

Note 45 Share based payments (Contd..)

45.2.4 Share options exercised during the year

The following share options were exercised during the year.

Option Series	Number exercised	Exercise date	Share price* at exercise date
Series 1	3,250	Various dates	2,702.78
Series 2	-	-	-
Series 3	-	-	-
Series 4	-	-	-
Series 5	-	-	-
Series 6	-	-	-
Series 7	3,784	Various dates	3,020.45
Series 8	-	-	-
Series 9	8,922	Various dates	2,838.85
Series 10	17,403	Various dates	3,048.92
Series 11	30,219	Various dates	2,859.74
Series 12	188	Various dates	3,080.30
Series 13	752	Various dates	3,067.33
Series 14	-	-	-
Series 15	5,400	Various dates	3,012.25
Series 16	3,250	Various dates	3,086.07
Total	73,168		

*weighted average share price during the period

45.2.5 Share options outstanding at the end of the year

The share options outstanding at the end of the year has a weighted average exercise price of INR 10 (as at 31 March, 2024: ₹10) and a weighted average remaining contractual life of 4.52 years (as at 31 March, 2024: 4.74 years)

Note 45.3 Dr Lal PathLabs Employee Stock Option Plan 2022

45.3.1 Details of employee share based plan of the Company

The shareholders of the Company approved 'Dr. Lal PathLabs Private Limited Employee Stock Option Plan 2022' ("ESOP 2022") at the Annual General Meeting held on 30 June, 2022 to grant a maximum of 1,250,278 options to specified categories of employees of the Company. Each option granted and vested under the ESOP 2022 shall entitle the holder to acquire 1 equity share of INR 10 each. The Company had granted 211,400 options till the year ended 31 March, 2023. The Company had granted 237,500 options till the year ended 31 March, 2024.

The Company had granted 189,500 options till the year ended 31 March, 2025.

The following ESOP 2022 tranches were in existence during the current year:

Grant date	Number	Expiry date	Exercise price (in ₹)	Fair Value at grant date (in ₹)
29 July, 2022	2,11,400	Refer Note 1 below	1930.05	975.55
27 July, 2023	2,37,500	Refer Note 1 below	2174.94	1105.63
07 August, 2024	1,14,500	Refer Note 1 below	2851.43	1406.40
13 August, 2024	75,000	Refer Note 1 below	2904.39	1433.50

Note 1: All options vest before one year and not later than four years from date of grant of such options subject to satisfaction of vesting conditions. The exercise period is five years from the date of respective vesting or such other shorter period as may be decided by the Nomination and Remuneration Committee from time to time. Options not exercised within the exercise period lapse.

Notes to the Standalone Financial Statements

Note 45 Share based payments (Contd..)

45.3.2 Fair value of share options granted in the year

The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

Option Series	Series 1	Series 2	Series 3	Series 4
Grant date share price	2,144.50	2,416.60	3,168.25	3,227.10
Exercise price (in INR)	1930.05	2174.94	2851.43	2904.39
Expected volatility	34.30%-38.60%	34.10%-38.00%	34.50%-35.70%	34.60%-35.70%
Option life	6-9 Years	6-9 Years	6-9 Years	6-9 Years
Dividend yield	0.50%	0.50%	0.50%	0.50%
Risk-free interest rate	7.00%-7.40%	7.20%	6.90%-7.00%	6.90%-7.00%

45.3.3 Movements in share options during the year

The reconciliation of share options outstanding at the beginning and end of the year:

Particulars	2024-25		2023-24	
	Number of options	Weighted average exercise price (in ₹)	Number of options	Weighted average exercise price (in ₹)
Balance at beginning of year	3,76,020	Refer table 45.3.2 above	2,01,300	Refer table 45.3.2 above
Granted during the year	1,89,500	Refer table 45.3.2 above	2,37,500	Refer table 45.3.2 above
Forfeited during the year	6,275	-	55,450	-
Exercised during the year	60,995	Refer table 45.3.2 above	7,330	Refer table 45.3.2 above
Expired during the year	-	-	-	-
Balance at end of year	4,98,250	Refer table 45.3.2 above	3,76,020	Refer table 45.3.2 above

45.3.4 Share options exercised during the year

The following share options were exercised during the year:

Option Series	Number exercised	Exercise date	Share price* at exercise date
Series 1	40,920	Various dates	3253.12
Series 2	20,075	Various dates	3065.73

*weighted average share price during the period

45.3.5 Share options outstanding at the end of the year

The share options outstanding at the end of the year has a weighted average exercise price of of INR 2465.20 (as at 31 March, 2024: 1930.05) and a weighted average remaining contractual life of years 6.12 years (as at 31 March, 2024: 6.37 years)

Note:

During the current year, the Company has modified the terms of certain ESOPs by modifying vesting conditions (accelerated vesting) under Employee Stock option plan, 2022. Accordingly, the Company has computed the incremental fair value of options as the difference between the fair value of the modified ESOP and that of the original ESOP, using Black-Scholes method as at the date of the modification which has been amortised in the Statement of Profit and Loss over the revised vesting period and accordingly an additional charge of INR 6.54 Million has been recorded during the year.

Notes to the Standalone Financial Statements

Note 46 Financial instruments

(a) Capital management

The Company's objectives when managing capital is to safeguard the ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Company adjusts the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company has investments in fixed deposits with banks and in mutual fund schemes wherein underlying portfolio is spread across securities issued by different issuers having different credit ratings. The credit risk of investments in debt mutual fund schemes is managed through investment policies and guidelines requiring adherence to stringent credit control norms based on external credit ratings.

The Company's strategy is to maintain a positive gearing ratio. The gearing ratios is as follows:

	(in ₹ million, unless otherwise stated)	
	31 March, 2025	31 March, 2024
Net debt *	(1,157.24)	(1,041.64)
Total equity	21,342.33	18,007.21
Net debt to equity ratio	(5%)	(6%)

* Net debt represents borrowings and lease liabilities less cash and cash equivalents computed as follows:

	(in ₹ million, unless otherwise stated)	
	31 March, 2025	31 March, 2024
Term loan from banks (including current maturities)	-	833.34
Less: Cash and cash equivalents	(2,665.96)	(3,443.42)
Debt	(2,665.96)	(2,610.08)
Lease liabilities		
Lease liabilities-Current	525.91	588.75
Lease liabilities-Non Current	982.81	979.69
Net debt(including lease liabilities)	(1,157.24)	(1,041.64)

(b) Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March, 2025

	(in ₹ million, unless otherwise stated)				
Financial assets	FVTPL	FVTOCI	Amortised cost	Total	Carrying value
Investments	3,017.02	-	-	3,017.02	3,017.02
Trade receivables	-	-	1,053.95	1,053.95	1,053.95
Cash and cash equivalents	-	-	2,665.96	2,665.96	2,665.96
Bank balances other than cash and cash equivalents above	-	-	5,009.40	5,009.40	5,009.40
Loans	-	-	10.20	10.20	10.20
Other financial assets	36.79	-	1,240.39	1,277.18	1,277.18
Total	3,053.81	-	9,979.90	13,033.71	13,033.71

Notes to the Standalone Financial Statements

Note 46 Financial instruments (Contd..)

(in ₹ million, unless otherwise stated)

Financial liabilities	FVTPL	FVTOCI	Amortised cost	Total	Carrying value
Borrowings			-	-	-
Lease liabilities			1,508.72	1,508.72	1,508.72
Trade payables	-	-	1,930.54	1,930.54	1,930.54
Other financial liabilities	-	-	546.55	546.55	546.55
Total	-	-	3,985.81	3,985.81	3,985.81

As at 31 March, 2024

(in ₹ million, unless otherwise stated)

Financial assets	FVTPL	FVTOCI	Amortised cost	Total	Carrying value
Investments	1,002.79	-	-	1,002.79	1,002.79
Trade receivables	-	-	874.66	874.66	874.66
Cash and cash equivalents	-	-	3,443.42	3,443.42	3,443.42
Bank balances other than cash and cash equivalents above	-	-	4,073.32	4,073.32	4,073.32
Loans	-	-	11.93	11.93	11.93
Other financial assets	33.82	-	697.50	731.32	731.32
Total	1,036.61	-	9,100.83	10,137.44	10,137.44

(in ₹ million, unless otherwise stated)

Financial liabilities	FVTPL	FVTOCI	Amortised cost	Total	Carrying value
Borrowings			833.34	833.34	833.34
Lease liabilities			1,568.44	1,568.44	1,568.44
Trade payables	-	-	1,802.55	1,802.55	1,802.55
Other financial liabilities	-	-	467.91	467.91	467.91
Total	-	-	4,672.24	4,672.24	4,672.24

Investment in subsidiaries are financial assets, however they are not included in the above table, since they are measured at cost.

(c) Fair value measurement

The fair value hierarchy is based on inputs used in valuation techniques that are either observable or unobservable and consists of three levels. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: Inputs are quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Quantitative disclosures of fair value measurement hierarchy for financial assets / liability as on March 31, 2025

Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Trade receivables (current)	1,053.95	-	-	-
Other financial assets (current)	8,925.95	-	-	-
Financial assets carried at fair value through P&L				
Investment in mutual funds*	3,017.02	-	3,017.02	-
Surrender value of keyman insurance policy	36.79	-	36.79	-
Liabilities carried at amortized cost for which fair value are disclosed				
Trade payables	1,930.54	-	-	-
Other financial liabilities (current)	2,055.27	-	-	-

Notes to the Standalone Financial Statements

Note 46 Financial instruments (Contd..)

Quantitative disclosures of fair value measurement hierarchy for financial assets / liability as on March 31, 2024

Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Trade receivables (current)	874.66	-	-	-
Other financial assets (current)	8,226.17	-	-	-
Financial assets carried at fair value through P&L				
Investment in mutual funds*	1,002.79	-	1,002.79	-
Surrender value of keyman insurance policy	33.82	-	33.82	-
Liabilities carried at amortized cost for which fair value are disclosed				
Trade payables	1,802.55	-	-	-
Other financial liabilities (current)	2,869.69	-	-	-

* Short-term marketable securities not traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Fair value of financial assets and financial liabilities that are not measured at fair value

Management considers that the carrying amounts of financial assets and financial liabilities recognised in the Financial Statements approximate their fair values.

(d) Risk management framework

The Company's business is subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company's risk management process is in line with the corporate policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Company's Audit Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

Treasury management

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximisation.

Financial risk

The Company's Board of Directors approves financial risk policies comprising liquidity, foreign currency, interest rate and counterparty credit risk. The Company does not engage in the speculative treasury activity but seeks to manage risk and optimise interest through proven financial instruments.

Notes to the Standalone Financial Statements

Note 46 Financial instruments (Contd..)

(i) Liquidity risk

The Company requires funds for short-term operational needs and has been rated by Care Ratings Limited (CARE) for its banking facilities.

The Company remains committed to maintaining a healthy liquidity, gearing ratio and strengthening the balance sheet. The maturity profile of the Company's financial liabilities and realisability of financial assets based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual cash obligation of the Company.

(in ₹ million, unless otherwise stated)

	As at 31 March, 2025				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Non-current					
Lease liabilities		525.91	1,279.17	681.62	2,486.70
Current					
Lease liabilities	525.91	-	-	-	525.91
Trade payables	1,930.54	-	-	-	1,930.54
Other current financial liabilities	546.55	-	-	-	546.55
	3,003.00	525.91	1,279.17	681.62	5,489.70

(in ₹ million, unless otherwise stated)

	As at 31 March, 2024				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Non-current					
Lease liabilities		528.16	1,179.88	700.43	2,408.47
Current					
Borrowings	833.34	-	-	-	833.34
Lease liabilities	588.75	-	-	-	588.75
Trade payables	1,802.55	-	-	-	1,802.55
Other current financial liabilities	467.91	-	-	-	467.91
	3,692.55	528.16	1,179.88	700.43	6,101.02

As at 31 March, 2025, the Company had access to funding facilities of INR 685.70 million as set out below:

(in ₹ million, unless otherwise stated)

	Total Facility	Drawn	Undrawn
Secured cash credit facility at variable rate of interest, reviewed annually and payable at call	685.70	-	685.70
	685.70	-	685.70

As at 31 March, 2024, the Company had access to funding facilities of INR 890.03 million as set out below:

(in ₹ million, unless otherwise stated)

	Total Facility	Drawn	Undrawn
Secured cash credit facility at variable rate of interest, reviewed annually and payable at call	890.30	-	890.30
	890.30	-	890.30

Notes to the Standalone Financial Statements

Note 46 Financial instruments (Contd..)

(ii) Interest rate risk

Fixed rate financial assets are largely interest bearing fixed deposits held by the Company. The returns from these financial assets are linked to bank rate notified by Reserve Bank of India as adjusted on periodic basis. The Company does not charge interest on overdue trade receivables. Trade payables are non interest bearing and are normally settled up to 30 days terms. Mutual fund investments have debt securities as underlying assets and are exposed to floating interest rates. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period depends on the expected movement of market interest rate.

The exposure of the Company's financial assets as at 31 March, 2025 to interest rate risk is as follows:

(in ₹ million, unless otherwise stated)				
	Floating rate	Fixed rate	Non interest bearing	Total
Non-current				
Loans	-	-	0.04	0.04
Other financial assets	-	634.22	163.00	797.22
	-	634.22	163.04	797.26
Current				
Investments	3,017.02	-	-	3,017.02
Trade receivables	-	-	1,053.95	1,053.95
Cash and cash equivalents	-	2,517.45	148.51	2,665.96
Bank balances other than cash and cash equivalents above	-	5,008.09	1.31	5,009.40
Loans	-	-	10.16	10.16
Other financial assets	-	-	479.96	479.96
	3,017.02	7,525.54	1,693.89	12,236.45
	3,017.02	8,159.76	1,856.93	13,033.71

Range of interest rate applicable 5.50% - 8.50% p.a.

The exposure of the Company's financial liabilities as at 31 March, 2025 to interest rate risk is as follows:

(in ₹ million, unless otherwise stated)				
	Floating rate	Fixed rate	Non interest bearing	Total
Non-current				
Lease liabilities	-	-	982.81	982.81
	-	-	982.81	982.81
Current				
Lease liabilities	-	-	525.91	525.91
Trade payables	-	-	1,930.54	1,930.54
Other financial liabilities	-	-	546.55	546.55
	-	-	3,003.00	3,003.00
	-	-	3,985.81	3,985.81

Notes to the Standalone Financial Statements

Note 46 Financial instruments (Contd..)

The exposure of the Company's financial assets as at 31 March, 2024 to interest rate risk is as follows:

(in ₹ million, unless otherwise stated)

	Floating rate	Fixed rate	Non interest bearing	Total
Non-current				
Loans	-	-	0.32	0.32
Other financial assets	-	137.71	149.97	287.68
	-	137.71	150.29	288.00
Current				
Investments	1,002.79	-	-	1,002.79
Trade receivables	-	-	874.66	874.66
Cash and cash equivalents	-	3,264.55	178.87	3,443.42
Bank balances other than cash and cash equivalents above	-	4,072.20	1.12	4,073.32
Loans	-	-	11.61	11.61
Other financial assets	-	-	443.64	443.64
	1,002.79	7,336.75	1,509.90	9,849.44
	1,002.79	7,474.46	1,660.19	10,137.44

Range of interest rate applicable 5.50% - 8.50% p.a.

The exposure of the Company's financial liabilities as at 31 March, 2024 to interest rate risk is as follows:

(in ₹ million, unless otherwise stated)

	Floating rate	Fixed rate	Non interest bearing	Total
Non-current				
Lease liabilities	-	-	979.69	979.69
	-	-	979.69	979.69
Current				
Borrowings	833.34	-	-	833.34
Lease liabilities	-	-	588.75	588.75
Trade payables	-	-	1,802.55	1,802.55
Other financial liabilities	-	-	467.91	467.91
	833.34	-	2,859.21	3,692.55
	833.34	-	3,838.90	4,672.24

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate assets, the analysis is prepared assuming the amount of the assets balance at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Impact on profit or loss for the year for increase in interest rate	20.87	16.08
Impact on profit or loss for the year for decrease in interest rate	(20.87)	(16.08)

Notes to the Standalone Financial Statements

Note 46 Financial instruments (Contd..)

(iii) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and after obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company is exposed to credit risk for receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, investments and loans.

Credit risk management considers available reasonable and supportable forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

Only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes.

None of the Company's cash equivalents are past due or impaired. Regarding trade and other receivables, the Company has accounted for impairment based on expected credit losses method as at 31 March, 2025 and 31 March, 2024 based on expected probability of default.

(iv) Details of Derivative Instruments and unhedged foreign currency exposures:

A. Details of Derivative Instruments

The Company has not entered into foreign exchange forward contracts where the counter parties is Bank.

B. Details of unhedged foreign currency exposures

Particulars	Year ended 31 March, 2025		Year ended 31 March, 2024	
	Amount (FC)	in Million	Amount (FC)	in Million
Trade Payables	Nil	Nil	Nil	Nil
Trade Receivables	334,892 (USD)	29.01	271,929 (USD)	22.58
	149,619 (SAR)	3.46	102,720 (SAR)	2.28
	118,645 (QAR)	2.86	52,206 (QAR)	1.19
	568 (KWD)	0.16	375 (KWD)	0.10

(v) Price risks

The sensitivity of profit or loss in respect of investments in mutual funds at the end of the reporting period for +/-5% change in net asset value is presented below:

Profit before tax for the year ended 31 March, 2025 would increase/decrease by INR 150.85 million (for the year ended 31 March, 2024) would increase/ decrease by INR 50.14 as a result of the changes in net asset value of investment in mutual funds.

Notes to the Standalone Financial Statements

Note 47. Related Party Disclosures

I. Names of related parties and related party relationship

a. Related parties where control exists

Subsidiaries held directly

- 1 Paliwal Diagnostics Private Limited
- 2 Dr. Lal PathLabs Nepal Private Limited
- 3 Dr. Lal PathLabs Bangladesh Private Limited
- 4 PathLabs Unifiers Private Limited
- 5 Dr. Lal Ventures Private Limited
- 6 Dr. Lal Pathlabs Kenya Private Limited (Liquidated)

Subsidiaries held indirectly

- 1 Centrapath Labs Private Limited
- 2 APRL PathLabs Private Limited
- 3 Chanre Laboratory Private Limited

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

- 1 Lal PathLabs Foundation (formerly Dr. Lal PathLabs Welfare Trust)
- 2 ALVL Foundation

c. Key managerial personnel

- 1 (Hony) Brig. Dr. Arvind Lal - Executive Chairman
- 2 Dr. Vandana Lal – Director
- 3 Dr. Om Prakash Manchanda - Managing Director (Upto 31 March, 2025)
- 4 Mr. Ved Prakash Goel - Chief Financial Officer & CEO - International Business
- 5 Mr. Bharath U - Chief Executive Officer (Upto 9 May, 2024)
- 6 Mr. Shankha Banerjee- Chief Executive Officer (w.e.f 21 May 2024)
- 7 Harneet Singh Chandhoke- Independent Director (Upto 20 August 2023)
- 8 Saurabh Srivastava - Independent Director (Upto 20 August 2023)
- 9 Sunil Varma - Independent Director (Upto 20 August 2023)
- 10 Anoop Singh - Independent Director (Upto 20 August 2023)
- 11 Somya Satsangi - Independent Director
- 12 Rahul Sharma - Director
- 13 Dr. Archana Lal Erdmann - Director
- 14 Rohit Bhasin - Independent Director (w.e.f 8 November, 2022)
- 15 Mr. Arun Duggal - Independent Director (w.e.f 2 February 2023)
- 16 Mr. Vinay Gujral - Company Secretary (w.e.f 11 May 2023)
- 17 Gurinder Singh Kalra (w.e.f 27 July 2023)
- 18 Rajit Mehta (w.e.f 27 July 2023)

d. Close member of key management personnel

- 1 Mr. Anjaneya Lal
[Son of (Hony) Brig. Dr. Arvind Lal and Dr. Vandana Lal]

e. Other related parties

- 1 Lal Pathlabs Foundation (formerly Dr. Lal PathLabs Welfare Trust)
(Trust to manage and administer corporate social responsibilities of the Group under the Companies Act, 2013)
- 2 Dr. Lal PathLabs Limited Group Gratuity Trust (formerly Dr. Lal Pathlabs Private Limited Group Gratuity Trust)
(Trust to manage and administer gratuity liability of the Company)

Notes to the Standalone Financial Statements

Note 47. Related Party Disclosures (Contd..)

II. Transactions/Outstanding balances with related parties during the year

(in ₹ million, unless otherwise stated)

Particulars	Subsidiaries	Entities in which KMP can exercise significant influence	Key Management Personnel	Relatives of key management personnel	Other related parties	Grand Total
A. Transactions during the year						
i. Sale of services						
Paliwal Diagnostics Private Limited	15.70	-	-	-	-	15.70
	(8.57)	(-)	(-)	(-)	(-)	(8.57)
Dr. Lal PathLabs Nepal Private Limited	56.06	-	-	-	-	56.06
	(46.65)	(-)	(-)	(-)	(-)	(46.65)
Dr. Lal PathLabs Bangladesh Private Limited	37.51	-	-	-	-	37.51
	(32.54)	(-)	(-)	(-)	(-)	(32.54)
ALVL Foundation	-	0.09	-	-	-	0.09
	(-)	(0.04)	(-)	(-)	(-)	(0.04)
Pathlabs Unifiers Private Limited	5.00	-	-	-	-	5.00
	(4.22)	(-)	(-)	(-)	(-)	(4.22)
APRL PathLabs Private Limited	4.07	-	-	-	-	4.07
	(4.45)	(-)	(-)	(-)	(-)	(4.45)
Centrapath Labs Private Limited	4.09	-	-	-	-	4.09
	(2.39)	(-)	(-)	(-)	(-)	(2.39)
Dr. Lal Ventures Private Limited	5.97	-	-	-	-	5.97
	(2.00)	(-)	(-)	(-)	(-)	(2.00)
Chanre Laboratory Private Limited	2.18	-	-	-	-	2.18
	(2.22)	(-)	(-)	(-)	(-)	(2.22)
Total	130.58	0.09	-	-	-	130.67
	(103.04)	(0.04)	(-)	(-)	(-)	(103.08)
ii. Laboratory test charges						
Paliwal Diagnostics Private Limited	0.02	-	-	-	-	0.02
	(0.04)	(-)	(-)	(-)	(-)	(0.04)
APRL PathLabs Private Limited	27.39	-	-	-	-	27.39
	(14.09)	(-)	(-)	(-)	(-)	(14.09)
Centrapath Labs Private Limited	35.77	-	-	-	-	35.77
	(30.58)	(-)	(-)	(-)	(-)	(30.58)
Chanre Laboratory Private Limited	0.50	-	-	-	-	0.50
	(-)	(-)	(-)	(-)	(-)	(-)
Total	63.68	-	-	-	-	63.68
	(44.71)	(-)	(-)	(-)	(-)	(44.71)
iii. Compensation of Key Managerial Personnel and their relatives						
The remuneration of key managerial personnel during the year was as follows:						
- Short term employee benefits	-	-	188.75	3.49	-	192.24
	(-)	(-)	(154.19)	(3.27)	(-)	(157.46)
- Post employment benefits*	-	-	23.84	-	-	23.84
	(-)	(-)	(-)	(-)	(-)	(-)
- Share based payments to employees**	-	-	155.68	-	-	155.68
	(-)	(-)	(295.22)	(-)	(-)	(295.22)
Total	-	-	368.27	3.49	-	371.76
	(-)	(-)	(449.41)	(3.27)	(-)	(452.68)

Notes to the Standalone Financial Statements

Note 47. Related Party Disclosures (Contd..)

(in ₹ million, unless otherwise stated)

Particulars	Subsidiaries	Entities in which KMP can exercise significant influence	Key Management Personnel	Relatives of key management personnel	Other related parties	Grand Total
- Sitting fees			5.40	0.40		5.80
	(-)	(-)	(5.60)	(0.25)	(-)	(5.85)
- Commission to Directors			28.50	4.00		32.50
	(-)	(-)	(13.54)	(2.00)	(-)	(15.54)
iv. Contribution to Fund						
Lal PathLabs Foundation	-	-	-	-	94.53	94.53
(formerly Dr. Lal PathLabs Welfare Trust)	(-)	(-)	(-)	(-)	(87.39)	(87.39)
Dr. Lal PathLabs Limited Group Gratuity Trust						
(formerly Dr. Lal PathLabs Private Limited Group Gratuity Trust)	(-)	(-)	(-)	(-)	200.00	200.00
	(-)	(-)	(-)	(-)	(-)	(-)
Total	-	-	-	-	294.53	294.53
v. Rent						
Dr. Vandana Lal	-	-	0.80	-	-	0.80
	(-)	(-)	(0.78)	(-)	(-)	(0.78)
Total	-	-	0.80	-	-	0.80
	(-)	(-)	(0.78)	(-)	(-)	(0.78)
vi. Dividend paid						
(Hony) Brig. Dr. Arvind Lal	-	-	622.33	-	-	622.33
	(-)	(-)	(630.37)	(-)	(-)	(630.37)
Dr. Vandana Lal	-	-	385.98	-	-	385.98
	(-)	(-)	(385.98)	(-)	(-)	(385.98)
Dr. Om Prakash Manchanda	-	-	21.31	-	-	21.31
	(-)	(-)	(24.78)	(-)	(-)	(24.78)
Mr. Bharath U	-	-	-	-	-	-
	(-)	(-)	(0.34)	(-)	(-)	(0.34)
Mr. Ved Prakash Goel	-	-	0.28	-	-	0.28
	(-)	(-)	(0.23)	(-)	(-)	(0.23)
Dr. Archana Lal Erdmann	-	-	-	38.85	-	38.85
	(-)	(-)	(-)	(40.65)	(-)	(40.65)
Mr. Anjaneya Lal	-	-	-	40.55	-	40.55
	(-)	(-)	(-)	(40.55)	(-)	(40.55)
Rahul Sharma	-	-	0.58	-	-	0.58
	(-)	(-)	(0.68)	(-)	(-)	(0.68)
Shankha Banerjee	-	-	0.58	-	-	0.58
	(-)	(-)	(-)	(-)	(-)	(-)
Vinay Gujral	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Total	-	-	1,031.06	79.40	-	1,110.46
	(-)	(-)	(1,042.38)	(81.20)	(-)	(1,123.58)
vii. Dividend received						
Paliwal Diagnostics Private Limited	240.00	-	-	-	-	240.00
	(32.00)	(-)	(-)	(-)	(-)	(32.00)
Total	240.00	-	-	-	-	240.00
	(32.00)	(-)	(-)	(-)	(-)	(32.00)

Notes to the Standalone Financial Statements

Note 47. Related Party Disclosures (Contd..)

(in ₹ million, unless otherwise stated)

Particulars	Subsidiaries	Entities in which KMP can exercise significant influence	Key Management Personnel	Relatives of key management personnel	Other related parties	Grand Total
viii. Share options exercised***						
Dr. Om Prakash Manchanda	-	-	81.19	-	-	81.19
	(-)	(-)	(1.04)	(-)	(-)	(1.04)
Mr. Bharath U	-	-	-	-	-	-
	(-)	(-)	(12.37)	(-)	(-)	(12.37)
Mr. Ved Prakash Goel	-	-	0.05	-	-	0.05
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Shankha Banerjee	-	-	0.03	-	-	0.03
	(-)	(-)	(-)	(-)	(-)	(-)
Vinay Gujral	-	-	1.12	-	-	1.12
	(-)	(-)	(-)	(-)	(-)	(-)
Total	-	-	82.39	-	-	82.39
	(-)	(-)	(13.41)	(-)	(-)	(13.41)
ix. Issue of equity shares****						
Rahul Sharma****	-	-	6.22	-	-	6.22
	(-)	(-)	(18.68)	(-)	(-)	(18.68)
Total	-	-	6.22	-	-	6.22
	(-)	(-)	(18.68)	(-)	(-)	(18.68)
x. Reimbursement of expenses paid						
Dr. Lal Ventures Private Limited	3.59	-	-	-	-	3.59
	(-)	(-)	(-)	(-)	(-)	(-)
Total	3.59	-	-	-	-	3.59
	(-)	(-)	(-)	(-)	(-)	(-)
xi. Reimbursement of expenses received						
Centrapath Labs Private Limited	3.07	-	-	-	-	3.07
	(-)	(-)	(-)	(-)	(-)	(-)
Total	3.07	-	-	-	-	3.07
	(-)	(-)	(-)	(-)	(-)	(-)

(in ₹ million, unless otherwise stated)

Particulars		Subsidiaries	Entities in which KMP can exercise significant influence	Key Management Personnel	Relatives of key management personnel	Other related parties	Grand Total
B. Outstanding balances at the year end							
i. Other non-current/ current assets							
Other advances*****							
Lal PathLabs Foundation	31 March, 2025	-	-	-	-	0.10	0.10
(formerly Dr. Lal PathLabs Welfare Trust)	31 March, 2024	(-)	(-)	(-)	(-)	(0.10)	(0.10)

Notes to the Standalone Financial Statements

Note 47. Related Party Disclosures (Contd..)

(in ₹ million, unless otherwise stated)

Particulars		Subsidiaries	Entities in which KMP can exercise significant influence	Key Management Personnel	Relatives of key management personnel	Other related parties	Grand Total
Dr. Lal PathLabs Limited Group Gratuity Trust	31 March, 2025	-	-	-	-	0.14	0.14
(formerly Dr. Lal PathLabs Private Limited Group Gratuity Trust)	31 March, 2024	(-)	(-)	(-)	(-)	(0.14)	(0.14)
Total	31 March, 2025	-	-	-	-	0.24	0.24
	31 March, 2024	(-)	(-)	(-)	(-)	(0.24)	(0.24)
ii. Trade receivables							
Dr. Lal PathLabs Nepal Private Limited	31 March, 2025	104.43					104.43
	31 March, 2024	(64.76)	-	-	-	-	(64.76)
Dr. Lal PathLabs Bangladesh Private Limited	31 March, 2025	129.14	-	-	-	-	129.14
	31 March, 2024	(91.68)	-	-	-	-	(91.68)
Total	31 March, 2025	233.57	-	-	-	-	233.57
	31 March, 2024	(156.44)	-	-	-	-	(156.44)
iii. Trade payables							
Dr. Lal Ventures Private Limited	31 March, 2025	3.59					3.59
	31 March, 2024	(-)	(-)	(-)	(-)	(-)	(-)
Total	31 March, 2025	3.59	-	-	-	-	3.59
	31 March, 2024	(-)	(-)	(-)	(-)	(-)	(-)

*The remuneration to the key managerial personnel and their relatives does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

**Excludes share based expenses accounted for during the year related to Dr. Lal PathLabs Employees Restricted Stock Unit Plan 2016 and Dr. Lal PathLabs Private Limited Employee Stock Option Plan 2022

*** Shares directly issued to the employees by the EWT Trust @ INR 10.00 under RSU 2016 and INR. 1,930.05 and INR 2174.94 under ESOP 2022 per equity share of INR 10/- each.

**** Shares directly issued by the Company @ INR 311.30 per equity share of INR 10/- each under ESOP 2010 scheme. This does not include the employee share compensation perk of INR 51.19 Million (31 March, 2024: 108.07 million)

***** Represents contribution towards corpus fund. Amount is included in advance under other non-current assets.

Notes to the Standalone Financial Statements

Note 48. Other statutory information

The title deeds comprising all the immovable properties of land and buildings which are freehold (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) and the building constructed on leasehold land disclosed as property, plant and equipment in the standalone financial statements, are held in the name of the Company as at the balance sheet date except the following:

- a. List of immovable properties not held in the name of the Company/ immovable properties that have been taken on lease and the lease agreements are not duly executed in the favour of the Company.

Relevant line item in the Balance sheet	Description of property	Gross carrying value in the standalone financial statements	Carrying value in the standalone financial statements	Held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in name of Company
Property, plant and equipment - Freehold Building	Flat No 4A, First Floor, 11 B.T. Road, Baranagar, Parganas (North), Kolkata.	0.18	0.08	Dr. Lal PathLabs Private Limited	No	1 April, 2013	These properties were acquired pursuant to the amalgamation of Medicaive Diagnostic Centre Private Limited with the Company with effect from 21 May, 2015 with the appointed date being 1 April, 2013. The title of these properties was mutated in the name of Dr. Lal PathLabs Private Limited on 19 February, 2018. Subsequently, the Company was converted into a public company and the Registrar of Companies NCT of Delhi & Haryana issued a fresh certificate of incorporation w.e.f August 19, 2015.
Property, plant and equipment - Building	Flat No 4, First Floor, 11 B.T. Road, Baranagar, Parganas (North), Kolkata.	0.18	0.08	Dr. Lal PathLabs Private Limited	No	1 April, 2013	
Property, plant and equipment - Building	Flat no. 3, Premises no. 11, Mouza Nainan, B.T. Road, Baranagar, Parganas (North), Kolkata along with garage.	0.18	0.08	Dr. Lal PathLabs Private Limited	No	1 April, 2013	
Property, plant and equipment - Building	Room No 7 & 8, 48B, B.T. Road, Baranagar, Parganas (North), Kolkata.	0.10	0.05	Dr. Lal PathLabs Private Limited	No	1 April, 2013	
Property, plant and equipment - Building	Room No 11 & 13, 48B, B.T. Road, Baranagar, Parganas (North), Kolkata.	0.07	0.04	Dr. Lal PathLabs Private Limited	No	1 April, 2013	
Right-of-use-assets - Building	Leasehold building situated at Sector 18, Block E, Rohini, Delhi.	130.27	75.20	Dr. Lal PathLabs Private Limited	No	8 April, 2005	The lease deed was signed on 8 April, 2005 in the name of Dr. Lal PathLabs Private Limited. Subsequently, the Company was converted into a public company and the Registrar of Companies NCT of Delhi & Haryana issued a fresh certificate of incorporation w.e.f August 19, 2015.

Notes to the Standalone Financial Statements

Note 48. Other statutory information (Contd..)

- b. The Company had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- c. The Company was not holding any benami property and no proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- d. The Company had not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- e. The Company did not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- f. The Company did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.
- g. The Company has not traded or invested in Crypto currency or Virtual Currency during year ended 31 March, 2025.
- h. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- i. The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- j. The Company did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- k. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- l. During the year, no scheme of arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013. The Company had disclosed that the effect of scheme of arrangements and the same had been accounted for in the books of account of the Company 'in accordance with the Scheme' and 'in accordance with accounting standards' and there is no deviation in this regard.

Notes to the Standalone Financial Statements

Note 49 Disclosure of Ratios

Particulars	Numerator	Denominator	Year ended 31 March, 2025	Year ended 31 March, 2024	Change in Ratios	Reason for Variance (where more than 25%)
Current ratio	Current assets	Current liabilities	3.29	2.30	43%	Due to increase in the current assets and decrease in the current liabilities in the current year
Debt-Equity ratio	Total debt	Shareholder's Equity	0.07	0.13	-47%	Due to decrease in the total debt in the current year
Debt service coverage ratio	Earnings available for debt service	Debt service	9.36	6.63	41%	Due to increase in the earning available for debt service and decrease in the debts
Return on equity ratio	Net profit/(loss) after tax	Average shareholder's equity	23.30%	19.26%	21%	
Inventory turnover ratio	Cost of Good Sold	Average Inventory	13.98	16.83	-17%	
Trade receivables turnover ratio	Revenue from operations	Average net trade receivables	24.39	24.26	1%	
Trade payables turnover ratio	Net Credit Purchases *	Average Trade Payables	6.82	7.01	-3%	
Net capital turnover ratio	Revenue from operations	Average working capital	2.65	3.63	-27%	Due to increase in the revenue from operationd and increase in the working capital
Net profit ratio	Net Profit/(loss) after tax	Total revenue	21.15%	16.32%	30%	Due to increase in the net profit after taxes
Return on capital employed	Net profit/(loss) before Interest and tax	Capital employed**	31.22%	28.93%	8%	
Return on investment	Income generated from investments	Time weighted average investments	4.25%	4.99%	-15%	

* Net Credit Purchases comprises of Cost of good sold, fees to collection centre & other expense

Capital employed = Tangible net worth* + Total debt + Deferred tax liability

***Tangible net worth = Total assets - Total liabilities - Intangible assets

Notes to the Standalone Financial Statements

Note 50

Disclosure pursuant to section 186 of the Companies Act 2013:

Sr. No.	Nature of the transaction (loans given/ Investment made/ guarantee given/ security provided)	As at 31 March, 2025	As at 31 March, 2024
1	Loan and advances	-	-
2	Other advances	-	-
3	Guarantees	-	-
4	Investments in fully paid equity instruments and current investments	Refer Note 6 and 13	Refer Note 6 and 13

Note 51

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Note 52

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

Note 53

The Standalone Financial Statements were approved by the Board of Directors and authorised for issue on 25 April 2025.

Note 54

The figures have been rounded off to the nearest million of rupees upto two decimal places. The figures 0.00 wherever stated represents value less than INR 10,000/-.

(Hony.) Brig. Dr. Arvind Lal

(DIN: 0576638)

[Executive Chairman]

Ved Prakash Goel

[Chief Financial Officer &
CEO- International Business]

Place: Gurugram

Date: 25 April, 2025

Shankha Banerjee

[Chief Executive officer]

Vinay Gujral

[Company Secretary]

Place: Gurugram

Date: 25 April, 2025

Independent Auditor's Report

To The Members of Dr. Lal Pathlabs Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **Dr. Lal PathLabs Limited** ("the Parent"), its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flows Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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 the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue recognition – Reliance on information technology and system for controls over pricing master file</p> <p>We identified reliance on information technology and system for controls over pricing master file as a key audit matter due to a likelihood of material misstatement in revenue recognition, resulting from unauthorised alterations to the pricing master file, on account of high volume of patient transactions.</p> <p>Refer to notes 2.3 and 27 to the consolidated financial statements.</p>	<p>Principal audit procedures performed.</p> <ul style="list-style-type: none"> • Obtained an understanding of and assessed and tested the design, implementation and operating effectiveness of relevant internal controls relating to authorisation of alterations to the pricing master file. • Tested the controls around the access rights to the price masters by involving information technology specialists. • Tested the automated controls for auto pick of the prices defined in the system based on the tests selected. • Tested the reports of changes in the pricing master files for completeness and accuracy and for the selected samples of alterations during the year, verified that the changes were authorised.

Independent Auditor's Report (Contd..)

Sr. No.	Key Audit Matter	Auditor's Response
2	<p>Impairment of intangible assets (Goodwill)</p> <p>The Company has intangible asset with indefinite life comprising Goodwill of Rs. 4,700 million as at March 31, 2025 on account of acquisition of Suburban Diagnostics (India) Private Limited.</p> <p>The Company's evaluation of impairment of goodwill requires the management to assess the recoverable value of cash generating unit to its carrying value in accordance with Ind AS 36, Impairment of Assets. The recoverable amount is determined based on the value in use model.</p> <p>The Company has determined recoverable value, which includes use of discounted cash flow model to estimate recoverable value which requires management and Board of Directors to make estimates and assumptions related to future cash flow forecasts (including forecast of future revenue and operating margins), discount rates and the long-term growth rates applied to these future cash flow forecasts and the same is reviewed by Board of Directors. Changes in these estimates and assumptions could have a significant impact on the assessment of the recoverable value and the consequential impact on carrying value of Goodwill.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> Evaluated the design, implementation and operating effectiveness of controls over impairment assessment, including controls relating to review of future cash flow forecasts (including forecast of future revenue and operating margins) and controls relating to review of assumptions of discount rates and the long-term growth rates; Evaluated the reasonableness of the estimates used by management in assessment of future cash flow forecasts and operating margins by comparing them to Historical revenue and operating margins, latest approved targets and long term plans; With the assistance of our fair value specialist, evaluated the appropriateness of the valuation methodology and reasonableness of the key valuation assumptions used by management and tested mathematical accuracy of the calculations used in assessment of recoverable value; Evaluated the sensitivity analysis performed by the management on the projections by varying key assumptions such as discount and growth rates (including terminal growth rate). Evaluated the appropriateness of the accounting and disclosures in the standalone financial statements in compliance with the accounting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

- a) The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Business Responsibility and Sustainability Report and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- b) Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- c) In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- d) If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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

Independent Auditor's Report (Contd..)

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 consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditor's Report (Contd..)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets (before consolidation adjustment) of Rs 288.03 Million as at March 31, 2025, total revenues (before consolidation adjustment) of Rs. 44.09 Million and net cash inflows of Rs. 113 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the conversion adjustments prepared by the management of the Company.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above 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 purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law have been kept by the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors, except for not complying with the requirement of audit trail as stated in (i)(vi) below.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flows Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The modification/s relating to the maintenance of accounts and other matters connected therewith, is/ are as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent Company and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

Independent Auditor's Report (Contd..)

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 37 to the consolidated financial statements.
- ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts- Refer Note 36 to the consolidated financial statements.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent company and its subsidiary companies incorporated in India - Refer Note 49 to the consolidated financial statements.
- iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 45 (g) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 45 (h) to the consolidated financial statements, no funds have been received by the Parent Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

As stated in note 19(v) and 20(iv) to the consolidated financial statements, the Board of Directors of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent Company and such subsidiaries at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

No dividend has been proposed, declared or paid by any of the other subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable.

Independent Auditor's Report (Contd..)

- vi) Based on our examination which included test checks, Parent company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act, used accounting softwares for maintaining its books of account for the period April 01, 2024 to March 31, 2025 which have a feature of recording audit trail (edit log) facility and the same operated for all relevant transactions recorded in the software except that audit trail for one software that was used during the period April 01, 2024 to April 30, 2024 did not have audit trail enabled at the database level to log any direct data changes.

In case of the other accounting software (SaaS Based application) that was implemented from May 1, 2025, the Company does not have access to the database of the software and consequently, we are unable to comment on whether audit trail feature was enabled at database level for this period.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of the accounting softwares used by the Company for the period for which the audit trail feature was enabled and operating.

Additionally audit trail has been preserved by the Company as per the statutory requirements for record retention.

In respect of one accounting software used for maintenance of inventory records in one of the

locations in the Company till January 31, 2025, in the absence of management's evaluation of the audit trail feature for the said accounting software, we are unable to comment whether the audit trail feature was enabled and if there were any instances of the audit trail feature being tampered with.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

Rashim Tandon

Partner

(Membership No. 95540)

(UDIN: 25095540BMOXII9560)

Place: Gurugram

Date: April 25, 2025

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of **Dr. Lal PathLabs Limited** (hereinafter referred to as “Parent”) and its subsidiary companies (the Parent and its subsidiaries together referred to “the Group”).

Management’s and Board of Directors Responsibility for Internal Financial Controls

The Company’s management and Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 (ICAI). 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 the respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated financial statements 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 generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk

Annexure “A” to the Independent Auditor’s Report (Contd..)

that the internal financial control with reference to consolidated financial statements 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 to the best of our information and according to the explanations given to us, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm’s Registration No. 117366W/W-100018)

Rashim Tandon

Partner

(Membership No. 95540)

(UDIN: 25095540BMOXII9560)

Place: Gurugram

Date: April 25, 2025

Consolidated Balance Sheet

as at 31 March, 2025

(in ₹ million, unless otherwise stated)

Particulars	Notes	(in ₹ million, unless otherwise stated)	
		As at 31 March, 2025	As at 31 March, 2024
ASSETS			(Refer Note 43)
1. Non-current assets			
(a) Property, plant and equipment	3a	2,000.85	1,994.15
(b) Right-of-use assets	3b	1,357.19	1,436.12
(c) Capital work-in-progress	3c	34.76	39.51
(d) Investment Property	3d	333.58	337.05
(e) Goodwill	4	5,481.13	5,481.85
(f) Other intangible assets	5	2,510.72	3,026.13
(g) Intangible assets under development	5	-	16.97
(h) Financial assets			
(i) Loans	6	0.04	0.32
(ii) Other financial assets	7	811.64	316.52
(i) Non-current tax assets (net)	8	97.48	173.98
(j) Deferred tax assets (net)	9	866.16	448.59
(k) Other non-current assets	10	39.23	21.47
Total non-current assets		13,532.78	13,292.66
2. Current assets			
(a) Inventories	11	361.32	373.07
(b) Financial assets			
(i) Investments	12	3,266.96	1,137.75
(ii) Trade receivables	13	881.21	774.02
(iii) Cash and cash equivalents	14	2,926.26	3,609.33
(iv) Bank balances other than (iii) above	15	5,460.53	4,693.77
(v) Loans	16	11.24	12.77
(vi) Other financial assets	17	503.64	470.31
(c) Other current assets	18	223.93	195.95
Total current assets		13,635.09	11,266.97
Total Assets		27,167.87	24,559.63
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	19	835.92	834.78
(b) Other equity	20	20,891.23	17,658.05
Equity attributable to owners of the Company		21,727.15	18,492.83
Non-controlling interests	21	337.63	360.81
Total equity		22,064.78	18,853.64
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	40	1,026.36	1,030.19
(b) Deferred tax liabilities (net)	9	33.73	23.92
(c) Provisions	25	19.47	16.06
Total non-current liabilities		1,079.56	1,070.17
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	-	833.34
(ii) Lease liabilities	40	547.94	605.77
(iii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		135.12	67.54
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,853.37	1,798.13
(iv) Other financial liabilities	24	567.60	486.67
(b) Provisions	25	351.47	362.65
(c) Current tax liabilities (net)	8	138.47	132.86
(d) Other current liabilities	26	429.56	348.86
Total current liabilities		4,023.53	4,635.82
Total liabilities		5,103.09	5,705.99
Total equity and liabilities		27,167.87	24,559.63

The accompanying notes are integral part of these consolidated financial statements

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As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rashim Tandon
Partner

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

(Hony) Brig. Dr. Arvind Lal
(DIN: 00576638)
[Executive Chairman]

Ved Prakash Goel
[Chief Financial Officer &
CEO- International Business]

Shankha Banerjee
[Chief Executive Officer]

Vinay Gujral
[Company Secretary]

Place: Gurugram
Date: 25 April, 2025

Place: Gurugram
Date: 25 April, 2025

Place: Gurugram
Date: 25 April, 2025

Consolidated Statement of Profit and Loss

for the year ended 31 March, 2025

(in ₹ million, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2025	Year ended 31 March, 2024
1. Income			(Refer Note 43)
(a) Revenue from operations	27	24,613.95	22,266.41
(b) Other income	28	934.30	691.65
Total income		25,548.25	22,958.06
2. Expenses			
(a) Cost of materials consumed	29	4,814.64	4,514.17
(b) Employee benefits expense	30	4,823.60	4,245.69
(c) Finance costs	31	223.05	293.59
(d) Depreciation and amortisation expense	32	1,419.22	1,435.97
(e) Fees to collection centers/channel partners		3,416.59	3,130.12
(f) Other expenses	33	4,603.16	4,284.01
Total expenses		19,300.26	17,903.55
3. Profit before tax		6,247.99	5,054.51
4. Tax expense			
(a) Current tax	34	1,720.41	1,480.25
(b) Deferred tax	9	(394.94)	(48.67)
Total tax expense (net)		1,325.47	1,431.58
5. Profit for the year (A)		4,922.52	3,622.93
6. Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit obligations		(48.95)	(4.58)
- Income tax in relation to items that will not be reclassified to profit or loss		12.33	1.17
Items that may be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		0.11	(1.96)
- Income tax in relation to the items that will be reclassified to profit or loss		-	-
Total other comprehensive loss (B)		(36.51)	(5.37)
7. Total comprehensive income for the year (A+B)		4,886.01	3,617.56
Profit for the year attributable to:			
- Owners of the Company		4,871.38	3,577.35
- Non-controlling interests		51.14	45.58
		4,922.52	3,622.93
Other comprehensive income/ (loss) for the year attributable to:			
- Owners of the Company		(36.31)	(5.13)
- Non-controlling interests		(0.20)	(0.24)
		(36.51)	(5.37)
Total comprehensive income for the year attributable to:			
- Owners of the Company		4,835.07	3,572.22
- Non-controlling interests		50.94	45.34
		4,886.01	3,617.56
8. Earnings per equity share	35		
- Basic earnings per share (Face value of ₹ 10 each)		58.48	43.05
- Diluted earnings per share (Face value of ₹ 10 each)		58.40	42.98

The accompanying notes are integral part of these consolidated financial statements

1-52

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rashim Tandon
Partner

Place: Gurugram
Date: 25 April, 2025

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

(Hony) Brig. Dr. Arvind Lal
(DIN: 00576638)
[Executive Chairman]

Ved Prakash Goel
[Chief Financial Officer &
CEO- International Business]

Place: Gurugram
Date: 25 April, 2025

Shankha Banerjee
[Chief Executive Officer]

Vinay Gujral
[Company Secretary]

Place: Gurugram
Date: 25 April, 2025

Consolidated Cash Flow Statement

for the year ended 31 March, 2025

Accounting policy

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 from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

Particulars	(In ₹ million, unless otherwise stated)	
	Year ended 31 March, 2025	Year ended 31 March, 2024
Cash flows from operating activities		(Refer Note 43)
Profit for the year	4,922.52	3,622.93
Adjustments to reconcile profit before tax to net cash from operating activities:		
Tax expense (net)	1,325.47	1,431.58
Interest income	(664.58)	(554.30)
Net gain on sale or fair valuation of investments (at FVTPL)	(209.30)	(103.97)
Surrender value of keyman insurance policy	(3.35)	(9.29)
Rental income from investment property	(34.72)	(20.12)
(Profit)/Loss on disposal/discard of property, plant and equipment	21.51	2.18
Expense recognised in respect of employee share based compensation	270.95	217.06
Finance cost	223.05	293.59
Depreciation and amortisation expense	1,419.22	1,435.97
Provision for impairment of trade receivables and advances	34.48	-
Provision for impairment of trade receivables and advances written back	-	(2.73)
Bad debts and advances written off (net)	11.25	9.91
Remeasurement of the defined benefit obligation	(48.95)	(4.58)
Exchange differences on translation of foreign operations	0.11	(1.96)
Operating profit before working capital changes	7,267.66	6,316.27
Adjustment for (increase)/decrease in operating assets:		
(Increase)/decrease in inventories	11.75	(35.01)
(Increase)/decrease in trade receivables	(152.92)	(72.96)
(Increase)/decrease in loans	1.81	1.11
(Increase)/decrease in other financial assets	(10.59)	17.37
(Increase)/decrease in other assets	(26.13)	(38.93)
Adjustment for increase/(decrease) in operating liabilities:		
Increase/(decrease) in trade payables	122.82	304.67
Increase/(decrease) in other financial liabilities	40.48	60.95
Increase/(decrease) in provisions	(7.77)	87.36
Increase in borrowings	-	-
Increase/(decrease) in other liabilities	80.70	32.83
Cash generated from operations	7,327.81	6,673.66
Income taxes paid (net of refunds)	(1,638.96)	(1,320.32)
Net cash generated from operating activities (A)	5,688.85	5,353.34
Cash flows from investing activities		
Payments for purchase of property, plant and equipment	(442.94)	(511.67)
Proceeds from disposal of property, plant and equipment	6.74	8.76
Payments for purchase of other intangible assets	(95.80)	(62.67)
Rental income from investment property	34.72	20.12
Interest received	631.18	453.36
Net cash outflow for investment in subsidiaries	-	(3.54)
Payments for purchase of investments in mutual funds	(5,917.48)	(3,420.38)
Proceeds from sale of investments in mutual funds	3,997.57	3,886.04
Bank deposits placed with the banks	(9,803.54)	(6,397.40)
Bank deposits with banks encashed	8,557.92	5,784.69
Net cash used in investing activities (B)	(3,031.63)	(242.69)

Consolidated Cash Flow Statement

for the year ended 31 March, 2025

(In ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Cash flows from financing activities		
Proceeds from exercise of share options	127.04	34.88
Repayment of borrowings	(833.34)	(1,533.37)
Interest paid	(30.65)	(93.51)
Repayment of lease liability	(337.95)	(334.86)
Interest paid on lease liability	(192.40)	(200.08)
Dividend paid on equity shares	(2,072.99)	(2,011.69)
Net cash used in financing activities (C)	(3,340.29)	(4,138.63)
Net increase in cash and cash equivalents (A+B+C)	(683.07)	972.02
Cash and cash equivalents at the beginning of the year [refer note 14]	3,609.33	2,637.31
Cash and cash equivalents at the end of the year	2,926.26	3,609.33
Components of cash and cash equivalents		
Cash on hand	25.74	18.29
Balance with scheduled banks:		
- on current accounts	214.60	209.95
- on cash credit accounts	-	20.54
- deposits with maturity of less than 3 months	2,685.92	3,360.55
Total cash and cash equivalents [refer note 14]	2,926.26	3,609.33

The accompanying notes are integral part of these consolidated financial statements 1-52

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rashim Tandon
Partner

Place: Gurugram
Date: 25 April, 2025

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

(Hony) Brig. Dr. Arvind Lal
(DIN: 00576638)
[Executive Chairman]

Ved Prakash Goel
[Chief Financial Officer &
CEO- International Business]

Place: Gurugram
Date: 25 April, 2025

Shankha Banerjee
[Chief Executive Officer]

Vinay Gujral
[Company Secretary]

Place: Gurugram
Date: 25 April, 2025

Consolidated Statement of Changes in Equity

for the year ended 31 March, 2025

a. Equity share capital (Refer Note 43)

Particulars	(In ₹ million, unless otherwise stated)	
	Numbers	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 1 April, 2023	8,33,67,877	833.68
Equity share capital issued against share options	1,09,975	1.10
Balance as at 31 March, 2024	8,34,77,852	834.78
Balance as at 1 April, 2024	8,34,77,852	834.78
Equity share capital issued against share options	1,13,883	1.14
Balance as at 31 March, 2025	8,35,91,735	835.92

b. Other equity

Particulars	(In ₹ million, unless otherwise stated)							Total			
	Capital reserve	Capital redemption reserve account	Securities premium	General reserve	Share options outstanding account	Treasury shares	Retained earnings		Other comprehensive income	Attributable to owners of the Company	Non-controlling interests
Balance as at 1 April, 2023	(786.47)	9.45	934.88	1,024.94	582.64	(118.53)	14,186.99	(4.60)	15,829.30	332.47	16,161.77
Profit for the year	-	-	-	-	-	-	3,577.35	-	3,577.35	45.58	3,622.93
Other comprehensive income/ (loss) for the year, net of income tax	-	-	-	-	-	-	(3.17)	(1.49)	(4.66)	(0.24)	(4.90)
Total comprehensive income for the year	(786.47)	9.45	934.88	1,024.94	582.64	(118.53)	17,761.17	(6.09)	19,401.99	377.81	19,779.80
Addition during the period on account of issue of equity shares	-	-	114.03	-	-	-	-	-	114.03	-	114.03
Payments of dividends (Refer to note 20)	-	-	-	-	-	-	(1,994.78)	-	(1,994.78)	(17.00)	(2,011.78)
Share options exercised during the year (Refer to notes 20 and 46)	-	-	-	233.32	(279.71)	(25.37)	-	-	(71.76)	-	(71.76)
Sale of treasury shares (Refer to note 20)	-	-	-	-	208.57	-	-	-	-	-	208.57
Employee share based compensation expense (Refer to note 30)	-	-	-	-	-	-	-	-	208.57	-	208.57
Balance as at 31 March, 2024 (Refer to note 43)	(786.47)	9.45	1,048.91	1,258.26	511.50	(143.90)	15,766.39	(6.09)	17,658.05	360.81	18,018.86

Consolidated Statement of Changes in Equity

for the year ended 31 March, 2025

b. Other equity

Particulars	Reserves and surplus							Other comprehensive income		Attributable to owners of the Company	Non-controlling interests	Total
	Capital reserve	Capital redemption reserve account	Securities premium	General reserve	Share options outstanding account	Treasury shares	Retained earnings	Foreign currency translation reserve				
								Foreign currency translation reserve	Other comprehensive income			
Balance as at 1 April, 2024	(786.47)	9.45	1,048.91	1,258.26	511.50	(143.90)	15,766.39	(6.09)		17,658.05	360.81	18,018.86
Profit for the year	-	-	-	-	-	-	4,871.38	-		4,871.38	51.14	4,922.52
Other comprehensive income/ (loss) for the year, net of income tax	-	-	-	-	-	-	(36.42)	0.58		(35.84)	(0.20)	(36.04)
Total comprehensive income for the year	(786.47)	9.45	1,048.91	1,258.26	511.50	(143.90)	20,601.35	(5.51)		22,493.59	411.75	22,905.34
Addition during the period on account of issue of equity shares	-	-	198.94	-	-	-	-	-		198.94	-	198.94
Payments of dividends (Refer to note 20)	-	-	-	-	-	-	(1,999.06)	-		(1,999.06)	(74.12)	(2,073.18)
Share options exercised during the year (Refer to notes 20 and 46)	-	-	-	196.48	(216.05)	(50.91)	-	-		(70.48)	-	(70.48)
Addition on acquisition of shares of subsidiaries	-	-	-	-	-	-	(2.71)	-		(2.71)	-	(2.71)
Employee share based compensation expense (Refer to note 30)	-	-	-	-	270.95	-	-	-		270.95	-	270.95
Balance as at 31 March, 2025	(786.47)	9.45	1,247.85	1,454.74	566.40	(194.81)	18,599.58	(5.51)		20,891.23	337.63	21,228.86

(In ₹ million, unless otherwise stated)

The accompanying notes are integral part of these consolidated financial statements

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As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

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

Rashim Tandon
Partner

(Hony) Brig. Dr. Arvind Lal
(DIN: 00576638)
[Executive Chairman]

Shankha Banerjee
[Chief Executive Officer]

Ved Prakash Goel
[Chief Financial Officer &
CEO- International Business]

Vinay Gujral
[Company Secretary]

Place: Gurugram
Date: 25 April, 2025

Place: Gurugram
Date: 25 April, 2025

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

- i. Dr. Lal PathLabs Limited ("the Company") is a public company domiciled in India and incorporated on 14 February, 1995 under the provisions of the Companies Act, 1956. 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, immuno-chemistry, immunology, virology, cytology, and other pathological and radiological investigations.

The equity shares of the Parent Company are listed on The National Stock Exchange of India and Bombay Stock Exchange.

The registered address and principal place of business of the Parent Company is Block E, Sector-18, Rohini, New Delhi- 110085.

- ii. The Board of Directors of the Company, at their meeting held on January 30, 2025, accorded in-principle approval for the voluntary liquidation of Suburban Diagnostics India Private Limited ("SDIPL"), to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of SDIPL in their meeting dated February 6, 2025 and the members of SDIPL in their Extra Ordinary General meeting held on February 6, 2025 accorded their approval for consolidation of the business of SDIPL through voluntary liquidation process.

Pursuant to the ongoing liquidation process, the liquidator of SDIPL has transferred the entire business undertaking to the Company on a going concern basis on and with effect from March 18, 2025.

Consequent to the liquidation becoming effective, the Company has Restated the previous years numbers as described in note 43.

The accompanying Restated financial statements reflect the results of the activities undertaken by the Company during the year ended March 31, 2024.

2 MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Basis of preparation and presentation

These consolidated 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. For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

2.3 Revenue recognition

The Group's revenue is primarily generated from business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, haematology, histopathology, microbiology, electrophoresis, immuno-chemistry, immunology, virology, cytology, and other pathological and radiological investigations for customers through various arrangements.

Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognised at a point in time when the Group satisfies performance obligations by transferring the promised services to its customers. Generally, each test represents a separate performance obligation for which revenue is recognised when the test report is generated i.e. when the performance obligation is satisfied.

Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is

Notes to the Consolidated Financial Statements

net of variable consideration on account of discounts and schemes offered to the customers by the Company.

For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price net of discounts. The price that is regularly charged for a test when registered separately is the best evidence of its standalone selling price.

The Group has assessed that it is primarily responsible for fulfilling the performance obligation and has no agency relationships. Accordingly, the revenue has been recognised at the gross amount and fees to collection centers/channel partners has been recognised as an expense.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities, referred to as "unearned revenue". Refer to note 28.

The Group disaggregates revenue from contracts with customers by geography.

2.4 Leasing

The standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves use of an identified asset, (ii) the Group has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

2.4.1 The Group as lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The Group has also entered into lease agreements as a lessor with respect to some of its investment properties.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease which is forming part of 'other income'.

When a contract includes both lease and non-lease components, the Group applies Ind AS 115 to allocate the consideration under the contract to each component

2.4.2 The Group as a lessee

The Company's lease asset classes primarily consist of leases for land and building. The Group determines whether an arrangement is a lease at contract inception by establishing if the contract conveys the right to control the use of identified asset for a period of time in exchange for consideration. On commencement date, it recognises a right-of-use assets (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short term leases and low value assets. For these short-term and low value leases, the Group recognises the lease payments on straight-line basis over the term of the lease.

The Right-of-use assets are initially recognised at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

The Right-of-use assets are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or its useful life.

The lease liability is initially measured at present value of the future lease payments over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if it is not readily determinable, using the incremental borrowing rate. For leases with similar characteristics, the Group, on a lease by lease basis, adopts either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The interest cost on lease liability (computed using effective interest method), is expensed in the Statement of Profit and Loss.

The interest cost on lease liability (computed using effective interest method), is expensed in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

Right-of-use assets and lease liability includes the options to extend / terminate the lease before the end of the lease term when it is reasonably certain that this option will be exercised.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Lease payments have been classified as financing cash flows.

Lease liabilities and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. This does not apply to right-of-use assets that meet the definition of investment property, which has been presented in the Balance Sheet as investment property.

2.5 Functional and presentation currency

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

2.6 Employee benefits

Employee benefits include provident fund, gratuity 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 Group 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 Group'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.

Remeasurement, 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. Remeasurement 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.

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 Group 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 Parent Company has taken various policies with insurer managed funds to meet its obligation towards gratuity. The Parent Company contributes all ascertained liabilities to a gratuity fund administered through a separate trust which is governed by board of trustees. The board of trustee comprises of the officers of the Parent Company. 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 Consolidated Balance Sheet represents the actual deficit or surplus in the Group'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.

Notes to the Consolidated Financial Statements

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 after 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 after 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.

2.7 Taxation.

Tax expense comprises deferred tax and current tax expenses. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to equity, in which the case of equity, it is recognised in equity or other comprehensive income.

2.7.1 Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards ("ICDS") enacted in India by using tax rates and tax laws that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is included either in other comprehensive Income or in equity depending on the recognition of underlying transaction. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.7.2 Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the

tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.8.1 Property, plant and equipment

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

Freehold land is carried at historical cost.

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use on the reporting date and materials at site.

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

Notes to the Consolidated Financial Statements

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 Group 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

2.8.2 Depreciation methods, estimated useful lives and residual value

Depreciation on furniture and fixtures is calculated using the straight-line method 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.

Depreciation on all other property, plant and equipment 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.

Leasehold improvements are depreciated over the useful lives of the assets or the unexpired lease period, whichever, is lower.

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

Building	30 years
Plant and equipment	13-15 years
Computers	3 years
Furniture and fixtures	5 years
Vehicles	8-10 years

The asset's residual value, 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.

Assets purchased during the year costing ₹ 5,000 or less are depreciated at the rate of 100%.

Freehold land/Leasehold land in the nature of perpetual lease is not amortised.

2.8.3 Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill such as trademark, non-compete fee and customer relationship are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Significant estimates are required to be made in determining the value of these intangible assets as per Ind AS 103. These valuations are conducted by independent valuation experts. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.8.4 Derecognition of tangible assets

A tangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

Gains or losses arising from derecognition of a tangible asset, are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2.8.5 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16, "Property, plant and equipment" requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Depreciation methods, useful lives and residual values are in accordance with the policy of property, plant and equipment.

2.9 Intangible assets

2.9.1 Intangible assets acquired separately

Trademarks, computer software, customer relationship and non-compete agreement fees are carried at cost which is incurred and stated in

Notes to the Consolidated Financial Statements

the relevant license agreement with the technical knowhow provider less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. 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.

Estimated useful life of intangible assets are as follows

Trademark & Patent- 5-17 years

Customer relationship – 11 - 12 years

Non compete agreement fees - 5 years

Computer software – 5 years

2.9.2 Amortisation methods and useful lives

Trademarks and softwares 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.

2.9.3 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.10 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets including non complete, customer relationship on brand with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current

market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.11 Inventories

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

2.12 Provisions, contingent liability and contingent asset

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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 consolidated financial statements by way of notes to consolidated financial statements when an inflow of economic benefits is probable.

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

2.13 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured

Notes to the Consolidated Financial Statements

at transaction price. 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.

Trade receivables are initially measured (initial recognition amount) at their transaction price (in accordance with Ind AS 115) unless those contain a significant financing component determined in accordance with Ind AS 115 or when the entity applies the practical expedient in accordance with para 63 of Ind AS 115 and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.14 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial instruments that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts that form an integral part of the effective interest rate) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for financial instruments other than those financial assets classified as at Fair Value Through Profit and Loss. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial instruments that do not meet the amortised cost criteria or fair value through other comprehensive income (FVTOCI) are measured at fair value through profit or loss (FVTPL).

2.14.1 Cash and cash equivalents

The Group 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.

2.14.2 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.14.3 Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.14.4 Financial assets at fair value through profit or loss ('FVTPL')

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost

Notes to the Consolidated Financial Statements

or at fair value through other comprehensive income on initial recognition.

2.14.5 Foreign exchange gain and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income

Effective 1 April, 2018, the Company has adopted Appendix B to Ind AS 21 - Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

2.14.6 Impairment of financial assets

The Group assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

2.14.7 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

2.14.8 Interest

Interest income from a financial asset is recognised using the effective interest rate method. 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.

2.14.9 Income from units in mutual funds

Dividend from units in mutual funds is recognised when the Group's right to receive payment is established by the reporting date. Income on investment made in the units of fixed maturity plans of mutual funds is recognised based on the yield earned and to the extent of reasonable certainty.

2.15 Financial liabilities and equity instruments

2.15.1 Classification of debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.15.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

2.15.3 Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

2.15.4 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged,

Notes to the Consolidated Financial Statements

cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

2.16 Finance costs

Finance costs comprise interest cost on borrowings, lease liabilities and net defined benefit liability, gains or losses arising on re-measurement of financial assets measured at FVTPL, gains/ (losses), net, on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

2.17 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.18 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 50.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact

of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.19 Earnings per share

Basic earnings per share is 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.

2.20 Operating cycle

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

2.21 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.

2.22 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Group.

2.23 Use of estimates and judgements

The preparation of consolidated financial statements in conformity with Ind 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 consolidated 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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect

Notes to the Consolidated Financial Statements

on the amounts recognised in the consolidated financial statements are included in the following notes:

Accounting of reagent rental equipments

The Group has entered into agreements with certain suppliers for purchase of reagent. As part of the agreement, the Group has the right to use equipment supplied by the suppliers free of charge subject to purchase of minimum committed quantities of reagents.

The cost of reagents which includes the cost of rental of the equipment is recorded as cost of material consumed.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss may arise (Refer to note 4).

Impairment of intangible assets

Determining whether intangible assets are impaired requires an estimation of the value in use of the cash-generating units to which intangible assets has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss may arise (Refer to note 5).

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There is no such change in the useful life of the assets (Refer to note 3).

Defined benefit obligations

Key assumptions related to life expectancies, salary increases and withdrawal rates (Refer to note 40).

2.24 Basis of consolidation and equity accounting

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balance and unrealised gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Change in Equity and Consolidated Balance Sheet respectively.

The following subsidiary companies have been considered in the preparation of the consolidated financial statements:

S. No.	Name of the Company
1	Paliwal Diagnostics Private Limited
2	Dr Lal PathLabs Nepal Private Limited
3	Dr Lal PathLabs Bangladesh Pvt Ltd
4	Dr. Lal Ventures Private Limited
5	PathLabs Unifiers Private Limited
6	Centrapath Labs Private Limited
7	APRL Pathlabs Private Limited
8	Chanre Laboratory Private Limited

2A Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2025.

Notes to the Consolidated Financial Statements

Note 3a: Property, plant and equipment

	(in ₹ million, unless otherwise stated)	
	As at 31 March, 2025	As at 31 March, 2024
Carrying amounts of :		
Freehold land	109.57	109.57
Freehold buildings	1.72	1.72
Leasehold buildings	259.63	287.16
Plant and equipment	1,187.99	1,134.01
Computers	82.47	75.75
Furniture and fixtures	58.70	70.83
Vehicles	7.87	19.93
Leasehold improvements	292.91	295.18
	2,000.85	1,994.15
Capital work-in-progress	34.76	39.51

Particulars	Freehold land	Freehold buildings	Leasehold buildings	Plant and equipment	Computers	Furniture and fixtures	Vehicles	Leasehold improvements	Total
Cost or deemed cost									
Balance as at 1 April, 2023	109.57	43.14	511.30	2,346.15	449.08	199.75	50.80	581.31	4,291.10
Additions	-	0.28	-	291.97	44.63	9.11	9.55	104.83	460.37
Disposals	-	(0.01)	-	(74.48)	(20.70)	(10.40)	(6.89)	(6.14)	(118.62)
Foreign currency translation reserve	-	-	-	(0.20)	(0.01)	(0.01)	-	(0.07)	(0.29)
Balance as at 31 March, 2024	109.57	43.41	511.30	2,563.44	473.00	198.45	53.46	679.93	4,632.56
Additions	-	-	-	333.99	57.98	8.52	-	67.92	468.41
Disposals	-	-	-	(34.80)	(12.57)	(4.79)	(19.81)	(4.04)	(76.01)
Foreign currency translation reserve	-	-	-	(1.62)	(0.06)	-	-	(0.38)	(2.06)
Balance as at 31 March, 2025	109.57	43.41	511.30	2,861.01	518.35	202.18	33.65	743.43	5,022.90
Accumulated depreciation									
Balance as at 1 April, 2023	-	40.83	194.45	1,225.19	365.94	111.78	30.65	318.19	2,287.03
Depreciation expense	-	0.86	29.70	269.48	51.64	22.43	8.72	72.47	455.30
Elimination on disposals of assets	-	-	0.01	65.08	20.32	6.59	5.84	5.89	103.73
Foreign currency translation reserve	-	-	-	(0.16)	(0.01)	-	-	(0.02)	(0.19)
Balance as at 31 March, 2024	-	41.69	224.14	1,429.43	397.25	127.62	33.53	384.75	2,638.41
Depreciation expense	-	-	27.54	276.79	50.59	20.61	5.79	69.94	451.26
Elimination on disposals of assets	-	-	-	(32.03)	(11.92)	(4.73)	(13.54)	(4.04)	(66.26)
Foreign currency translation reserve	-	-	-	(1.17)	(0.04)	(0.02)	-	(0.13)	(1.36)
Balance as at 31 March, 2025	-	41.69	251.68	1,673.02	435.88	143.48	25.78	450.52	3,022.05

Notes to the Consolidated Financial Statements

Particulars	Freehold land	Freehold buildings	Leasehold buildings	Plant and equipment	Computers	Furniture and fixtures	Vehicles	Leasehold improvements	Total
Carrying amount									
Balance as at 1 April, 2023	109.57	2.31	316.85	1,120.96	83.14	87.97	20.15	263.12	2,004.07
Additions	-	0.28	-	291.97	44.63	9.11	9.55	104.83	460.37
Disposals	-	(0.01)	0.01	(9.40)	(0.38)	(3.81)	(1.05)	(0.25)	(14.89)
Depreciation expense	-	(0.86)	(29.70)	(269.48)	(51.64)	(22.43)	(8.72)	(72.47)	(455.30)
Foreign currency translation reserve	-	-	-	(0.04)	-	(0.01)	-	(0.05)	(0.10)
Balance as at 31 March, 2024	109.57	1.72	287.16	1,134.01	75.75	70.83	19.93	295.18	1,994.15
Additions	-	-	-	333.99	57.98	8.52	-	67.92	468.41
Disposals	-	-	-	(2.77)	(0.65)	(0.06)	(6.27)	-	(9.75)
Depreciation expense	-	-	(27.54)	(276.79)	(50.59)	(20.61)	(5.79)	(69.94)	(451.26)
Foreign currency translation reserve	-	-	-	(0.45)	(0.02)	0.02	-	(0.25)	(0.70)
Balance as at 31 March, 2025	109.57	1.72	259.63	1,187.99	82.47	58.70	7.87	292.91	2,000.85

Note: The Group had not revalued its property, plant and equipment during the year ended 31 March, 2025 and 31 March, 2024.

Notes to the Consolidated Financial Statements

Note 3b: Right-of-use assets

(in ₹ million, unless otherwise stated)

Particulars	Right-of-use land	Right-of-use buildings	Total
Gross carrying value			
Balance as at 1 April, 2023	160.26	3,310.11	3,470.37
Additions	-	159.96	159.96
Transfer to investment property (refer note 3d)	-	(339.66)	(339.66)
Disposals	-	(13.54)	(13.54)
Balance as at 31 March, 2024	160.26	3,116.87	3,277.13
Additions	-	285.98	285.98
Disposals	-	(7.33)	(7.33)
Balance as at 31 March, 2025	160.26	3,395.52	3,555.78
Accumulated depreciation			
Balance as at 1 April, 2023	6.56	1,457.86	1,464.42
Depreciation expense	1.64	374.95	376.59
Elimination on disposals of assets	-	-	-
Balance as at 31 March, 2024	8.20	1,832.81	1,841.01
Depreciation expense	1.04	356.54	357.58
Elimination on disposals of assets	-	-	-
Balance as at 31 March, 2025	9.24	2,189.35	2,198.59
Net carrying value			
Balance as at 1 April, 2023	153.70	1,852.25	2,005.95
Additions	-	159.96	159.96
Transfer to investment property	-	(339.66)	(339.66)
Disposals	-	(13.54)	(13.54)
Depreciation expense	(1.64)	(374.95)	(376.59)
Balance as at 31 March, 2024	152.06	1,284.06	1,436.12
Additions	-	285.98	285.98
Transfer to investment property	-	-	-
Disposals	-	(7.33)	(7.33)
Depreciation expense	(1.04)	(356.54)	(357.58)
Balance as at 31 March, 2025	151.02	1,206.17	1,357.19

Note: The Group had not revalued its right-of use sssets during the year ending 31 March, 2025 and 31 March, 2024.

Note 3c: Capital-Work-in Progress (CWIP)

(a) CWIP ageing schedule

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Projects in progress		
- Less than 1 year	34.76	39.51
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(A)	34.76	39.51
Projects temporarily suspended		
- Less than 1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(B)	-	-
Total (A+B)	34.76	39.51

(b) There is no capital-work-progress, whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to the Consolidated Financial Statements

Note 3d: Investment property

(in ₹ million, unless otherwise stated)

Particulars	Total
Cost	
Balance as at 1 April, 2023	-
Additions	-
Disposals	-
Transferred from Right-of-use asset	339.66
Balance as at 31 March, 2024	339.66
Additions	-
Disposals	-
Transferred from Right-of-use asset	-
Balance as at 31 March, 2025	339.66
Accumulated depreciation	
Balance as at 1 April, 2023	-
Depreciation expense	2.61
Elimination on disposals of assets	-
Balance as at 31 March, 2024	2.61
Depreciation expense	3.47
Elimination on disposals of assets	-
Balance as at 31 March, 2025	6.08
Net carrying value	
Balance as at 1 April, 2023	-
Additions	-
Transferred from Right-of-use asset	339.66
Disposals	-
Depreciation expense	(2.61)
Balance as at 31 March, 2024	337.05
Additions	-
Disposals	-
Depreciation expense	(3.47)
Balance as at 31 March, 2025	333.58

Notes:

- All of the investment properties are held under leasehold interests.
- There is no impairment in respect of investment property.

Disclosure of information on fair value of the Group's investment properties:

- i) During the year ended 31 March 2024, the Group had classified Right-of-use of buildings relating to 7th and 8th Floor of SAS Tower, Gurugram into Investment property as per Ind AS 40. The fair value of the same as at 31 March, 2025 has been arrived at ₹ 434.30 million (31 March 2024: ₹ 428.77 million) on the basis of valuation carried by A2Z Valuers, independent valuer not connected with the Group, using the market value by income approach. Independent valuer is a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The Group has no restrictions on the realisation and remittance of income from investment properties and no contractual obligation to purchase, construct or develop investment properties.

- ii) The property rental income earned by the Group from its investment properties, all of which is leased out under operating leases, amounted ₹ 34.72 million (31 March 2024: ₹ 20.12 million). Direct operating expenses arising on the investment properties, all of which generated rental income in the year, amounted to ₹ Nil (31 March 2024: Nil).

Notes to the Consolidated Financial Statements

Note 4: Goodwill

Goodwill represents purchase consideration in excess of net fair value of identifiable assets and liabilities including any contingent consideration payable.

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Cost or deemed cost		
Balance at the beginning of year	5,481.86	5,478.41
Additions on account of acquisitions	-	3.54
Foreign currency translation reserve	(0.73)	(0.09)
Balance at the end of the year	5,481.13	5,481.86

Notes

Impairment of goodwill

For the purpose of impairment testing, goodwill has been allocated to cash generating units (CGU) – Labs. The recoverable amount of cash-generating units is determined based on a value in use calculation which uses cash flow projections based on financial forecasts covering a 5-7 year period, and a discount rate of 12.50 % per annum (as at 31 March, 2024: 10-12.50% per annum).

Cash flow projections during the forecast period are based on the same expected gross margins and inflation throughout the forecast period. The cash flows beyond that 5-7 period have been extrapolated using a steady growth rate of 5% per annum (as at March 31, 2024: 5-15% per annum), which is the projected long-term average growth rate for Labs CGU. The directors believe that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. Based on impairment testing as above, the management believes that the recoverable amounts of goodwill are higher than their respective carrying amounts and hence no amounts are required to be recorded for impairment in the carrying amounts of goodwill.

Note 5: Other intangible assets

(in ₹ million, unless otherwise stated)

	As at 31 March, 2025	As at 31 March, 2024
Carrying amounts of :		
Computer software	201.68	185.47
Customer relationships	1,545.74	1,651.83
Non-compete agreements	15.10	24.32
Brand	612.14	1,010.43
Trademarks	136.06	154.08
	2,510.72	3,026.13
Intangible assets under developments	-	16.97

Notes to the Consolidated Financial Statements

Note 5: Other intangible assets (Contd..)

(in ₹ million, unless otherwise stated)

	Computer software	Customer relationships	Non-compet agreements	Brand	Trademarks	Total
Cost or deemed cost						
Balance as at 1 April, 2023	649.23	1,932.38	52.27	1,957.70	240.76	4,832.34
Additions	65.41	-	-	-	-	65.41
Disposals	(4.89)	-	-	-	-	(4.89)
Foreign currency translation reserve	-	-	-	-	-	-
Balance as at 31 March, 2024	709.75	1,932.38	52.27	1,957.70	240.76	4,892.86
Additions	109.99	-	-	-	-	109.99
Disposals	(27.22)	-	-	-	-	(27.22)
Foreign currency translation reserve	-	-	-	-	-	-
Balance as at 31 March, 2025	792.52	1,932.38	52.27	1,957.70	240.76	4,975.63
Accumulated amortisation						
Balance as at 1 April, 2023	460.92	174.21	18.01	549.20	67.81	1,270.15
Amortisation expense	68.25	106.34	9.94	398.07	18.87	601.47
Eliminated on disposals of assets	(4.89)	-	-	-	-	(4.89)
Foreign currency translation reserve	-	-	-	-	-	-
Balance as at 31 March, 2024	524.28	280.55	27.95	947.27	86.68	1,866.73
Amortisation expense	75.29	106.09	9.22	398.29	18.02	606.91
Eliminated on disposals of assets	(8.73)	-	-	-	-	(8.73)
Foreign currency translation reserve	-	-	-	-	-	-
Balance as at 31 March, 2025	590.84	386.64	37.17	1,345.56	104.70	2,464.91
Carrying amount						
Balance as at 1 April, 2023	188.31	1,758.17	34.26	1,408.50	172.95	3,562.19
Additions	65.41	-	-	-	-	65.41
Disposals	-	-	-	-	-	-
Amortisation expense	(68.25)	(106.34)	(9.94)	(398.07)	(18.87)	(601.47)
Balance as at 31 March, 2024	185.47	1,651.83	24.32	1,010.43	154.08	3,026.13
Additions	109.99	-	-	-	-	109.99
Disposals	(18.49)	-	-	-	-	(18.49)
Amortisation expense	(75.29)	(106.09)	(9.22)	(398.29)	(18.02)	(606.91)
Balance as at 31 March, 2025	201.68	1,545.74	15.10	612.14	136.06	2,510.72

Notes: The Group had not revalued its intangible assets during the year ending 31 March, 2025 and 31 March, 2024.

Note : Intangible assets under development:

(a) Intangible assets under development ageing schedule:

(in ₹ million, unless otherwise stated)

Intangible assets under development	As at 31 March, 2025	As at 31 March, 2024
Projects in progress		
- Less than 1 year	-	16.97
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
	(A)	16.97
Projects temporarily suspended		
- Less than 1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
	(B)	-
Total (A+B)	-	16.97

(b) There is no intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to the Consolidated Financial Statements

Note 6: Loans (unsecured, considered good unless stated otherwise)

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Loans to employees	0.04	0.32
	0.04	0.32

Note 7: Other financial assets (unsecured, considered good unless stated otherwise)

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Security deposits	135.04	123.88
Surrender value of keyman insurance policy	36.79	33.82
Non-current bank balances	639.79	158.68
Interest accrued on fixed deposits	0.02	0.14
	811.64	316.52

Note 8: Non-current tax assets/ Current tax liabilities (net)

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Tax assets		
Taxes paid (net)	97.48	173.98
Tax liabilities		
Income tax payable (net)	(138.47)	(132.86)
	(40.99)	41.12

Note 9: Deferred tax assets (net)

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Deferred tax assets	866.16	448.59
Deferred tax liabilities	(33.73)	(23.92)
	832.43	424.67

Movement in deferred tax assets/liabilities (net) for year ended 31 March 2025

(in ₹ million, unless otherwise stated)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets on:				
Property, plant and equipment & other intangible assets (refer note 43(b))	187.38	422.83	-	610.21
Compensated absences	29.26	5.44	-	34.70
Gratuity	65.85	(19.77)	12.33	58.41
Provision for impairment of trade receivables and advances	79.24	(6.86)	-	72.38
Disallowed expenditure	82.57	15.46	-	98.03
Others	4.29	(0.91)	-	3.38
Deferred tax liabilities on:				
Property, plant and equipment & other intangible assets	(7.96)	0.50	-	(7.46)
Surrender value of keyman insurance policy	(8.54)	(0.76)	-	(9.30)
Fair valuation gains on mutual funds	(7.42)	(20.99)	-	(28.41)
	424.67	394.94	12.33	832.43

Notes to the Consolidated Financial Statements

Note 9: Deferred tax assets (Contd..)

Movement in deferred tax assets/liabilities (net) for year ended 31 March 2024

(in ₹ million, unless otherwise stated)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets on:				
Property, plant and equipment & other intangible assets	167.06	20.32	-	187.38
Compensated absences	25.62	3.64	-	29.26
Gratuity	47.71	16.97	1.17	65.85
Provision for impairment of trade receivables and advances	86.92	(7.68)	-	79.24
Disallowed expenditure	67.57	15.00	-	82.57
Others	9.36	(5.07)	-	4.29
Deferred tax liabilities on:				
Property, plant and equipment	(7.93)	(0.03)	-	(7.96)
Surrender value of keyman insurance policy	(10.49)	1.95	-	(8.54)
Fair valuation gains on mutual funds	(10.99)	3.57	-	(7.42)
	374.83	48.67	1.17	424.67

Note 10: Other non-current assets (unsecured considered good, unless otherwise stated)

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Capital advances	33.81	14.20
Advances to related parties (Refer to note 42)	0.24	0.24
Others	5.18	7.03
	39.23	21.47

Note 11: Inventories

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Reagents, chemicals, surgicals and laboratory supplies (net of provision 31 March 2025: ₹ 73.21 million (31 March 2024: 77.47 million))	360.82	372.78
Stores and others	0.50	0.29
	361.32	373.07

The Company's business does not involve any conversion process for materials. Reagents and chemicals are used to conduct various pathology and radiology tests and are consumed in the process. The mode of valuation of inventories has been stated in note 2.11.

Notes to the Consolidated Financial Statements

Note 12: Investments

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Investment in mutual funds (quoted) carried at fair value through profit or loss		
Nippon India Money Market Fund - Direct Growth Option 106,437.00 (31 March, 2024: 774,654.38) units	437.99	133.45
JM Liquid Fund Direct Growth 1,850,748.24 (31 March, 2024: 758,343.33) units	131.08	50.06
UTI Money Market Direct Growth 1,72,674.37 (31 March, 2024: Nil) units	528.49	-
Kotak Money Market Fund Direct Growth 36,758.52 (31 March, 2024: 29,609.38) units	163.41	122.06
UTI Liquid Cash Plan Direct Growth 14,194.41 (31 March, 2024: Nil) units	60.34	-
HDFC Liquid Fund Direct Plan Growth option Nil (31 March, 2024: 35,924.96) units	-	170.41
Sundaram Liquid fund Direct Growth 53,393.23 (31 March, 2024: Nil) units	122.36	-
Axis Money Market Fund Direct Plan Growth 166,856.31 (31 March, 2024: 163,967.48) units	236.28	215.12
Invesco India Liquid fund Direct Growth 16,970.24 (31 March, 2024: Nil) units	60.41	-
Mahindra Manulife Liquid fund Direct Growth 72,506.49 (31 March, 2024: 73,784.78) units	122.47	116.01
SBI Liquid Fund Direct Growth Fund 17,408.06 (31 March, 2024: 1,577,928.87) units	70.61	153.55
HDFC Money Market Fund Direct Plan Growth Option 100,894.14 (31 March, 2024: 3,192.53) units	576.79	16.92
ICICI Prudential Money Market Fund Direct Plan Growth 1,536,691.18 (31 March, 2024: 130,219.07) units	578.82	44.87
Mirae Asset Money Market Fund Direct Plan Growth Option 59,276.07 (31 March, 2024: 61,307.62) units	162.39	71.15
AXIS Liquid Fund Growth Nil (31 March, 2024: 14,924.00) units	-	40.05
Nippon India Liquid Fund - Direct Growth Option 2,447.01 (31 March, 2024: 694.13) units	15.52	4.10
	3,266.96	1,137.75

Note 13: Trade receivables

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade receivables		
Secured, considered good	202.35	191.54
Unsecured, considered good	678.86	582.48
Credit impaired	287.84	314.88
	1,169.05	1,088.90
Less: Allowance for doubtful debts (expected credit loss allowance)	(287.84)	(314.88)
	881.21	774.02

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. There are no customers who represent more than 5% of the total balance of trade receivables.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

(in ₹ million, unless otherwise stated)

Age of receivables	As at 31 March, 2025	As at 31 March, 2024
0-90 days	720.16	767.39
90-180 days	172.98	23.88
180-360 days	210.65	78.51
More than 360 days	65.26	219.12
	1,169.04	1,088.90

Notes to the Consolidated Financial Statements

Note 13: Trade receivables (Contd..)

(in ₹ million, unless otherwise stated)

Movement in the expected credit loss allowance	Year ended	Year ended
	31 March, 2025	31 March, 2024
Balance at beginning of the year	314.88	345.32
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(27.04)	(30.44)
Balance at end of the year	287.84	314.88

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

(in ₹ million, unless otherwise stated)

Ageing	Expected Credit loss(%)	
	31 March, 2025	31 March, 2024
0-90 days	3-6%	0-8%
90-180 days	17-29%	16-35%
180-360 days	34-56%	34-90%
More than 360 days	61-100%	61-100%

Trade receivables ageing

(in ₹ million, unless otherwise stated)

Outstanding for following period from the date of transaction	As at	As at
	31 March, 2025	31 March, 2024
(i) Undisputed trade receivables - considered good		
- Less than 6 months	870.99	770.51
- 6 months - 1 year	10.22	3.51
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(A)	881.21	774.02
(ii) Undisputed trade receivables - credit impaired		
- Less than 6 months	23.84	20.46
- 6 months - 1 year	200.06	71.49
- 1-2 years	47.21	92.71
- 2-3 years	-	33.41
- More than 3 years	-	53.80
(B)	271.11	271.87
(iii) Disputed trade receivables - credit impaired		
- Less than 6 months	-	0.29
- 6 months - 1 year	0.02	3.51
- 1-2 years	4.65	7.35
- 2-3 years	7.38	19.34
- More than 3 years	4.68	12.52
(C)	16.73	43.01
Total (A+B+C)	1,169.05	1,088.90

Note 14: Cash and cash equivalents

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Balances with banks		
- in current accounts	214.60	209.95
- in cash credit accounts*	-	20.54
Deposit with maturity of less than 3 months	2,685.92	3,360.55
Cash on hand	25.74	18.29
	2,926.26	3,609.33

*secured by first charge on the current assets of the Parent Company, both present and future.

** Refer note 22 for disclosure of assets held as security.

Notes to the Consolidated Financial Statements

Note 15: Bank balances other than (14) above

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Balance in unclaimed dividend accounts	1.31	1.12
Deposit with banks held as margin money deposits against guarantees	11.72	13.78
Deposit with maturity of 3-12 months *	5,447.50	4,678.87
	5,460.53	4,693.77

*Refer note 22 for disclosure of assets held as security

Note 16: Loans (unsecured considered good, unless otherwise stated)

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Loans to employees	11.24	12.77
	11.24	12.77

Note 17: Other financial assets (unsecured considered good, unless otherwise stated)

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Deposit with others	157.83	155.58
Interest accrued on deposits	345.81	314.73
	503.64	470.31

Note 18: Other current assets (unsecured considered good, unless otherwise stated)

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Balances with government authorities	5.99	5.37
Advances to suppliers	40.60	14.52
Other advances	14.30	11.86
Prepaid expenses*	163.04	163.34
Prepaid rent	-	0.86
	223.93	195.95

*Includes 31 March, 2025: Nil (31 March, 2024: ₹ 1.41 million) for excess CSR spent available for set off(Refer to note 41)

Note 19: Equity share capital

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Equity share capital		
Authorised		
107,960,000 equity shares of ₹ 10 each (as at 31 March, 2024: 107,960,000, equity shares of ₹ 10 each)	1,079.60	1,079.60
	1,079.60	1,079.60
Issued, subscribed and fully paid-up		
83,591,735 equity shares of ₹ 10 each (as at 31 March, 2024: 83,477,852 equity shares of ₹ 10 each)	835.92	834.78
	835.92	834.78

Notes to the Consolidated Financial Statements

Note 19: Equity share capital (Contd..)

(i) The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity share capital				
At the beginning of the year	8,34,77,852	834.78	8,33,67,877	833.68
Issued during the year	1,13,883	1.14	1,09,975	1.10
Outstanding at the end of the year	8,35,91,735	835.92	8,34,77,852	834.78

(ii) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	% Holding	Number of shares	% Holding
(i) Dr. Arvind Lal	2,57,45,443	30.80%	2,64,15,443	31.28%
(ii) Dr. Vandana Lal	1,60,82,327	19.24%	1,60,82,327	19.27%

(iii) Details of shares held by promoters*:

Particulars	As at 31 March, 2025		As at 31 March, 2024		% Change
	Number of shares	% Holding	Number of shares	% Holding	
(i) Dr. Arvind Lal	2,57,45,443	30.80%	2,61,15,443	31.28%	(0.48%)
(ii) Dr. Vandana Lal	1,60,82,327	19.24%	1,60,82,327	19.27%	(0.03%)
(iii) Archana Lal Erdmann	15,43,751	1.85%	16,93,751	2.03%	(0.18%)
(iv) Anjaneya Lal	16,89,614	2.02%	16,89,614	2.02%	(0.00%)

* Promoter here means promoter as defined in the Companies Act, 2013

(iv) Terms/ rights attached to equity shares

The Parent Company has only one class of equity shares having par value of ₹ 10 per share, Previous year (₹ 10 per share). Each holder of equity shares is entitled to one vote per equity share. The Group declares and pays dividends in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(v) Proposed dividends on equity shares**

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Proposed dividend on equity shares by Parent company for the year ended on 31 March 2025: ₹ 6 (31 March 2024: ₹ 6 per share)	501.55	500.87
	501.55	500.87

**Such dividend proposed is in accordance with section 123 of the Companies Act 2013, as applicable.

(vi) There are no bonus shares issued by the Parent Company and no shares have been issued for consideration other than cash and no shares have been bought back during the period of five years immediately preceding the reporting date including the current year.

(vii) Share options granted under the Company's employee share options plans

(a) The shareholders of the Parent Company approved 'Dr. Lal PathLabs Private Limited Employee Stock Option Plan 2010' ("ESOP 2010") at the Annual General Meeting held on 20 August, 2010 to grant a maximum of 3,808,960 (after considering bonus shares issued during the earlier year and subdivision of shares of ₹ 100 each into 10 shares of ₹ 10 each) options to specified categories of employees of the Parent Company. Each option granted and vested under the ESOP 2010 shall entitle the holder to acquire 1 equity share of ₹ 10 each. As per resolution passed on 21 August, 2015, the Parent Company approved to cease further grants under the ESOP 2010. (Refer note 46 for details of options granted, vested and issued under the ESOP 2010).

Notes to the Consolidated Financial Statements

Note 19: Equity share capital (Contd..)

- (b) The shareholders of the Parent Company approved 'Dr. Lal PathLabs Employees Restricted Stock Unit Plan 2016' ('RSU 2016') at the Annual General Meeting held on 28 July, 2016 to grant a maximum of 1,244,155 Restricted Stock Units ("RSUs") to key employees and directors of the Parent Company and its subsidiaries. Each RSU granted and vested shall entitle the holder to acquire 1 equity share of ₹ 10 each. (Refer note 46 for details of RSUs granted, vested and issued under RSU 2016).
- (c) The shareholders of the Parent Company approved 'Dr. Lal PathLabs Employees Stock Option Plan 2022' ('RSU 2016') at the Annual General Meeting held on 30 June, 2022 to grant a maximum of 1,250,278 options to employees of the Parent Company and its subsidiaries. Each option granted and vested under ESOP 2022 shall entitle the holder to acquire 1 equity share of ₹ 10 each. (Refer note 46 for details of option granted, vested and issued under ESOP 2022)

Note 20: Other equity

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
General reserve (refer note (i) below)	1,454.74	1,258.26
Securities premium (refer note (ii) below)	1,247.85	1,048.91
Share options outstanding account (refer note (iii) below)	566.40	511.50
Retained earnings (refer note (iv) below)	18,599.58	15,766.39
Capital redemption reserve account (refer note (v) below)	9.45	9.45
Treasury shares (refer note (vi) below)	(194.81)	(143.90)
Foreign currency translation reserve (refer note (vii) below)	(5.51)	(6.09)
Capital reserve (refer note (viii) below)	(786.47)	(786.47)
Total	20,891.23	17,658.05

(i) General reserve

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Balance at the beginning of the year	1,258.26	1,024.94
Addition on share options exercised*	196.48	233.32
Balance at the end of the year	1,454.74	1,258.26

*Represents difference between the employee share based compensation cost booked and the average cost of equity shares issued under the share options scheme to the eligible employees of the Parent Company and its subsidiaries.

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.

(ii) Securities premium

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Balance at the beginning of the year	1,048.91	934.88
Additions during the year	198.94	114.03
Balance at the end of the year	1,247.85	1,048.91

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Notes to the Consolidated Financial Statements

Note 20: Other equity (Contd..)

(iii) Share options outstanding account

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balance at the beginning of the year	511.50	582.64
Compensation options granted during the year	270.95	208.57
Options exercised	(216.05)	(279.71)
Balance at the end of the year	566.40	511.50

The above relates to share options granted by the Parent Company to its employee share option plans. Upon exercise of the share options by the employees of the Parent Company and its subsidiaries, the proportionate cost of shares exercised is transferred to General Reserves after adjusting the cost of related treasury shares. Further information about share based payments to employees is set out in Note 50.

(iv) Retained earnings

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balance at the beginning of the year	15,766.39	14,186.99
Profit for the year	4,871.38	3,577.35
Remeasurement of defined benefit obligation, net of income tax	(36.42)	(3.17)
Transactions with NCI	(2.71)	-
Less: Appropriations		
Final dividend on equity shares ₹ 6 per share for the year ended 31 March 2024 (Previous year ₹ 6.00 per share for the year ended 31 March 2023)	(499.37)	(498.31)
Interim dividend on equity shares ₹ 18 per share (Previous year ₹ 18.00 per share)	(1,499.69)	(1,496.47)
Balance at the end of the year	18,599.58	15,766.39

The final dividend proposed in the previous year, declared and paid by the Parent and during the year is in accordance with section 123 of the Act, as applicable. The interim dividend declared and paid by the Parent during the year and until the date of approval of the Consolidated Financial Statements is in compliance with section 123 of the Act.

The Board of Directors of the Parent has proposed final dividend of ₹ 6 per share for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

The final dividend proposed in the previous year, declared and paid by the Paliwal Daagnostics Private Limited, a subsidiary, during the year is in accordance with section 123 of the Act, as applicable. The interim dividend declared and paid by Centrapath Private Limited, a subsidiary, during the year and until the date of approval of the Consolidated Financial Statements is in compliance with section 123 of the Act.

The Board of Directors of Centrapath Private Limited, APRL Pathlabs Private Limited and Chanre Laboratory Private Limited, the subsidiaries which are companies incorporated in India, have proposed final dividend for the year which is subject to the approval of the members of such subsidiaries at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

No dividend has been proposed, declared or paid by any of the other subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable.

(v) Capital redemption reserve account

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balance at the beginning of the year	9.45	9.45
Additions during the year	-	-
Balance at the end of the year	9.45	9.45

The Parent Company in the previous years had bought back its equity shares and as per requirement of erstwhile section 77 of Companies Act, 1956, nominal value of the shares so purchased was transferred to capital redemption reserve account.

Notes to the Consolidated Financial Statements

Note 20: Other equity (Contd..)

(vi) Treasury shares

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Balance at the beginning of the year	(143.90)	(118.53)
Change during the year	(50.91)	(25.37)
Balance at the end of the year	(194.81)	(143.90)

During the year ended 31 March, 2012, the Parent Company had constituted Dr. Lal PathLabs Employee Welfare Trust "EWT Trust" to acquire, hold and allocate/transfer equity shares of the Parent Company to eligible employees from time to time on the terms and conditions specified under respective plans. The financial statements of the EWT Trust have been included in the financial statements of the Parent Company in accordance with the requirements of Ind AS.

Equity shares of the Parent Company purchased from employees and secondary market from time to time in the earlier years and held by EWT as at 31 March, 2025 aggregated to 224,462 equity shares (31 March, 2024: 264,725 equity shares) of face value ₹ 10 each.

(vii) Foreign currency translation reserve

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Balance at the beginning of the year	(6.09)	(4.60)
Change during the year	0.58	(1.49)
Balance at the end of the year	(5.51)	(6.09)

Exchange differences relating to the translation of the results and the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

(viii) Capital reserve

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Balance at the beginning of the year	(786.47)	(786.47)
Additions during the year		
Balance at the end of the year	(786.47)	(786.47)

₹ 786.47 million forming part of capital reserve comprises:

- On approval of the Scheme of Amalgamation between the Parent Company (Transferee Company) and its wholly owned subsidiary, by the name of Delta Ria and Pathology Private Limited (Transferor Company) by the Hon'ble New Delhi Bench and Hon'ble Ahmedabad Bench of the National Company Law Tribunal on 23 October 2018 and 11 December 2018 respectively, the difference between the carrying value of investments in the books of account of the Transferee Company and the amount of the net assets of Transferor Company had been adjusted in Capital reserve amounting to ₹ 33.00 million as stipulated in the scheme.
- On approval of the Scheme of Amalgamation between the Parent Company (Transferee Company) and its erstwhile wholly owned subsidiary, namely APL Institute of Clinical Laboratory & Research Private Limited (Transferor Company) by the Hon'ble New Delhi Bench and Hon'ble Ahmedabad Bench of the National Company Law Tribunal on 13 May 2022 and 17 March 2023 2018 respectively, the difference between the carrying value of investments in the books of account of the Transferee Company and the share capital of the Transferor Company had been adjusted in Capital reserve amounting to ₹ 72.25 million as stipulated in the scheme.
- The Board of Directors of the Company, at their meeting held on January 30, 2025, accorded in-principle approval for the voluntary liquidation of Suburban Diagnostics (India) Private Limited ("SDIPL"), to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of SDIPL in their meeting dated February 6, 2025 and the members of SDIPL in their Extra Ordinary General meeting held on February 6, 2025 have accorded their approval for consolidation of the business of SDIPL through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of SDIPL has transferred the entire business undertaking to the Company on a going concern basis on and with effect from March 18, 2025 which resulted in capital reserve amounting to ₹ 681.22 million. (Refer note 43)

Notes to the Consolidated Financial Statements

Note 21: Non-controlling interests

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Balance at beginning of the year	360.81	332.47
Share of profit for the year	50.94	45.34
Dividend	(74.12)	(17.00)
Balance at the end of the year	337.63	360.81

Details of non-wholly owned subsidiaries that have non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have non-controlling interests:

(in ₹ million, unless otherwise stated)

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/ (loss) allocated to non-controlling interests	
		31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024
Paliwal Diagnostics Private Limited	India	20.00%	20.00%	27.19	24.82
Centrapath Labs Private Limited	India	30.00%	30.00%	17.01	14.91
APRL PathLabs Private Limited	India	20.00%	20.00%	3.42	1.44
Chanre Laboratory Private Limited	India	30.00%	30.00%	1.69	3.67
Dr. Lal PathLabs Bangladesh Pvt. Ltd.	Bangladesh	28.17%	28.17%	1.63	0.50
Total				50.94	45.34

(in ₹ million, unless otherwise stated)

Name of subsidiary	Accumulated non-controlling interests	
	31 March, 2025	31 March, 2024
Paliwal Diagnostics Private Limited	59.33	92.13
Centrapath Labs Private Limited	181.89	178.99
APRL PathLabs Private Limited	21.68	18.07
Chanre Laboratory Private Limited	65.54	63.85
Dr. Lal PathLabs Bangladesh Pvt. Ltd.	9.19	7.77
Total	337.63	360.81

Paliwal Diagnostics Private Limited

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Non-current assets	87.43	93.65
Current assets	288.05	439.20
Non-current liabilities	20.84	20.20
Current liabilities	58.01	52.09
Equity attributable to owners of the Company	237.30	368.43
Non-controlling interests	59.33	92.13

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Income	561.42	500.73
Expenses	425.50	377.28
Profit/ (loss) for the year	135.92	123.45
Profit/ (loss) attributable to owners of the Company	108.74	98.76
Profit/ (loss) attributable to the non-controlling interests	27.18	24.69
Profit/ (loss) for the year	135.92	123.45
Other comprehensive income attributable to owners of the Company	0.04	0.54
Other comprehensive income attributable to the non-controlling interests	0.01	0.13
Other comprehensive income for the year	0.05	0.67

Notes to the Consolidated Financial Statements

Note 21: Non-controlling interests (Contd..)

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Total comprehensive income attributable to owners of the Company	108.78	99.30
Total comprehensive income attributable to the non-controlling interests	27.19	24.82
Total comprehensive income for the year	135.97	124.12
Dividends paid to non-controlling interests	60.00	8.00
Net cash inflow/ (outflow) from operating activities	135.05	111.24
Net cash inflow/ (outflow) from investing activities	168.24	(45.13)
Net cash inflow/ (outflow) from financing activities	(302.90)	(41.65)
Net cash inflow/ (outflow)	0.39	24.46

Centrapath Labs Private Limited

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Non-current assets	374.58	409.32
Current assets	295.29	252.79
Non-current liabilities	18.59	18.59
Current liabilities	44.98	46.89
Equity attributable to owners of the Company	424.41	417.64
Non-controlling interests	181.89	178.99

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Income	253.01	227.43
Expenses	196.13	176.89
Profit/ (loss) for the year	56.88	50.54
Profit/ (loss) attributable to owners of the Company	39.82	35.38
Profit/ (loss) attributable to the non-controlling interests	17.06	15.16
Profit/ (loss) for the year	56.88	50.54
Other comprehensive income/(loss) attributable to owners of the Company	(0.11)	(0.58)
Other comprehensive income attributable to the non-controlling interests	(0.05)	(0.25)
Other comprehensive income/(loss) for the year	(0.16)	(0.83)
Total comprehensive income attributable to owners of the Company	39.71	34.80
Total comprehensive income attributable to the non-controlling interests	17.01	14.91
Total comprehensive income for the year	56.72	49.71
Dividends paid to non-controlling interests	14.12	9.00
Net cash inflow/ (outflow) from operating activities	59.83	70.29
Net cash inflow/ (outflow) from investing activities	(26.56)	(25.85)
Net cash inflow/ (outflow) from financing activities	(52.50)	(35.60)
Net cash inflow/ (outflow)	(19.23)	8.84

APRL Pathlabs Private Limited

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Non-current assets	42.33	45.80
Current assets	77.04	54.45
Non-current liabilities	1.43	-
Current liabilities	9.56	8.95
Equity attributable to owners of the Company	86.70	73.23
Non-controlling interests	21.68	18.07

Notes to the Consolidated Financial Statements

Note 21: Non-controlling interests (Contd..)

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Income	110.83	92.14
Expenses	93.59	84.66
Profit/ (loss) for the year	17.24	7.48
Profit/ (loss) attributable to owners of the Company	13.79	5.98
Profit/ (loss) attributable to the non-controlling interests	3.45	1.50
Profit/ (loss) for the year	17.24	7.48
Other comprehensive income/(loss) attributable to owners of the Company	(0.13)	(0.25)
Other comprehensive income attributable to the non-controlling interests	(0.03)	(0.06)
Other comprehensive income/(loss) for the year	(0.16)	(0.31)
Total comprehensive income attributable to owners of the Company	13.66	5.73
Total comprehensive income attributable to the non-controlling interests	3.42	1.44
Total comprehensive income for the year	17.08	7.17
Dividends paid to non-controlling interests	-	-
Net cash inflow/ (outflow) from operating activities	19.83	10.96
Net cash inflow/ (outflow) from investing activities	(15.39)	8.89
Net cash inflow/ (outflow) from financing activities	-	-
Net cash inflow/ (outflow)	4.44	19.85

Chanre Laboratory Private Limited

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Non-current assets	120.81	134.22
Current assets	127.70	111.60
Non-current liabilities	9.47	9.78
Current liabilities	20.58	23.22
Equity attributable to owners of the Company	152.92	148.97
Non-controlling interests	65.54	63.85

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Income	123.12	128.32
Expenses	117.05	115.88
Profit/ (loss) for the year	6.07	12.44
Profit/ (loss) attributable to owners of the Company	4.25	8.71
Profit/ (loss) attributable to the non-controlling interests	1.82	3.73
Profit/ (loss) for the year	6.07	12.44
Other comprehensive income/(loss) attributable to owners of the Company	(0.30)	(0.15)
Other comprehensive income attributable to the non-controlling interests	(0.13)	(0.06)
Other comprehensive income/(loss) for the year	(0.43)	(0.21)
Total comprehensive income attributable to owners of the Company	3.95	8.56
Total comprehensive income attributable to the non-controlling interests	1.69	3.67
Total comprehensive income for the year	5.64	12.23
Dividends paid to non-controlling interests	-	-
Net cash inflow/ (outflow) from operating activities	21.38	45.70
Net cash inflow/ (outflow) from investing activities	(18.34)	(50.58)
Net cash inflow/ (outflow) from financing activities	(2.78)	(2.47)
Net cash inflow/ (outflow)	0.26	(7.35)

Notes to the Consolidated Financial Statements

Note 21: Non-controlling interests (Contd..)

Dr. Lal PathLabs Bangladesh Pvt. Ltd.

(in ₹ million, unless otherwise stated)

Particulars	(in ₹ million, unless otherwise stated)	
	As at 31 March, 2025	As at 31 March, 2024
Non-current assets	26.29	24.84
Current assets	136.01	97.86
Non-current liabilities	-	-
Current liabilities	134.78	101.00
Equity attributable to owners of the Company	18.33	13.93
Non-controlling interests	9.19	7.77

(in ₹ million, unless otherwise stated)

Particulars	(in ₹ million, unless otherwise stated)	
	Year ended 31 March, 2025	Year ended 31 March, 2024
Income	84.53	72.99
Expenses	78.75	71.46
Profit/ (loss) for the year	5.78	1.53
Profit/ (loss) attributable to owners of the Company	4.08	1.03
Profit/ (loss) attributable to the non-controlling interests	1.70	0.50
Profit/ (loss) for the year	5.78	1.53
Other comprehensive income attributable to owners of the Company	0.04	(1.99)
Other comprehensive income attributable to the non-controlling interests	-	-
Other comprehensive income for the year	0.04	(1.99)
Total comprehensive income attributable to owners of the Company	4.19	(0.96)
Total comprehensive income attributable to the non-controlling interests	1.63	0.50
Total comprehensive income for the year	5.82	(0.46)
Dividends paid to non-controlling interests	-	-
Net cash inflow/ (outflow) from operating activities	28.31	34.84
Net cash inflow/ (outflow) from investing activities	51.50	(60.88)
Net cash inflow/ (outflow) from financing activities	(2.67)	(4.03)
Net cash inflow/ (outflow)	77.14	(30.07)

Note 22: Borrowings

(in ₹ million, unless otherwise stated)

Particulars	(in ₹ million, unless otherwise stated)	
	As at 31 March, 2025	As at 31 March, 2024
Current maturities of long term borrowings	-	833.34
	-	833.34

Notes

Particulars of Term Loans:

i) Security

Term loan from HDFC Bank Limited is secured by way of exclusive charge on the movable assets of plant and machinery and current assets of the Company both present and future.

ii) Terms of repayment and Interest rate

Term loan from HDFC Bank Limited (including current maturities) is repayable in 36 quarterly installments of ₹ 208.33 Million starting from May 2022 and ending on March 2025 and with put call option (applicable after 6 months) and carries interest which is linked to 3 month T-Bill and presently the effective rate is 7.34% p.a with quarterly reset.

iii) The Group has used the borrowings from banks for the specific purpose for which it was taken.

Notes to the Consolidated Financial Statements

Note 23: Trade payables

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Total outstanding dues of micro enterprises and small enterprises (MSME)	135.12	67.54
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,853.37	1,798.13
	1,988.49	1,865.67

Trade payables are non-interest bearing and are normally settled within a period of 30-45 days.

Based on the information available with the Group, the balance due to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is ₹ 135.12 million (₹ 67.54 million on 31 March, 2024) and no interest has been paid or is payable during the year under the terms of the MSMED Act, 2006.

Trade payables ageing

(in ₹ million, unless otherwise stated)

Outstanding for following period from the date of transaction	As at	As at
	31 March, 2025	31 March, 2024
(i) Outstanding dues of micro enterprises and small enterprises		
- Less than 1 year	135.12	67.54
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
	(A) 135.12	67.54
(ii) Outstanding dues of other than micro enterprises and small enterprises		
- Less than 1 year	1,005.60	926.62
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
	(B) 1,005.60	926.62
(iii) Unbilled dues	(C) 847.77	871.51
	Total (A+B+C) 1,988.49	1,865.67

Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
a. Amounts payable to suppliers under MSMED (suppliers) as on last day		
Principal	135.12	67.54
Interest due thereon	-	-
b. Payments made to suppliers beyond the appointed day during the year		
Principal	-	-
Interest due thereon	-	-
c. Amount of interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSMED	-	-
d. Amount of interest accrued and remaining unpaid as on last day	-	-
e. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes to the Consolidated Financial Statements

Note 24: Other financial liabilities - current

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Payable towards capital goods	64.21	23.76
Security deposits	502.70	461.21
Other payables	0.69	1.70
	567.60	486.67

Note 25: Provisions

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Provision for employee benefits		
Non-current	19.47	16.06
- Provision for gratuity (Refer note 39)	19.47	16.06
Current		
Provision for employee benefits		
- Provision for compensated absences	139.99	118.05
- Provision for gratuity (Refer to note 39)	211.48	244.60
	351.47	362.65
	370.94	378.71

Note 26: Other current liabilities

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Advances from customers	90.09	108.24
Statutory dues	216.02	124.03
Unearned revenue	109.44	105.18
Deferred revenue	14.01	11.41
	429.56	348.86

Note 27: Revenue from operations

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Sale of services	24,612.22	22,265.02
Other operating revenues	1.73	1.39
	24,613.95	22,266.41

Revenue disaggregation as per geography has been included in segment information (Refer to note 38).

(i) The Group generates its entire revenue from contracts with customers for the services at a point in time. The Group is engaged mainly in the business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, hematology, histopathology, microbiology, electrophoresis, immuno-chemistry, immunology, virology, cytology, other pathological and radiological investigations.

(ii) Transaction price allocated to the remaining performance obligations

The Group has applied practical expedient in Ind AS 115, "Revenue from contract with customers" and has accordingly not disclosed information about remaining performance obligations which are part of the contracts that have original expected duration of one year or less and where the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date.

Notes to the Consolidated Financial Statements

Note 27: Revenue from operations (Contd..)

iii) Disclosure of contract balances

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Trade receivables (Refer note 13)	881.21	774.02
Advances from customers (Refer note 26)	90.09	108.24
Unearned revenue (Refer note 26)	109.44	105.18
Deferred revenue (Refer note 26)	14.01	11.41

iv) Movement in contract liabilities during the year:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Balance at beginning of the year	105.18	94.24
Add: Addition during the year	109.44	105.18
Less: Deletion during the year	(105.18)	(94.24)
Balance at end of the year	109.44	105.18

Note 28: Other income

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
a) Interest income from		
- Bank deposits (at amortised cost)	632.54	549.42
- Income-tax refund	29.60	2.81
- Others	2.44	2.07
b) Others		
- Rental income from investment property	34.72	20.12
- Net Gain on sale or fair valuation of investments (at FVTPL)	209.30	103.97
- Surrender value of keyman insurance policy (at FVTPL)	3.35	9.29
- Provision for impairment of trade receivables and advances written back	-	2.73
- Miscellaneous non operating income	22.35	1.24
	934.30	691.65

Note 29: Cost of materials consumed

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Inventories at the beginning of the year	372.78	335.89
Add : Purchases during the year	4,802.68	4,551.06
Less : Inventories at the end of the year	(360.82)	(372.78)
	4,814.64	4,514.17

Notes to the Consolidated Financial Statements

Note 30: Employee benefits expense

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Salaries, wages and bonus	4,171.53	3,725.62
Employee share based compensation (Refer note 46)	270.95	217.06
Contribution to provident and other funds	137.95	139.21
Gratuity expense (Refer to note 39)	126.18	73.40
Staff welfare expenses	116.99	90.40
	4,823.60	4,245.69

Note 31: Finance costs

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Interest on lease liability	192.40	200.20
Interest on:		
- Term loan taken from bank	29.81	89.73
- overdraft facilities taken from bank	0.62	3.23
Interest others	0.22	0.43
	223.05	293.59

Note 31a : Reconciliation of liabilities arising from financing activities

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	Cash flows	Non cash changes		As at 31 March, 2024
			New leases	Other *	
Borrowings					
Non-current borrowings	-	-	-	-	-
Current borrowings	-	(833.34)	-	-	833.34
Lease liabilities					
Non-current lease liabilities	1,026.36	(472.52)	285.98	182.71	1,030.19
Current lease liabilities	547.94	(57.83)	-	-	605.77
Total liabilities from financing activities	1,574.30	(1,363.69)	285.98	182.71	2,469.30

* the effect of finance cost incurred and derecognition of lease liabilities.

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2024	Cash flows	Non cash changes		As at 31 March, 2023
			New leases	Other *	
Borrowings					
Non-current borrowings	-	(833.34)	-	-	833.34
Current borrowings	833.34	(700.03)	-	-	1,533.37
Lease liabilities					
Non-current lease liabilities	1,030.19	(334.86)	65.16	-	1,299.89
Current lease liabilities	605.77	-	77.42	-	528.35
Total liabilities from financing activities	2,469.30	(1,868.23)	142.58	-	4,194.95

* the effect of finance cost incurred and derecognition of lease liabilities.

Note 32: Depreciation and amortisation expense

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Depreciation of property, plant and equipment	451.26	455.30
Depreciation of right-of-use assets	357.58	376.59
Depreciation of investment property	3.47	2.61
Amortisation of other intangible assets	606.91	601.47
	1,419.22	1,435.97

Notes to the Consolidated Financial Statements

Note 33: Other expenses

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Electricity and water charges	271.58	261.76
Rent	305.98	271.69
Rates and taxes	15.95	14.82
Insurance	88.43	88.29
Repairs and maintenance		
- Building	26.52	46.18
- Plant and equipment	161.94	126.27
- Others	546.16	543.80
Advertisement and sales promotion	778.41	733.49
Travelling and conveyance	341.67	269.27
Postage and courier	703.05	559.17
Communication costs	55.07	82.62
Printing and stationery	146.26	145.71
Retainership fees to technical consultants	384.68	288.00
Legal and professional charges	90.44	178.43
Laboratory test charges	142.74	98.06
Payment to auditors (Refer note a below)	29.68	26.21
Donation other than to political parties	0.46	0.19
Corporate social responsibility expense (Refer to note 41)	98.68	98.56
Loss on disposal / discard of property, plant and equipment and other intangible assets (net)	21.51	2.18
Provision for impairment of trade receivables and advances	34.48	-
Bad debts / advances written off (net)	11.25	9.91
Miscellaneous expenses	348.22	439.40
	4,603.16	4,284.01

Note A:

(i) Payment to the auditors (including taxes)

As auditors:

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Audit fees*	18.54	20.34
Limited review	5.76	1.95
Tax audit fee	2.61	1.94
Others	0.35	0.59
Reimbursement of expenses	2.42	1.39
	29.68	26.21

* including amount paid for audit of subsidiary companies and ₹ 0.58 million (31 March, 2024: ₹ 0.31 million) paid to other auditor of subsidiary companies

Notes to the Consolidated Financial Statements

Note 34: Income tax

Overview of Direct tax regime

The Group's main tax jurisdiction is India and is subject to Income Tax Act, 1961. The Group is assessed for tax on taxable profits determined for each fiscal year beginning on 1 April and ending on 31 March.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India ("Ind AS") 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, similar exemptions, the use of tax losses carried forward and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and education cess. The combined Indian statutory tax rate for the fiscal year 2024-25 and 2023-24 is 25.168 %.

Income tax returns submitted by companies are regularly subjected to a comprehensive review and challenge by the tax authorities.

Note 34.1: Income tax recognised in Statement of Profit and Loss

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Current tax		
In respect of the current year	1,730.29	1,480.17
In respect of the prior years	(9.88)	0.08
	1,720.41	1,480.25
Deferred tax		
In respect of the current year	(394.94)	(48.67)
In respect of the prior years	-	-
	(394.94)	(48.67)
Total income tax expenses recognised in the current year	1,325.47	1,431.58

The income tax expense for the year can be reconciled to the accounting profit as follows:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Profit before tax	6,247.99	5,054.51
Statutory tax rate	25.168%	25.168%
Income tax expenses calculated at 25.168%	1,572.49	1,272.12
Effect of expenses that are not deductible in determining taxable profit	24.95	23.66
Tax difference on account of deduction under Chapter VI-A	-	(8.05)
Non taxable income	8.56	138.05
Deferred tax due to other Intangible acquired on liquidation (Refer Note 43)	(284.36)	-
Adjustments recognised in relation to current year in relation to previous years	(9.88)	0.08
Deferred tax on defined benefit obligation recognised in OCI	(12.33)	(1.17)
Income taxable at different rate	4.49	5.78
Others	21.54	1.11
Income tax expenses recognised in Statement of Profit or Loss	1,325.47	1,431.58

Note 34.2: Income tax recognised in other comprehensive income

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Deferred tax		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	12.33	1.17
	12.33	1.17

Notes to the Consolidated Financial Statements

Note 35: Earnings per equity share

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Profit for the year	4,871.38	3,577.35
Number of equity shares	8,35,91,735	8,34,77,852
Weighted average number of equity shares outstanding during the year	8,35,44,636	8,34,49,289
Weighted average shares held with the "Dr. Lal PathLabs Employee Welfare Trust"	2,51,649	3,42,849
Dilutive impact of options outstanding	1,25,197	1,29,813
Basic earnings per share of ₹ 10 each	58.48	43.05
Diluted earnings per share of ₹ 10 each	58.40	42.98
Face value per share -(in ₹)	10	10

Note 35.1: Reconciliation of weighted average number of ordinary shares used a denominator in calculating basic and diluted earnings per share

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
Weighted average number of shares for calculating basic earnings per share	8,32,92,987	8,31,06,440
Add : share options outstanding	1,25,197	1,29,813
Weighted average number of shares for calculating dilutive earnings per share	8,34,18,184	8,32,36,253

Note 36: Capital and other commitments

(a) Estimated amount of capital contracts remaining to be executed and not provided for

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	107.76	102.04

(b) Other commitment

- The Group has no other commitments other than those in the nature of its routine business operation for purchase/sales as per the normal operating cycle of Company.
- The Group does not have any long term commitments or material non-cancellable contractual commitments/ contracts, including derivative contracts for which there were any material foreseeable losses other than the ones recognised or disclosed elsewhere.

Note 36A:

- The Board of Directors of the subsidiaries, Paliwal Medicare Private Limited (PMPL) and Paliwal Diagnostics Private Limited (PDPL) in their meetings held on 25 October, 2021 and 25 October, 2021 respectively have approved the "Scheme of Amalgamation" of PMPL with PDPL w.e.f. 1 April, 2021, the appointed date. As per the said scheme, the undertaking of PMPL shall stand transferred to and vested in PDPL on a going concern basis without any further act, deed of matter. The Hon'ble Allahabad Bench of the National Company Law Tribunal ('Hon'ble Tribunal' or 'NCLT') sanctioned the Scheme of Amalgamation ('Scheme') between the subsidiaries Paliwal Medicare Private Limited (PMPL) (Transferor Company) and Paliwal Diagnostics Private Limited (PDPL) (Transferee Company) on 3 September, 2024 respectively.
- During the Current year, Dr. Lal PathLabs Kenya Private Limited (Wholly Owned Subsidiary), a Company incorporated in the Republic of Kenya, has been dissolved and its name has been struck off, with effect from the date of publication of gazette notification dated 13 September, 2024."

Notes to the Consolidated Financial Statements

Note 37: Contingent liabilities

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
	Claims against the Company not acknowledged as debts*	
i) Income tax**	-	30.50
ii) Others	105.91	70.38

* Based on the discussions with solicitor/ expert and opinion taken/legal advice/ status of the case, the management believes that the Group has strong chances of success in above mentioned cases and hence no provision is considered necessary in respect thereof at this point in time as the likelihood of liability devolving on the Group is less than probable.

**In the previous year, the Parent Company received orders from the Income tax department under section 147 read with 144B of the Income Tax Act, 1961 under section 69C of the act for assessment years 2016-17 and 2019-20 amounting to ₹ 39.01 million and ₹ 2.87 million respectively. The Company filed an appeal with the "Joint Commissioner (Appeals) or the Commissioner (Appeals)" dated 12 April 2024 and deposited an amount of ₹ 30.50 million under protest thereof.

During the current year the Company has filed an application under the Vivad Se Vishwas Scheme and the amount has been written off.

Note 38: Segment reporting

The Group is engaged solely in the business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, hematology, histopathology, microbiology, electrophoresis, immuno-chemistry, immunology, virology, cytology, other pathological and radiological investigations.

The Board of Directors, which has been identified as being the chief operating decision maker (CODM), evaluates the Group's performance, allocates resources based on the analysis of the various performance indicators of the Group as a single unit. Therefore there is no reportable segment for the Group, in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments', notified under the Companies (Indian Accounting Standard) Rules, 2015.

Information about geographical areas

- a) The Group is domiciled in India. The amount of its revenue from operations from external customers broken down by location of customers is tabulated below:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	India	24,430.07
Outside India	183.88	258.93
Total	24,613.95	22,266.41

- b) The Company's non-current assets (excluding financial assets, deferred tax assets and certain other non-current assets) broken down by location of customers is tabulated below:

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
	India	11,784.86
Outside India	64.66	65.04
Total	11,849.52	12,519.96

c) Information about major customers

No single customer contributed more than 10% or more to the Group's revenue during the years ended 31 March, 2025 and 31 March, 2024.

Notes to the Consolidated Financial Statements

Note 39: Employee benefit plans

39.1 Defined contribution plans

The Group operates defined contribution retirement benefit plans for all its qualifying employees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

Employee benefit under defined contribution plan comprising of provident fund is recognised based on the amount of obligation of the Group to contribute to the plan. The contribution is paid to Provident Fund authorities which is expensed during the year.

The total expense recognised in Statement of Profit or Loss of ₹ 130.99 million (for the year ended 31 March, 2024: ₹ 132.41 million) represents contributions payable to provident fund by the Group at rates specified in the rules of the plans. As at 31 March, 2025, contributions of ₹ 17.05 million (as at 31 March, 2024: ₹ 22.02 million) due in respect of the reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

39.2 Defined benefit plans

Gratuity: The Group operates both funded and unfunded gratuity benefit plan. Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary for each completed year of service. Vesting occurs upon completion of 4.5 years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date.

39.3 The Group is exposed to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan assets is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in Insurer managed funds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

39.4 Actuary assumptions - Gratuity:

(in ₹ million, unless otherwise stated)

Date of Valuation	As at	As at
	31 March, 2025	31 March, 2024
Discount rate (Refer note 1 below)	6.65%	7.15-7.20%
Rate of salary increase (Refer note 2 below)	9%	7% -10%
Rate of return (Refer note 3 below)	6.25%	6.35%
Retirement age	60 years	60 years
Attrition rate	6.40%-59.09%	1%-50%
Mortality table	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

Notes:

- The discount rate is based on the prevailing market yield of India Government securities as at the balance sheet date for the estimated term of obligations.
- The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Notes to the Consolidated Financial Statements

Note 39: Employee benefit plans (Contd..)

39.5 Amounts recognised in the Statement of Profit and Loss and other comprehensive income are as follows:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Service cost :		
Current service cost	63.61	59.66
Past service cost and (gain)/loss from settlements	46.46	-
Net interest expense	16.11	13.74
Components of defined benefit costs recognised in employee benefit expenses	126.18	73.40
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	0.45	0.84
Actuarial (gains)/losses arising from changes in demographic assumptions	14.89	10.93
Actuarial (gains)/losses arising from changes in financial assumptions	20.14	(13.65)
Actuarial (gains)/losses arising from experience adjustments	13.47	6.46
Components of remeasurement of defined benefit obligations	48.95	4.58
Total	175.13	77.98

39.6 Movements in the present value of the defined benefit obligation are as follows:

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Opening defined benefit obligation	477.37	407.17
Current service cost	63.61	59.66
Interest cost	31.60	29.75
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions	14.89	10.93
Actuarial gains and losses arising from changes in financial assumptions	20.14	(13.65)
Actuarial gains and losses arising from experience adjustments	13.47	6.46
Past service cost, including losses/(gains) on curtailments	46.46	-
Benefits paid	(44.93)	(22.95)
Closing defined benefit obligation	622.61	477.37

39.7 The amount included in the Consolidated Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows :

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Present value of funded defined benefit obligation	622.61	477.37
Fair value of plan assets	(391.66)	(216.71)
Net liability arising from defined benefit obligation	230.95	260.66

39.8 Movements in the fair value of the plan assets are as follows :

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Opening fair value of plan assets	216.71	218.93
Interest income	15.49	16.02
Remeasurement gain (loss):		
Return on plan assets (excluding amounts included in net interest expense)	(0.45)	(0.84)
Actuarial gain/ (loss) on plan assets	-	-
Contributions from the employer	200.00	-
Benefits paid	(40.09)	(17.40)
Closing fair value of plan assets	391.66	216.71

The Group expects to contribute ₹ 205.80 million to the gratuity fund in the next year (For the year ended 31 March, 2024 ₹ 260.66 million).

Notes to the Consolidated Financial Statements

Note 39: Employee benefit plans (Contd..)

39.9 The fair value of the plan assets at the end of the reporting period for each category, are as follows.

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Insurer managed funds	391.66	216.71

39.10 Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

(in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Discount rate		
- Impact due to increase of 100 basis points	(46.07)	(57.99)
- Impact due to decrease of 100 basis points	52.92	68.96
Salary increase		
- Impact due to increase of 100 basis points	51.15	64.81
- Impact due to decrease of 100 basis points	(45.50)	(55.90)
Withdrawal Rate		
- Impact due to 25% increase	(18.42)	(42.32)
- Impact due to 25% decrease	24.91	47.10

39.11 Maturity Profile of Defined Benefit Obligation

(in ₹ million, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Within the next 12 months (next annual reporting year)	76.20	66.01
Between 2 and 5 years	240.83	205.92
Between 6 and 10 years	270.42	196.22
More than 10 years	605.36	334.22
Total expected payments	1,192.81	802.37

Note 40: Lease arrangements

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" to its leases using the modified retrospective approach with the option to measure the right-of-use asset at an amount equal to the lease liability (i.e. as per para C8(c) (ii) of Ind AS 116), adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

The Group has applied this standard to land leases and building leases etc. to evaluate whether these contracts contains lease or not. Based on evaluation of the terms and conditions of the arrangements, the Company has evaluated such arrangements to be leases. Under this standard, all lease contracts, with limited exceptions, are recognised in the financial statements by way of right-of-use assets and corresponding lease liabilities.

When measuring lease liabilities, the weighted average discount rate used to calculate the lease liability in the opening balance under Ind AS 116 on April 1, 2019 was 11.25%.

The Group recognises a lease liability measured at the present value of the remaining lease payments. The right-of-use assets are recognised at cost, which comprises the amount of the measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease

The Company has cash outflows for lease of underlying assets amounting to ₹ 820.89 million (31 March, 2024: ₹ 788.07 million) out of which rent charges is amounting to ₹ 290.54 million (31 March, 2024: ₹ 253.13 million) which includes rentals for short term lease and low value lease.

Notes to the Consolidated Financial Statements

Note 40: Lease arrangements (Contd..)

Payments recognised as an expenses

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Short term lease	290.54	253.13

Details of lease liability:

The following is the movement in lease liabilities during the year:

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Balance at beginning of the year	1,635.96	1,828.24
Additions	285.98	159.98
Finance cost accrued during the period	192.40	200.20
Payment/adjustment of lease liabilities	(530.35)	(534.94)
Derecognition of lease liability	(9.69)	(17.52)
Balance at end of the year	1,574.30	1,635.96
Current	547.94	605.77
Non-current	1,026.36	1,030.19

The table below provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

(in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March, 2025	31 March, 2024
Less than one year	539.12	605.73
One to five years	1,325.77	1,333.65
More than five years	683.04	711.49
Total	2,547.93	2,650.87

Details of right-of-use assets (ROU):

The following is the movement in ROU assets during the year:

Particulars	Land	Buildings
	As at 1 April, 2023	153.70
Additions	-	159.96
Deletions	-	(13.54)
Transfer to investment property	-	(339.66)
Depreciation expense	(1.64)	(374.95)
As at 31 March, 2024	152.06	1,284.06
Additions	-	285.98
Deletions	-	(7.33)
Transfer to investment property	-	-
Depreciation expense	(1.04)	(356.54)
As at 31 March, 2025	151.02	1,206.17

Notes to the Consolidated Financial Statements

Note 41: Corporate Social Responsibility (CSR)

In light of Section 135 of the Companies Act, 2013, the Group has incurred expenses on Corporate Social Responsibility (CSR) aggregating to ₹ 98.68 Million (Previous year ₹ 99.97 Million) for CSR activities.

Corporate Social Responsibility (CSR)

(in ₹ million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March, 2025	31 March, 2024
(a) Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	100.09	93.80
(b) Amount approved by the board to be spent during the year	100.09	93.80
(c) Amount of expenditure incurred (as per table below)	98.68	99.97
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	98.68	99.97
(d) Shortfall/(excess) at the end of the year (a - c)		
(i) Ongoing projects	-	-
(ii) Other than ongoing project	1.41	(1.41)
(e) Total of previous year shortfall	(1.41)	4.76
(f) Details of related party transactions		
- Donations made to Lal PathLab Foundation*	98.68	99.97

*The Group has contributed ₹ 98.68 Million (Previous year ₹ 99.97 Million) to "Lal PathLabs Foundation" which is carrying out Corporate Social Responsibility (CSR) activities on behalf of the Group, as mentioned in Schedule VII of Companies Act, 2013. The Company's CSR activities primarily focuses on programs that promote health education and create sustainable livelihood opportunities through skill development.

Details of ongoing projects under 135(6) of the Companies Act, 2013

(in ₹ million, unless otherwise stated)

Balance as on 1 April 2024		Amount required to be spent during the year	Amount spent during the year		Balance as on 31 March 2025	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil		10	10			Nil

(in ₹ million, unless otherwise stated)

Balance as on 1 April 2023		Amount required to be spent during the year	Amount spent during the year		Balance as on 31 March 2024	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil	4.76	Nil		4.76		Nil

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

(in ₹ million, unless otherwise stated)

Balance as on 1 April 2024	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2025
(1.41)	Nil	90.09	88.68	0.00

(in ₹ million, unless otherwise stated)

Balance as on 1 April 2023	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2024 (Refer note (b) below)
Nil	Nil	93.80	95.21	(1.41)

Notes to the Consolidated Financial Statements

Note 41: Corporate Social Responsibility (CSR) (Contd..)

Details of excess CSR expenditure under Section 135(5) of the Act

(in ₹ million, unless otherwise stated)

Balance excess spent as at 1 April 2024	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2025
(1.41)	100.09	98.68	0.00

(in ₹ million, unless otherwise stated)

Balance excess spent as at 1 April 2023	Amount required to be spent during the year	Amount spent during the year	Balance as on 31 March 2024
Nil	98.56	99.97	(1.41)

Note 42. Related Party Disclosures

I. Names of related parties and related party relationship

a. Key managerial personnel of the Parent Company

- 1 (Hony) Brig. Dr. Arvind Lal - Executive Chairman
- 2 Dr. Vandana Lal – Director
- 3 Dr. Om Prakash Manchanda - Managing Director (Upto 31 March, 2025)
- 4 Mr. Ved Prakash Goel - Chief Financial Officer & CEO-International Business
- 5 Mr. Bharath U - Chief Executive Officer (Upto 9 May, 2024)
- 6 Mr. Shankha Banerjee- Chief Executive Officer (w.e.f 21 May 2024)
- 7 Harneet Singh Chandhoke- Independent Director (Upto 20 August 2023)
- 8 Saurabh Srivastava - Independent Director (Upto 20 August 2023)
- 9 Sunil Varma - Independent Director (Upto 20 August 2023)
- 10 Anoop Singh - Independent Director (Upto 20 August 2023)
- 11 Somya Satsangi - Independent Director
- 12 Rahul Sharma - Director
- 13 Dr. Archana Lal Erdmann - Director
- 14 Rohit Bhasin - Independent Director (w.e.f 8 November,2022)
- 15 Mr. Arun Duggal - Independent Director (w.e.f 2 February 2023)
- 16 Mr. Vinay Gujral - Company Secretary (w.e.f 11 May 2023)
- 17 Gurinder Singh Kalra (w.e.f 27 July 2023)
- 18 Rajit Mehta (w.e.f 27 July 2023)

b. Close member of key management personnel

- 1 Mr. Anjaneya Lal
(Son of (Hony) Brig. Dr. Arvind Lal and Dr. Vandana Lal)

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

- 1 Lal Pathlabs Foundation (formerly Dr. Lal PathLabs Welfare Trust)

d. Other related parties

- 1 Dr. Lal Pathlabs Limited Group Gratuity Trust (formerly Dr. Lal Pathlabs Private Limited Group Gratuity Trust)
(Trust to manage and administer gratuity liability of the Parent Company)

Notes to the Consolidated Financial Statements

Note 42. Related Party Disclosures (Contd..)

II. Transactions/Outstanding balances with related parties during the year

(Figures in bracket relates to previous year)
(in ₹ million, unless otherwise stated)

Particulars	Entities in which key managerial personnel can exercise significant influence	Key Management Personnel	Relatives of key management personnel	Other related parties	Grand Total
A. Transactions during the year					
i. Sale of services					
ALVL Foundation	0.09 (0.04)	- (-)	- (-)	- (-)	0.09 (0.04)
Total	0.09 (0.04)	- (-)	- (-)	- (-)	0.09 (0.04)
ii. Compensation of Key Managerial Personnel and their relatives					
The remuneration of key managerial personnel during the year was as follows:					
- Short term employee benefits	-	188.75	3.49	-	192.24
	(-)	(154.19)	(3.27)	(-)	(157.46)
- Post employment benefits*	-	23.84	-	-	23.84
	(-)	(-)	(-)	(-)	(-)
- Share based payments to employees**	-	155.68	-	-	155.68
	(-)	(295.22)	(-)	(-)	(295.22)
Total	-	368.27	3.49	-	371.76
	(-)	(449.41)	(3.27)	(-)	(452.68)
- Sitting fees	-	5.40	0.40	-	5.80
	(-)	(5.60)	(0.25)	(-)	(5.85)
- Commission to Directors	-	28.50	4.00	-	32.50
	(-)	(13.54)	(2.00)	(-)	(15.54)
iii. Contribution to Fund					
Lal Pathlabs Foundation (formerly Dr. Lal PathLabs Welfare Trust)	(-)	(-)	(-)	98.68 (99.97)	98.68 (99.97)
Dr. Lal Pathlabs Limited	-	-	-	200.00	200.00
Group Gratuity Trust (formerly Dr. Lal Pathlabs Private Limited Group Gratuity Trust)	(-)	(-)	(-)	(-)	(-)
Total	-	-	-	298.68 (99.97)	298.68 (99.97)
	(-)	(-)	(-)	(-)	(-)
iv. Rent					
Dr. Vandana Lal	-	0.80	-	-	0.80
	(-)	(0.78)	(-)	(-)	(0.78)
Total	-	0.80	-	-	0.80
	(-)	(0.78)	(-)	(-)	(0.78)
v. Dividend paid					
(Hony) Brig. Dr. Arvind Lal	-	622.33	-	-	622.33
	(-)	(630.37)	(-)	(-)	(630.37)
Dr. Vandana Lal	-	385.98	-	-	385.98
	(-)	(385.98)	(-)	(-)	(385.98)
Dr. Om Prakash Manchanda	-	21.31	-	-	21.31
	(-)	(24.78)	(-)	(-)	(24.78)
Mr. Bharath U	-	-	-	-	-
	(-)	(0.34)	(-)	(-)	(0.34)
Mr. Ved Prakash Goel	-	0.28	-	-	0.28
	(-)	(0.23)	(-)	(-)	(0.23)
Dr. Archana Lal Erdmann	-	-	38.85	-	38.85
	(-)	(-)	(40.65)	(-)	(40.65)

Notes to the Consolidated Financial Statements

Note 42. Related Party Disclosures (Contd..)

(Figures in bracket relates to previous year)
(in ₹ million, unless otherwise stated)

Particulars	Entities in which key managerial personnel can exercise significant influence	Key Management Personnel	Relatives of key management personnel	Other related parties	Grand Total
Mr. Anjaneya Lal (Son of Dr. Arvind Lal and Dr. Vandana Lal)	(-)	(-)	40.55 (40.55)	(-)	40.55 (40.55)
Rahul Sharma	(-)	0.58 (0.68)	(-)	(-)	0.58 (0.68)
Mr. Shankha Banerjee	(-)	0.58 (-)	(-)	(-)	0.58 (-)
	-	1,031.06	79.40	-	1,110.46
	(-)	(1,042.38)	(81.20)	(-)	(1,123.58)
vi. Share options exercised***					
Dr. Om Prakash Manchanda	(-)	81.19 (1.04)	-	-	81.19 (1.04)
Mr. Bharath U	(-)	-	(-)	(-)	-
Ved Prakash Goel	(-)	(12.37)	(-)	(-)	(12.37)
Shankha Banerjee	(-)	0.05 (-)	(-)	(-)	0.05 (-)
Vinay Gujral	(-)	0.03 (-)	(-)	(-)	0.03 (-)
Total	(-)	82.39	-	-	82.39
	(-)	(13.41)	(-)	(-)	(13.41)
vii. Issue of equity shares****					
Rahul Sharma	(-)	6.22 (18.68)	-	-	6.22 (18.68)
	(-)	6.22	-	-	6.22
	(-)	(18.68)	(-)	(-)	(18.68)
B. Outstanding balances at the year end					
i. Other non-current assets					
Other advances*****					
Lal PathLabs Foundation (formerly Dr. Lal PathLabs Welfare Trust)	31 March, 2025	-	-	0.10	0.10
Dr. Lal Pathlabs Limited Group Gratuity Trust (formerly Dr. Lal Pathlabs Private Limited Group Gratuity Trust)	31 March, 2024	(-)	(-)	(0.10)	(0.10)
	31 March, 2025	-	-	0.14	0.14
	31 March, 2024	(-)	(-)	(0.14)	(0.14)
Total	31 March, 2025	-	-	0.24	0.24
	31 March, 2024	(-)	(-)	(0.24)	(0.24)

*The remuneration to the key managerial personnel and their relatives does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Parent Company as a whole.

**Excludes share based expenses accounted for during the year related to RSU Plan, 2016

*** Shares directly issued to the employees by the EWT Trust @ ₹ 10.00 under RSU 2016 and ₹. 1,930.05 under ESOP 2022 (Previous year @ ₹ 10) per equity share of ₹ 10/- each.

**** Shares directly issued by the Company @ ₹ 311.30 per equity share of ₹ 10/- each under ESOP 2010 scheme. This does not include the employee share compensation perk of ₹ 51.19 Million (31 March, 2024: 108.07 million)

***** Represents contribution towards corpus fund. Amount is included in advance recoverable under other non-current assets.

Notes to the Consolidated Financial Statements

Note 43: Business Combination (Liquidation of Suburban Diagnostics (India) Private Limited)

The Parent Company owns 100% shares in Suburban Diagnostics India Private Limited ("SDIPL"), at a cost of INR 9,604.52 million. The investment in SDIPL was fair valued under IND AS 103 in the books of the Company upon a business combination transaction on November 12, 2021 at INR 9,667.10 million.

The Board of Directors of the Parent Company, at their meeting held on January 30, 2025, accorded in-principle approval for the voluntary liquidation of SDIPL, to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of SDIPL in their meeting dated February 6, 2025 and the members of SDIPL in their Extra Ordinary General meeting held on February 6, 2025 accorded their approval for consolidation of the business of SDIPL through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of SDIPL has transferred the entire business undertaking to the Parent Company on a going concern basis on and with effect from March 18, 2025.

a) Accounting impact of the voluntary liquidation

The said distribution of business undertaking has been accounted for using the pooling of interests method in accordance with Appendix C of Ind AS 103 'Business combinations of entities under common control'. Accordingly, the comparative financial information for the previous periods have been restated to give effect of the consummation of business undertaking from beginning of the period disclosed and all assets, liabilities and reserves of SDIPL.

Details in respect of business combination is provided below:

(in ₹ million, unless otherwise stated)

Particulars	Amount as on 01 April, 2023
Assets	
Property, plant and equipment	236.01
Right-of-use assets	158.01
Goodwill	4,696.46
Other Intangible assets	3,081.62
Other financial assets	89.20
Non-current tax assets (net)	26.26
Deferred tax assets (net)	59.24
Other non-current assets	2.95
Inventories	64.92
Investment (current)	31.39
Trade receivables	113.83
Cash and cash equivalents	287.85
Other Bank balances	439.60
Other financial assets	23.26
Other current assets	14.06
Total assets acquired (A)	9,324.66
Liabilities	
Retained earning	30.98
General Reserve	34.50
Other financial liabilities	106.84
Trade payables	108.40
Other financial liabilities	83.64
Provisions	36.15
Other current liabilities	14.47
Total liabilities acquired (B)	414.98
Net assets recognised pursuant to the Scheme (C)=(A)-(B)	8,909.68
Book value of investment in books of Company Immediately before distribution of business undertaking (D)	9,590.90
Capital Reserve on Business Combination (Voluntary Liquidation) (C-D)	(681.22)

Notes to the Consolidated Financial Statements

Note 43: Business Combination (Liquidation of Suburban Diagnostics (India) Private Limited) (Contd..)

b) Tax impact

Pursuant to the voluntary liquidation, the entire business undertaking of SDIPL along with all assets and liabilities, including all rights and obligations under various agreements entered into by SDIPL have been acquired by the Company, on a going concern basis. Details of such assets & liabilities at a value as determined by an independent value for tax purpose is set out below:

(in ₹ million, unless otherwise stated)

Particulars	Amount
Goodwill	4,421.00
Intangible assets – assembled workforce	85.00
Customer relationship	1,692.00
Brand	1,990.00
Tangible assets	329.00
Net working capital including cash	529.00
Other current assets	758.00
Deferred tax assets	47.00
Total fair value of net assets before Debts	9,851.00
Less: Debts	97.00
Fair value of net assets	9,754.00

The above distribution resulted in inter-alia recognition of Customer relationships and Brand in block of intangible assets in tax books of the Company at fair value as on March 18, 2025 basis the valuation report of an independent valuer ('PPA report'). Further, a deferred tax credit of ₹ 408 million has been recognised in statement of profit or loss on account of difference between tax base and book base of intangibles asset.

Note 43A: Financial Instruments

(a) Capital management

The Group's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Group adjusts the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group has investments in fixed deposits with banks, corporates and in mutual fund schemes wherein underlying portfolio is spread across securities issued by different issuers having different credit ratings. The credit risk of investments in debt mutual fund schemes is managed through investment policies and guidelines requiring adherence to stringent credit control norms based on external credit ratings.

The Group's strategy is to maintain a positive gearing ratio. The gearing ratios is as follows:

(in ₹ million, unless otherwise stated)

Particulars	31 March, 2025	31 March, 2024
Net debt*	(1,351.96)	(1,140.03)
Total equity	22,064.78	18,853.64
Net debt to equity ratio	-6%	-6%
*net debt represents borrowings and lease liabilities less cash and cash equivalents computed as follows:		
Term loan from banks (including current maturities)	-	833.34
Less: cash and cash equivalents	(2,926.26)	(3,609.33)
Debt	(2,926.26)	(2,775.99)
Lease liabilities		
Lease liabilities- current	547.94	605.77
Lease liabilities- non current	1,026.36	1,030.19
Net debt(including lease liabilities)	(1,351.96)	(1,140.03)

Notes to the Consolidated Financial Statements

Note 43A: Financial instruments (Contd..)

(b) Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Group and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March, 2025

(in ₹ million, unless otherwise stated)

Financial assets	FVTPL	FVTOCI	Amortised cost	Total	Carrying value
Investments	3,266.96	-	-	3,266.96	3,266.96
Trade receivables	-	-	881.21	881.21	881.21
Cash and cash equivalents	-	-	2,926.26	2,926.26	2,926.26
Bank balances other than cash and cash equivalents above	-	-	5,460.53	5,460.53	5,460.53
Loans	-	-	11.28	11.28	11.28
Other financial assets	36.79	-	1,278.49	1,315.28	1,315.28
	3,303.75	-	10,557.77	13,861.52	13,861.52

(in ₹ million, unless otherwise stated)

Financial assets	FVTPL	FVTOCI	Amortised cost	Total	Carrying value
Borrowings	-	-	-	-	-
Lease liabilities	-	-	1,574.30	1,574.30	1,574.30
Trade payables	-	-	1,988.49	1,988.49	1,988.49
Other financial liabilities	-	-	567.60	567.60	567.60
	-	-	4,130.39	4,130.39	4,130.39

As at 31 March, 2024

(in ₹ million, unless otherwise stated)

Financial assets	FVTPL	FVTOCI	Amortised cost	Total	Carrying value
Investments	1,137.75	-	-	1,137.75	1,137.75
Trade receivables	-	-	774.02	774.02	774.02
Cash and cash equivalents	-	-	3,609.33	3,609.33	3,609.33
Bank balances other than cash and cash equivalents above	-	-	4,693.77	4,693.77	4,693.77
Loans	-	-	13.09	13.09	13.09
Other financial assets	33.82	-	753.01	786.83	786.83
	1,171.57	-	9,843.22	11,014.79	11,014.79

(in ₹ million, unless otherwise stated)

Financial assets	FVTPL	FVTOCI	Amortised cost	Total	Carrying value
Borrowings	-	-	833.34	833.34	833.34
Lease liabilities	-	-	1,635.96	1,635.96	1,635.96
Trade payables	-	-	1,865.67	1,865.67	1,865.67
Other financial liabilities	-	-	486.67	486.67	486.67
	-	-	4,821.64	4,821.64	4,821.64

Notes to the Consolidated Financial Statements

Note 43A: Financial instruments (Contd..)

(c) Fair value measurement

The fair value hierarchy is based on inputs used in valuation techniques that are either observable or unobservable and consists of three levels. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: Inputs are quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Quantitative disclosures of fair value measurement hierarchy for financial assets / liability as on March 31, 2025

(in ₹ million, unless otherwise stated)

Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Trade receivables (current)	881.21	-	-	-
Other financial assets (current)	9,676.56	-	-	-
Financial assets carried at fair value through P&L				
Investment in mutual funds*	3,266.96	-	3,266.96	-
Surrender value of keyman insurance policy	36.79	-	36.79	-
Liabilities carried at amortized cost for which fair value are disclosed				
Trade payables	1,988.49	-	-	-
Other financial liabilities (current)	2,141.90	-	-	-

Quantitative disclosures of fair value measurement hierarchy for financial assets / liability as on March 31, 2024

(in ₹ million, unless otherwise stated)

Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Trade receivables (current)	774.02	-	-	-
Other financial assets (current)	9,069.20	-	-	-
Financial assets carried at fair value through P&L				
Investment in mutual funds*	1,137.75	-	1,137.75	-
Surrender value of keyman insurance policy	33.82	-	33.82	-
Liabilities carried at amortized cost for which fair value are disclosed				
Trade payables	1,865.67	-	-	-
Other financial liabilities (current)	2,955.97	-	-	-

* Short-term marketable securities not traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Fair value of financial assets and financial liabilities that are not measured at fair value

Management considers that the carrying amounts of financial assets and financial liabilities recognised in the Financial Statements approximate their fair values.

Notes to the Consolidated Financial Statements

Note 43A: Financial instruments (Contd..)

(d) Risk management framework

The Group's businesses are subject to several risks and uncertainties including financial risks. The Group's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Group's risk management process is in line with the Corporate policy. Each significant risk has a designated 'owner' within the Group at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Group's risk situation
- improve financial returns

Treasury management

The Group's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximisation.

Financial risk

The Group has approved financial risk policies comprising liquidity, foreign currency, interest rate and counterparty credit risk. The Group does not engage in the speculative treasury activity but seeks to manage risk and optimise interest through proven financial instruments.

(i) Liquidity risk

The Group requires funds for short-term operational needs and the parent company has been rated by Care Ratings Limited (CARE) for its banking facilities.

The Group remains committed to maintaining a healthy liquidity, gearing ratio, and strengthening the balance sheet. The maturity profile of the Group's financial liabilities and realisability of financial assets based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual cash obligation of the Group.

(in ₹ million, unless otherwise stated)

	As at 31 March, 2025				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Non-current					
Lease liabilities	-	890.86	434.91	683.04	2,008.81
Current					
Lease liabilities	547.94	-	-	-	547.94
Trade payables	1,988.49	-	-	-	1,988.49
Other current financial liabilities	567.60	-	-	-	567.60
Total	3,104.03	890.86	434.91	683.04	5,112.84

Notes to the Consolidated Financial Statements

Note 43A: Financial instruments (Contd..)

(in ₹ million, unless otherwise stated)

	As at 31 March, 2024				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Non-current					
Borrowings	833.34	-	-	-	833.34
Lease liabilities	-	1,195.86	388.91	704.11	2,288.88
Current					
Lease liabilities	605.77	-	-	-	605.77
Trade payables	1,865.67	-	-	-	1,865.67
Other current financial liabilities	486.67	-	-	-	486.67
Total	3,791.45	1,195.86	388.91	704.11	6,080.33

As at 31 March, 2025, the Group had access to funding facilities of ₹ 685.70 Million (entire amount not drawn) as set out below:

(in ₹ million, unless otherwise stated)

	Total Facility	Drawn	Undrawn
Unsecured cash credit facility at variable rate of interest, reviewed annually and payable at call	685.70	-	685.70
Total	685.70	-	685.70

As at 31 March, 2024, the Group had access to funding facilities of ₹ 890.30 Million (entire amount not drawn) as set out below:

(in ₹ million, unless otherwise stated)

	Total Facility	Drawn	Undrawn
Unsecured cash credit facility at variable rate of interest, reviewed annually and payable at call	890.30	-	890.30
Total	890.30	-	890.30

(ii) Interest rate risk

Fixed rate financial assets are largely interest bearing fixed deposits held by the Group. The returns from these financial assets are linked to bank rate notified by Reserve Bank of India as adjusted on periodic basis. The Company does not charge interest on overdue trade receivables. Trade payables are non interest bearing and are normally settled up to 30 days terms. Mutual fund investments have debt securities as underlying assets and are exposed to floating interest rates.

The exposure of the Group's financial assets as at 31 March, 2025 to interest rate risk is as follows:

(in ₹ million, unless otherwise stated)

	Floating rate	Fixed rate	Non interest bearing	Total
Non-current				
Loans	-	-	0.04	0.04
Other financial assets	-	639.81	171.83	811.64
	-	639.81	171.87	811.68
Current				
Investments	3,266.96	-	-	3,266.96
Trade receivables	-	-	881.21	881.21
Cash and cash equivalents	-	2,685.92	240.34	2,926.26
Bank balances other than cash and cash equivalents above	-	5,459.22	1.31	5,460.53
Loans	-	-	11.24	11.24
Other financial assets	-	345.81	157.83	503.64
	3,266.96	8,490.95	1,291.93	13,049.84
Total	3,266.96	9,130.76	1,463.80	13,861.52

Range of interest rate applicable

4.40% - 5.30% p.a.

Notes to the Consolidated Financial Statements

Note 43A: Financial instruments (Contd..)

The exposure of the Group's financial liabilities as at 31 March, 2025 to interest rate risk is as follows:

(in ₹ million, unless otherwise stated)

	Floating rate	Fixed rate	Non interest bearing	Total
Non-current				
Borrowings	-	-	-	-
Lease liabilities	-	-	1,026.36	1,026.36
	-	-	1,026.36	1,026.36
Current				
Borrowings	-	-	-	-
Lease liabilities	-	-	547.94	547.94
Trade payables	-	-	1,988.49	1,988.49
Other financial liabilities	-	-	567.60	567.60
	-	-	3,104.03	3,104.03
Total	-	-	4,130.39	4,130.39

The exposure of the Group's financial assets as at 31 March, 2024 to interest rate risk is as follows:

(in ₹ million, unless otherwise stated)

	Floating rate	Fixed rate	Non interest bearing	Total
Non-current				
Loans	-	-	0.32	0.32
Other financial assets	-	158.82	157.70	316.52
	-	158.82	158.02	316.84

(in ₹ million, unless otherwise stated)

	Floating rate	Fixed rate	Non interest bearing	Total
Current				
Investments	1,137.75	-	-	1,137.75
Trade receivables	-	-	774.02	774.02
Cash and cash equivalents	-	3,360.55	248.78	3,609.33
Bank balances other than cash and cash equivalents above	-	4,692.65	1.12	4,693.77
Loans	-	-	12.77	12.77
Other financial assets	-	314.73	155.58	470.31
	1,137.75	8,367.93	1,192.27	10,697.95
Total	1,137.75	8,526.75	1,350.29	11,014.79

Range of interest rate applicable

4.40% - 5.30% p.a.

Notes to the Consolidated Financial Statements

Note 43A: Financial instruments (Contd..)

The exposure of the Group's financial liabilities as at 31 March , 2024 to interest rate risk is as follows:

(in ₹ million, unless otherwise stated)				
	Floating rate	Fixed rate	Non interest bearing	Total
Non-current				
Borrowings	-	-	-	-
Lease liabilities	-	-	1,030.19	1,030.19
	-	-	1,030.19	1,030.19
Current				
Borrowings	-	833.34	-	833.34
Lease liabilities	-	-	605.77	605.77
Trade payables	-	-	1,865.67	1,865.67
Other financial liabilities	-	-	486.67	486.67
	-	833.34	2,958.11	3,791.45
Total	-	833.34	3,988.30	4,821.64

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate assets, the analysis is prepared assuming the amount of the assets balance at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particulars	(in ₹ million, unless otherwise stated)	
	Year ended 31 March, 2025	Year ended 31 March, 2024
Impact on profit or loss for the year for increase in interest rate	43.87	40.99
Impact on profit or loss for the year for decrease in interest rate	(43.87)	(40.99)

(iii) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and after obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group is exposed to credit risk for receivables, cash and cash equivalents, bank balances other than cash and cash equivalents.

Credit risk management considers available reasonable and supportable forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

The Group makes sales to its customers which have high credit rating.

Only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes.

None of the Group's cash equivalents are past due or impaired. Regarding trade and other receivables, the Company has accounted for impairment based on expected credit losses method as at 31 March, 2025 based on expected probability of default.

(iv) Price risks

The sensitivity of profit or loss in respect of investments in mutual funds at the end of the reporting period for +/-5% change in net asset value is presented below:

Profit before tax for the year ended 31 March, 2025 would increase/decrease by ₹ 163.35 million (for the year ended 31 March, 2024 would increase/ decrease by ₹ 56.89 million) as a result of the changes in net asset value of investment in mutual funds.

Notes to the Consolidated Financial Statements

Note 44 Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows.

(in ₹ million, unless otherwise stated)

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31 March, 2025	As at 31 March, 2024
Paliwal Diagnostic Private Limited	Diagnostics	India	80.00	80.00
Paliwal Medicare Private Limited	Diagnostics	India	80.00	80.00
Dr Lal Ventures Private Limited	Diagnostics	India	100.00	100.00
PathLabs Unifiers Private Limited	Diagnostics	India	100.00	100.00
APRL Pathlabs Private Limited	Diagnostics	India	80.00	80.00
Centrapath Labs Private Limited	Diagnostics	India	70.00	70.00
Chanre Laboratory Private Limited	Diagnostics	India	70.00	70.00
Dr. Lal PathLabs Bangladesh Pvt. Ltd.	Diagnostics	Bangladesh	71.83	71.83
Dr Lal PathLabs Nepal Private Limited	Diagnostics	Nepal	100.00	100.00
Dr. Lal PathLabs Kenya Private Limited*	Diagnostics	Kenya	-	100.00

*Liquidated during the year

Disclosure as required by Schedule III of the Companies Act, 2013 on Consolidated Financial Statements as on 31st March, 2025

As at and for the year ended 31 March, 2025

(in ₹ million, unless otherwise stated)

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income/ (loss)	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Dr. Lal PathLabs Limited	98%	21,342.33	102%	4,972.63	100%	(36.29)	102%	4,936.34
Indian subsidiaries								
Paliwal Diagnostics Private Limited	2%	296.63	3%	135.92	-	0.05	3%	135.97
Dr Lal Ventures Private Limited	-	14.03	-	(2.72)	(1%)	0.40	-	(2.32)
PathLabs Unifiers Private Limited	5%	892.93	-	23.52	-	(0.03)	-	23.49
Centrapath Labs Private Limited	3%	606.30	1%	56.88	-	(0.16)	1%	56.72
APRL Pathlabs Private Limited	-	108.38	-	17.24	-	(0.16)	-	17.08
Chanre Laboratory Private Limited	1%	218.46	-	6.07	1%	(0.43)	-	5.64
Overseas subsidiaries								
Dr Lal PathLabs Nepal Private Limited	-	9.08	-	(14.54)	-	0.07	-	(14.47)
Dr. Lal PathLabs Bangladesh Pvt. Ltd.	-	27.52	-	5.78	-	0.04	-	5.82
Non controlling interest in subsidiaries	(2%)	(337.63)	(1%)	(51.14)	-	0.20	(1%)	(50.94)
Adjustments on consolidation	(7%)	(1,450.88)	(5%)	(278.26)	-	-	(5%)	(278.26)
Total	100%	21,727.15	100%	4,871.38	100%	(36.31)	100%	4,835.07

Notes to the Consolidated Financial Statements

Note 44 Subsidiaries (Contd..)

As at and for the year ended 31 March, 2024

(in ₹ million, unless otherwise stated)

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income/ (loss)	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Dr. Lal PathLabs Limited	97%	18,007.21	97%	3,467.30	51%	(2.64)	97%	3,464.66
Indian subsidiaries								
Paliwal Diagnostics Private Limited	2%	460.66	3%	123.45	(13%)	0.67	3%	124.12
Dr Lal Ventures Private Limited	-	6.35	-	0.85	2%	(0.10)	-	0.75
PathLabs Unifiers Private Limited	5%	869.44	-	13.09	-	0.01	-	13.10
Centrapath Labs Private Limited	3%	596.63	1%	50.54	16%	(0.83)	1%	49.71
APRL Pathlabs Private Limited	-	91.30	-	7.48	6%	(0.31)	-	7.17
Chanre Laboratory Private Limited	2%	212.82	-	12.44	4%	(0.21)	-	12.23
Overseas subsidiaries								
Dr Lal PathLabs Nepal Private Limited	-	23.55	-	(0.88)	-	(0.02)	-	(0.90)
Dr. Lal PathLabs Bangladesh Pvt. Ltd.	-	21.70	-	1.53	39%	(1.99)	-	(0.46)
Dr. Lal PathLabs Kenya Private Limited	-	5.09	-	(0.11)	(1%)	0.05	-	(0.06)
Non controlling interest in subsidiaries	(2%)	(360.81)	-	(45.58)	(5%)	0.24	-	(45.34)
Adjustments on consolidation	(8%)	(1,441.11)	(1%)	(52.76)	-	-	(1%)	(52.76)
Total	100%	18,492.83	100%	3,577.35	100%	(5.13)	100%	3,572.22

Note 45. Other statutory information

- The Group had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- The Group was not holding any benami property and no proceedings were initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Group had not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- The Group did not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The Group did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.
- The Group has not traded or invested in Crypto currency or Virtual Currency during year ended 31 March, 2025.

Notes to the Consolidated Financial Statements

Note 45. Other statutory information (Contd..)

- g The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- h The Group has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- i The Group did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- j The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- k During the year, no scheme of arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013. The Parent Company had disclosed that the effect of scheme of arrangements as at 31 March 2023 and the same had been accounted for in the books of account of the Parent Company 'in accordance with the Scheme' and 'in accordance with accounting standards' and there is no deviation in this regard.

Note 46 Share based payments

Note 46.1 Employee Share Option Plan-2010

46.1.1 Details of employee share based plan of the Parent Company

The shareholders of the Parent Company approved 'Dr. Lal PathLabs Private Limited Employee Stock Option Plan 2010' ("ESOP 2010") at the Annual General Meeting held on 20 August, 2010 to grant a maximum of 3,808,960 options to specified categories of employees of the Parent Company. Each option granted and vested under the ESOP 2010 shall entitle the holder to acquire 1 equity share of ₹ 10 each. The Parent Company had granted 3,730,340 options till the year ended 31 March, 2015, all of which have all been vested as at 31 March 2019. As per resolution passed on 21 August, 2015, the Parent Company approved to cease any further grants under the ESOP 2010.

The following ESOP 2010 tranches were in existence during the current year:

Grant date	Number	Expiry date	Exercise price (in ₹)	Fair value at grant date (in ₹)
23 January, 2015	1,62,180	Refer Note 1 below	311.30	490.42

Note 1: All options vest after 48-60 months from date of grant subject to satisfaction of vesting conditions. The exercise period is five years from the date on which the Parent Company's shares were listed on a recognised stock exchange in India or a period of 10 years from date of respective vesting, whichever period ends later. Options not exercised within exercise period lapses.

46.1.2 Fair value of share options granted in the year

There were no options granted during the years ended 31 March, 2025 and 31 March, 2024.

Notes to the Consolidated Financial Statements

Note 46 Share based payments (Contd..)

46.1.3 Movements in share options during the year

The reconciliation of share options outstanding at the beginning and end of the year:

Particulars	2024-25		2023-24	
	Number of options	Weighted average exercise price (in ₹)	Number of options	Weighted average exercise price (in ₹)
Balance at beginning of year	58,983	311.30	1,18,983	311.30
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	19,983	-	60,000	-
Expired during the year	-	-	-	-
Balance at end of year	39,000	311.30	58,983	311.30

46.1.4 Share options exercised during the year

19,983 shares were exercised during the year

46.1.5 Share options outstanding at the end of the year

The share options outstanding at the end of the year has a weighted average exercise price of ₹ 311.30 (as at 31 March, 2024: ₹ 311.30) and a weighted average remaining contractual life of years 2.13 years (as at 31 March, 2024: 3.13 years)

Note 46.2 Restricted Share Option Plan

46.2.1 Details of employee share based plan of the Parent Company

The shareholders of the Parent Company approved 'Dr. Lal PathLabs Employees Restricted Stock Unit Plan 2016' ('RSU 2016') at the Annual General Meeting held on 28 July, 2016 to grant a maximum of 12,44,155 Restricted Stock Units ('RSUs') to key employees and directors of the Company and its subsidiaries. Each RSU granted and vested shall entitle the holder to acquire 1 equity share of ₹ 10 each. Under RSU 2016, for the performance year 2016-17, options of ₹ 10 each granted to eligible employees is 225,000 out of which 6,225 options were forfeited on non satisfaction of vesting conditions. For the performance year 2017-18, options of ₹ 10 each granted to eligible employees is 225,716 and 9,602 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2018-19, options of ₹ 10 each granted to eligible employees is 219,132 and 28,498 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2019-20, options of ₹ 10 each granted to eligible employees is 213,841 and 27,631 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2020-21, options of ₹ 10 each granted to eligible employees is 1,12,200 and 12,468 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2021-22, options of ₹ 10 each granted to eligible employees is 131,594 and 12,193 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2022-23, options of ₹ 10 each granted to eligible employees is 21,200 and 27,533 options were forfeited on non satisfaction of vesting conditions. Further, for the performance year 2023-24, options of ₹ 10 each granted to eligible employees is 20,200 and 10,962 options were forfeited on non satisfaction of vesting conditions.

Further, for the performance year 2024-25, options of ₹ 10 each granted to eligible employees is 18,000 and 3422 options were forfeited on non satisfaction of vesting conditions. The Company has accounted for the expense of options proportionately for the period under employee cost on the basis of weighted average fair value.

Notes to the Consolidated Financial Statements

Note 46 Share based payments (Contd..)

The following share- based payment arrangements were in existence during the current and prior years:

Option series	Number	Grant date	Expiry date	Exercise Price (in ₹)	Fair Value at grant date (in ₹)
Series 1	2,03,400	29 July, 2016	Refer Note 1 below	10.00	943.00
Series 2	3,600	1 August, 2016	Refer Note 1 below	10.00	953.59
Series 3	8,000	21 September, 2016	Refer Note 1 below	10.00	1,182.34
Series 4	10,000	10 October, 2016	Refer Note 1 below	10.00	1,030.56
Series 5	2,14,716	7 August, 2017	Refer Note 1 below	10.00	795.15
Series 6	11,000	8 February, 2018	Refer Note 1 below	10.00	854.73
Series 7	2,10,132	10 August, 2018	Refer Note 1 below	10.00	908.45
Series 8	9,000	6 November, 2018	Refer Note 1 below	10.00	855.73
Series 9	2,13,841	13 August, 2019	Refer Note 1 below	10.00	1,045.81
Series 10	1,12,200	31 July, 2020	Refer Note 1 below	10.00	1,811.83
Series 11	1,14,844	8 April, 2021	Refer Note 1 below	10.00	3,002.90
Series 12	750	29 July, 2021	Refer Note 1 below	10.00	3,002.90
Series 13	4,500	1 November, 2021	Refer Note 1 below	10.00	3,461.04
Series 14	11,500	6 December, 2021	Refer Note 1 below	10.00	3,461.04
Series 15	21,200	29 July, 2022	Refer Note 1 below	10.00	2,084.30
Series 16	20,200	27 July, 2023	Refer Note 1 below	10.00	2,353.05
Series 17	18,000	10 May, 2024	Refer Note 1 below	10.00	2,163.55

Note 1: All options vest after 1 year but within 4 years of date of grant subject to satisfaction of vesting conditions. The exercise period is five years from the date of respective vesting or such other shorter period as may be decided by the Nomination and Remuneration Committee from time to time. Options not exercised within the exercise period lapse.

46.2.2 Fair value of share options granted in the year

The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

Option Series	Series 1	Series 2	Series 3	Series 4	Series 5	Series 6
Grant date share price	961.75	972.50	1,201.35	1,049.65	814.25	873.40
Exercise price (in ₹)	10	10	10	10	10	10
Expected volatility	31.58%	31.58%	31.58%	31.58%	31.48%	21.71%
Option life	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years
Dividend yield	0.18%	0.18%	0.15%	0.17%	0.22%	0.20%
Risk-free interest rate	7.32%-7.36%	7.29%-7.35%	6.90%-7.18%	6.76%-6.96%	6.65%-6.96%	7.73%-8.03%

Option Series	Series 7	Series 8	Series 9	Series 10	Series 11	Series 12
Grant date share price	939.45	886.75	1,086.45	1,881.05	2,987.35	3,621.45
Exercise price (in ₹)	10	10	10	10	10	10
Expected volatility	22.33%	25.66%	31.79%	32.28%	33.29%	33.29%
Option life	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years
Dividend yield	0.35%	0.37%	0.41%	0.53%	0.54%	0.54%
Risk-free interest rate	7.99%-8.19%	7.92%-8.01%	6.69%-6.98%	5.65%-5.96%	6.12%-6.52%	6.12%-6.52%

Option Series	Series 13	Series 14	Series 15	Series 16	Series 17
Grant date share price	3,508.85	3,710.00	2,144.50	2,416.60	2,231.55
Exercise price (in ₹)	10	10	10	10	10
Expected volatility	33.72%	33.72%	34.3%-38.60%	34.10%-38.00%	34.50%-36.20%
Option life	6-9 Years	6-9 Years	6-9 Years	6-9 Years	6-9 Years
Dividend yield	0.56%	0.56%	0.50%	0.50%	0.60%
Risk-free interest rate	6.07%-6.35%	6.07%-6.35%	7.00%-7.40%	7.20%	7.30%

Notes to the Consolidated Financial Statements

Note 46 Share based payments (Contd..)

46.2.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	2024-25		2023-24	
	Number of options	Weighted average exercise price (in ₹)	Number of options	Weighted average exercise price (in ₹)
Balance at beginning of year	1,78,162	10.00	3,74,143	10.00
Granted during the year	18,000	10.00	20,200	10.00
Forfeited during the year	3,422	10.00	10,962	10.00
Exercised during the year	73,168	10.00	2,05,219	10.00
Expired during the year	-	-	-	-
Balance at end of year	1,19,572	10.00	1,78,162	10.00

46.2.4 Share options exercised during the year

The following share options were exercised during the year.

Option series	Number exercised	Exercise date	Share price at exercise date
Series 1	3,250	Various dates	2,702.78
Series 2	-	-	-
Series 3	-	-	-
Series 4	-	-	-
Series 5	-	-	-
Series 6	-	-	-
Series 7	3,784	Various dates	3,020.45
Series 8	-	-	-
Series 9	8,922	Various dates	2,838.85
Series 10	17,403	Various dates	3,048.92
Series 11	30,219	Various dates	2,859.74
Series 12	188	Various dates	3,080.30
Series 13	752	Various dates	3,067.33
Series 14	-	-	-
Series 15	5,400	Various dates	3,012.25
Series 16	3,250	Various dates	3,086.07
Total	69,918		

*weighted average share price during the year.

46.2.5 Share options outstanding at the end of the year

The share options outstanding at the end of the year has a weighted average exercise price of ₹ 10 (as at 31 March, 2024: ₹ 10) and a weighted average remaining contractual life of 4.52 years (as at 31 March, 2024: 4.74 years)

Note 46.3 Dr Lal PathLabs Employee Stock Option Plan 2022

46.3.1 Details of employee share based plan of the Company

The shareholders of the Parent Company approved 'Dr. Lal PathLabs Private Limited Employee Stock Option Plan 2022' ("ESOP 2022") at the Annual General Meeting held on 30 June, 2022 to grant a maximum of 1,250,278 options to specified categories of employees of the Company. Each option granted and vested under the ESOP 2022 shall entitle the holder to acquire 1 equity share of ₹ 10 each. The Company had granted 211,400 options till the year ended 31 March, 2023. The Company had granted 237,500 options till the year ended 31 March, 2024.

Notes to the Consolidated Financial Statements

Note 46 Share based payments (Contd..)

The following ESOP 2022 tranches were in existence during the current year:

Grant date	Number	Expiry date	Exercise price (in ₹)	Fair Value at grant date (in ₹)
29 July, 2022	2,11,400	Refer Note 1 below	1930.05	975.55
27 July, 2023	2,37,500	Refer Note 1 below	2174.94	1105.63
07 August, 2024	1,14,500	Refer Note 1 below	2851.43	1406.40
13 August, 2024	75,000	Refer Note 1 below	2904.39	1433.50

Note 1: All options vest before one year and not later than four years from date of grant subject to satisfaction of vesting conditions. The exercise period is five years from the date on which the Company's shares were listed on a recognised stock exchange in India or a period of 10 years from date of respective vesting, whichever period ends later. Options not exercised within exercise period lapses.

46.3.2 Fair value of share options granted in the year

The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

Option Series	Series 1	Series 2	Series 3	Series 4
Grant date share price	2,144.50	2,416.60	3,168.25	3,227.10
Exercise price (in ₹)	1930.05	2174.94	2851.43	2904.39
Expected volatility	34.3%-38.60%	34.10%-38.00%	34.50%-35.70%	34.60%-35.70%
Option life	6-9 Years	6-9 Years	6-9 Years	6-9 Years
Dividend yield	0.50%	0.50%	0.50%	0.50%
Risk-free interest rate	7.00%-7.40%	7.20%	6.90%-7.00%	6.90%-7.00%

46.3.3 Movements in share options during the year

The reconciliation of share options outstanding at the beginning and end of the year:

Particulars	2024-25		2023-24	
	Number of options	Weighted average exercise price (in ₹)	Number of options	Weighted average exercise price (in ₹)
Balance at beginning of year	3,76,020	Refer table 46.3.2 above	2,01,300	Refer table 46.3.2 above
Granted during the year	1,89,500	Refer table 46.3.2 above	2,37,500	Refer table 46.3.2 above
Forfeited during the year	6,275	-	55,450	-
Exercised during the year	60,995	Refer table 46.3.2 above	7,330	Refer table 46.3.2 above
Expired during the year	-	-	-	-
Balance at end of year	4,98,250	Refer table 46.3.2 above	3,76,020	Refer table 46.3.2 above

46.3.4 Share options exercised during the year

The following share options were exercised during the year:

Option series	Number exercised	Exercise date	Share price* at exercise date
Series 1	40,920	Various dates	3253.12
Series 2	20,075	Various dates	3065.73

*weighted average share price during the period

Notes to the Consolidated Financial Statements

46.3.5 Share options outstanding at the end of the year

The share options outstanding at the end of the year has a weighted average exercise price of ₹ 2465.20 (as at 31 March, 2024: 1930.05) and a weighted average remaining contractual life of years 6.12 years (as at 31 March, 2024: 6.37 years)

Note: During the current year, the Holding Company has modified the terms of certain ESOPs by modifying vesting conditions (accelerated vesting) under Employee Stock option plan, 2002. Accordingly, the Holding Company has computed the incremental fair value of options as the difference between the fair value of the modified ESOP and that of the original ESOP, using Black-Scholes method as at the date of the modification which has been amortised in the Statement of Profit and Loss over the revised vesting period and accordingly an additional charge of INR 6.54 Million has been recorded during the year.

Note 47

The Parent company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act, used accounting softwares for maintaining its books of account for the period April 01, 2024 to March 31, 2025 which have a feature of recording audit trail (edit log) facility and the same operated for all relevant transactions recorded in the software except that audit trail for one software that was used during the period April 01, 2024 to April 30, 2024 did not have audit trail enabled at the database level to log any direct data changes. In case of the other accounting software (SaaS Based application) that was implemented from 1 May, 2024, the Company does not have access to the database of the software and accordingly it is not possible to determine, whether audit trail feature was enabled at database level for this period.

In respect of one accounting software used for maintenance of inventory records in one of the locations in the Company till 31 January, 2025, the software did not have the audit trail feature enabled throughout the year. Additionally audit trail has been preserved by the Company as per the statutory requirements for record retention.

Note 48

The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

Note 49

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

Note 50 Disclosure pursuant to section 186 of the Companies Act 2013:

(in ₹ million, unless otherwise stated)

Sr. No.	Nature of the transaction (loans given/ Investment made/ guarantee given/ security provided)	As at 31 March, 2025	As at 31 March, 2024
1	Loan and advances	-	-
2	Other advances	-	-
3	Guarantees	-	-
4	Current investments	Refer Note 12	Refer Note 12

Note 51

The Consolidated Financial Statements were approved by the Board of Directors and authorised for issue on 25 April, 2025.

Note 52

The figures have been rounded off to the nearest million of rupees up to two decimal places. The figure 0.00 wherever stated represents value less than ₹ 10,000/-.

(Hony.) Brig. Dr. Arvind Lal
(DIN: 0576638)
[Executive Chairman]

Shankha Banerjee
[Chief Executive officer]

Ved Prakash Goel
[Chief Financial Officer &
CEO- International Business]

Vinay Gujral
[Company Secretary]

Place: Gurugram
Date: 25 April, 2025

Place: Gurugram
Date: 25 April, 2025

DR. LAL PATHLABS LIMITED

CIN: L74899DL1995PLC065388

Regd. Office: Block-E, Sector-18, Rohini, New Delhi – 110085

Corporate Office: 12th Floor, Tower B, SAS Tower,
Medicity, Sector-38, Gurugram - 122001Website: www.lalpathlabs.com | E-Mail: cs@lalpathlabs.com

Phone: +91 124 3016500 | Fax: +91 124 4234468

Notice of Annual General Meeting

Notice is hereby given that the thirty-first (31st) Annual General Meeting ("AGM") of the Members of Dr. Lal PathLabs Limited ("the Company") will be held on Saturday, June 28, 2025, at 10:00 AM (IST) through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM"), to transact the following businesses:

ORDINARY BUSINESSSES:

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2025, together with the reports of the Directors' and Auditors' thereon and the audited consolidated financial statements of the Company for the financial year ended March 31, 2025, together with report of Auditors' thereon.
2. To declare final dividend of ₹ 6/- per fully paid-up equity share having face value of ₹ 10/- each for the financial year ended March 31, 2025.
3. To appoint a Director in place of Dr. Archana Lal Erdmann (DIN: 08432506), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESSSES:

4. To consider and if thought fit, to pass the following resolution as a Special Resolution:

Re-appointment of Mr. Rohit Bhasin (DIN: 02478962) as a Non-Executive Independent Director of the Company for a second term of five (05) consecutive years commencing from November 08, 2025

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 ("the Act") & Rules made thereunder and Regulation 17(1C) and 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Rohit Bhasin (DIN: 02478962), who was appointed as a Non-Executive Independent Director and holds office upto November 07, 2025 and has submitted a declaration that

he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and who is eligible for re-appointment under the provisions of the Act & rules made thereunder and Listing Regulations, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a second term of five (05) consecutive years commencing from November 08, 2025 upto November 07, 2030.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197, and other applicable provisions of the Act & Rules made thereunder and Listing Regulations, Mr. Rohit Bhasin (DIN: 02478962) shall be entitled to receive the commission/ fees as permitted to be received in a capacity of a Non-Executive Independent Director of the Company under the Act and Listing Regulations, as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things and to settle all questions or difficulties that may arise in this regard and to execute any documents, papers, etc. as may be necessary or desirable in connection with or incidental to give effect to this resolution."

5. To consider and if thought fit, to pass the following resolution as a Special Resolution:

Re-appointment of Mr. Arun Duggal (DIN: 00024262) as a Non-Executive Independent Director of the Company for a second term of three (03) consecutive years commencing from February 02, 2026

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 ("the Act") & Rules made thereunder and Regulation 17(1A), 17(1C) and 25(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of Nomination & Remuneration

Committee and the Board of Directors of the Company, Mr. Arun Duggal (DIN: 00024262), who was appointed as a Non Executive Independent Director and holds office up to February 01, 2026 and has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and who is eligible for re-appointment under the provisions of the Act & rules made thereunder and Listing Regulations, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a second term of three (03) consecutive years commencing from February 02, 2026 upto February 01, 2029.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197, and other applicable provisions of the Act & the Rules made thereunder and the Listing Regulations, Mr. Arun Duggal (DIN: 00024262) shall be entitled to receive the commission/ fees as permitted to be received in a capacity of a Non-Executive Independent Director of the Company under the Act and Listing Regulations, as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things and to settle all questions or difficulties that may arise in this regard and to execute any documents, papers, etc. as may be necessary or desirable in connection with or incidental to give effect to this resolution."

6. To consider and if thought fit, to pass the following resolution as a Special Resolution:

Payment of remuneration to Mr. Rahul Sharma (DIN: 00956625), Non-Executive Director, in the event of exercise of ESOPs

"RESOLVED THAT pursuant to the provisions of Sections 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") & Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of Nomination & Remuneration Committee and the Board of Directors of the Company, and subject to such other approval(s)/ permission(s), if any as may be required, the approval of the Members be and is hereby accorded for payment of remuneration to Mr. Rahul Sharma (DIN: 00956625), Non-Executive Director of the Company, by way of commission and/ or perquisites, arising/ propose to arise as a result of exercise of vested Stock Options under Employee Stock Option Plan 2010 of the Company ("ESOP Plan 2010"), in excess of one percent (1%) of the net profits of the Company computed as per Section 198 of the Act, for the Financial Year 2025-26 and 2026-27.

RESOLVED FURTHER THAT pursuant to Regulation 17(6) (ca) of the Listing Regulation (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company and such other approval/ permission(s) if any, as may be required, the approval of the Members be and is hereby accorded for payment of remuneration to Mr. Rahul Sharma (DIN: 00956625), Non-Executive Director of the Company by way of Commission and/ or Perquisites, arising/ propose to arise as a result of exercise of vested Stock Options under ESOP Plan 2010 of the Company, in excess of fifty percent (50%) of the total remuneration payable to all Non-Executive Directors of the Company for the Financial Year 2025-26.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things and to settle all questions or difficulties that may arise in this regard and to execute any documents, papers, etc. as may be necessary or desirable in connection with or incidental to give effect to this resolution."

7. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

Appointment of M/s. Chandrasekaran Associates Company Secretaries (FRN: P1988DE002500) as Secretarial Auditors of the Company

"RESOLVED THAT pursuant to the provisions of Regulation 24A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013 & rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of the Audit Committee and Board of Directors of the Company, the approval of the Members be and is hereby accorded for the appointment of M/s. Chandrasekaran Associates Company Secretaries (FRN: P1988DE002500) as Secretarial Auditors of the Company for a term of five (5) consecutive Financial Years (FY) commencing from FY 2025-26 to FY 2029-30.

RESOLVED FURTHER THAT approval of Members be and is hereby accorded for payment of Secretarial Audit Fee of ₹ 4.50 Lakh plus applicable taxes and reimbursement of out-of-pocket expenses for Financial Year 2025-26 and the Board of Directors (including any Committee thereof) be and is hereby authorised to fix and pay the Secretarial Audit Fee and other certifications fees as may be deemed fit for the remaining tenure.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things and to settle all questions or difficulties that may arise in this

regard and to execute any documents, papers, etc. as may be necessary or desirable in connection with or incidental to give effect to this resolution.”

8. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

Ratification of Remuneration payable to Cost Auditors for the Financial Year 2025-26

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and any other provisions/ statute as may be applicable from time to time, the Members hereby ratifies the remuneration of ₹ 1.70 Lakh plus applicable taxes and reimbursement of out of pocket expenses payable to M/s. A.G. Agarwal & Associates (Firm Registration No. 000531), Cost and Management Accountants, appointed as Cost Auditors of the Company for the Financial Year 2025-26.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things and to settle all questions or difficulties that may arise in this regard and to execute any documents, papers, etc. as may be necessary or desirable in connection with or incidental to give effect to this resolution.”

By Order of the Board
For **Dr. Lal PathLabs Limited**

Vinay Gujral

Company Secretary &

Compliance Officer

Membership No: A-25995

Date: April 25, 2025

Place: Gurugram

Notes:

1. Explanatory statement(s) pursuant to Section 102(1) of the Companies Act, 2013 (hereinafter referred as “the Act”), relating to Ordinary and Special Business(es) to be transacted at the 31st AGM is annexed hereto.
2. The Ministry of Corporate Affairs (“MCA”) vide its circulars dated September 19, 2024, May 5, 2020, and all other relevant circulars issued from time to time (hereinafter referred as MCA Circulars), permitted holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. Accordingly, the AGM of the Company is being held through VC/ OAVM. The facility of VC/OAVM and casting votes by a member using remote e-Voting as well as e-Voting on the date of the AGM will be provided by Central Depository Services (India) Limited (“the e-voting Agency”).

The Notice of the 31st AGM along with the Annual Report for the Financial Year 2024-25 is being sent by electronic mode only to those Members whose e-mail addresses are registered with the Company/ Depositories as on **May 30, 2025 (“the cut-off date”)**.

The deemed venue for the 31st AGM shall be the Registered Office of the Company.

3. Company is providing two-way teleconferencing facility or webex for the ease of participation of the Members. The Members are allowed to submit their queries/questions etc. before the AGM in advance on the e-mail address of the company at cs@lalpathlabs.com.
4. As the 31st AGM is being held through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed

to this Notice. However, Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/ OAVM and cast their votes through e-Voting.

5. Institutional/Corporate Members are required to send a scanned copy of their Board or Governing Body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through e-Voting/remote e-Voting. The said Resolution/ Authorization shall be sent to Scrutinizer by email at nilesh@kksinghassociates.com with a copy marked to cs@lalpathlabs.com and helpdesk.evoting@cdslindia.com.
6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members / List of Beneficial Owners of the Company will be entitled to vote at the AGM.
7. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 shall be available for inspection through electronic mode, basis the request being sent at cs@lalpathlabs.com.

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, Register of Contracts or Arrangements in which Directors are interested, maintained as per Section 189 of the Act and the Certificate from Secretarial Auditors of the Company certifying that the ESOP Scheme(s) of the Company are being implemented in compliance with relevant/ applicable ESOP Regulations/ Guidelines and such other documents as referred in the explanatory statement will be made available electronically for inspection by the Members during the AGM.

8. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website at www.lalpathlabs.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL at www.evotingindia.com.
9. The Final Dividend of ₹ 6/- on Equity Shares having face value of ₹ 10/- each of the Company as recommended by the Board of Directors of the Company for the financial year ended March 31, 2025, if declared at the AGM, will be paid on or before July 27, 2025 to those members whose names appear in the Register of Members as on Friday, June 06, 2025 ("the Record Date"). In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of business hours on Friday, June 06, 2025, as per the details furnished by the depositories viz. National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) for the purpose as on that date.
10. Members holding shares in dematerialized mode are requested to register/update their bank details with their Depository Participants, to enable expeditious credit of the dividend to their bank accounts electronically.
11. Pursuant to the SEBI Circulars on Nomination in Trading and Demat Accounts, the Members holding shares in dematerialized mode are requested to register/update their nominee details with their Depository Participants.
12. Members who have not encashed their un-claimed Dividend till date are requested to claim the same. Details of un-claimed dividend amount are available under investors section of the website of the Company at www.lalpathlabs.com.
13. Additional information(s), pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard for General Meetings (SS-2) in respect of Director(s) recommended for appointment/re- appointment are annexed with this AGM Notice.
14. Members can also provide their feedback on the Members Services of the Company by filling the "Members Satisfaction Survey" attached to this notice and emailing the same at cs@lalpathlabs.com through their registered e-mail ID or sending the signed copy to the Corporate Office of the Company at 12th Floor, Tower B, SAS Tower, Medicity, Sector-38, Gurugram- 122001.
Your feedback will help the Company in improving its Members Service Standards.

INSTRUCTIONS FOR REMOTE E-VOTING AND ATTENDING AGM THROUGH VC/OAVM ARE AS UNDER:

A. VOTING THROUGH ELECTRONIC MEANS

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended

and Regulation 44 of SEBI Listing Regulations, the Members are provided with the facility of voting through electronic means ("remote e-Voting" or "e-Voting during AGM") on all the resolutions set out in this AGM Notice, through remote e-Voting services provided by Central Depository Services (India) Limited ("CDSL").

2. The facility for e-Voting will also be made available during the AGM and the Members attending the AGM who have not cast their vote by remote e-Voting shall be eligible to vote through the e-Voting system during the AGM. The Members who have cast their vote by remote e-Voting may also attend the AGM but shall not be entitled to cast their vote again.
3. The remote e-Voting period commences on **Tuesday, June 24, 2025, at 9:00 A.M. (IST)** and ends on **Friday, June 27, 2025, at 5:00 P.M. (IST)** During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on **Saturday, June 21, 2025 ("the cut-off date")** may cast their vote electronically. The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
4. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date i.e. Saturday, June 21, 2025. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. In case of joint holders, only such joint holder who is named first in the order of names will be entitled to vote.
5. The Board of Directors of the Company has appointed M/s K.K Singh & Associates, Company Secretaries, as Scrutinizer to scrutinize the remote e-Voting process and e-Voting during the AGM in a fair and transparent manner.

The Instructions for Members for e-Voting and joining virtual meeting are as under:

Pursuant to SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

In order to increase the efficiency of the voting process, all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants, able to cast their vote without having to register again with the e-Voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

- a) Pursuant to above SEBI Circular, login method for e-Voting and joining virtual meetings for Individual Members holding securities in Demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting the vote during the remote e-voting period. Additionally, there are also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Members holding securities in demat mode with NSDL	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdEasDirectReg.jsp Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. For OTP based login you can click on https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Members (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:

Login type	Helpdesk details
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000

b) Log in method for e-Voting and joining Virtual meeting for Physical Members and Members other than Individual holding in Demat form:

1. The Members should log on to the e-voting website www.evotingindia.com.
2. Click on "Members" module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

For Members holding shares in physical mode and Non-Individual Members holding shares in demat mode

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the Depository or Company, please enter the member id / folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
10. Click on the EVSN for Dr. Lal PathLabs Limited
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

General Guidelines for Non – Individual Members and Custodians:

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual Members are mandatorily required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer (nilesh@kksinghassociates.com) and to the Company (cs@lalpathlabs.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 7. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to AGM mentioning their name, demat at cs@lalpathlabs.com. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 8. Only those Members, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolution(s) through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 9. If any votes are cast by the Members through e-Voting available during the AGM and if the same Members have not participated in the meeting through VC/ OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-Voting during the meeting is available only to the Members attending the meeting.

Process for those members whose email id(s) mobile no(s) are not registered with the Company/ Depositories:

For Members holding Shares in Physical form, if any	Send a letter to the Company at cs@lalpathlabs.com providing Folio No., Name of Members, scanned copy of the share certificate (front and back), Self attested copy of PAN Card and self-attested copy of any one document from Aadhar Card, Driving License, Election Identity Card and Passport for registering email address/ Mobile No.
For Members holding Shares in Demat form	Please update your email address & mobile no. with your respective Depository Participant (DP)
For Individual Members holding Shares in Demat form	Please update your email address & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting.

In case you have any queries or issues regarding e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911

B. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/ OAVM AND E-VOTING DURING AGM ARE AS UNDER:

1. The procedure for attending AGM and e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. The link for VC/OAVM to attend the AGM will be available where the EVSN of the Company i.e Dr. Lal PathLabs Limited will be displayed after successful login as per the instructions mentioned above for remote e-Voting.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be able to vote at the AGM.
4. Facility of joining the AGM through VC/OAVM shall be opened 30 minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of AGM. The facility will be available for Members on first come first served basis.
5. For better experience, we recommend you to join the AGM with high-speed wired internet connectivity. This prevents WiFi dropouts and speed issues.

Declaration of Results

1. The Scrutinizer shall provide, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or in his absence, a person authorised by him in writing who shall countersign the same and declare the result of the voting forthwith.
2. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.lalpathlabs.com and on the website of CDSL at www.evotingindia.com immediately after the result declared by the Chairman or any other person authorized by the Chairman and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
3. The recorded transcript of the proceeding of AGM shall be placed on the Company's website at www.lalpathlabs.com and the same also be in safe custody of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Mr. Rohit Bhasin (DIN: 02478962) was appointed as a Non-Executive Independent Director of the Company for a period of three (3) consecutive years, effective from November 08, 2022, until November 07, 2025, by the Members of the Company through Postal Ballot on December 14, 2022.

Following the performance evaluation of Mr. Rohit Bhasin and considering the significant contributions made by him during his present tenure as a Non-Executive Independent Director, along with the faith that his continued association would be valuable to the Company, the Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, recommended the re-appointment of Mr. Rohit Bhasin as a Non-Executive Independent Director of the Company for a second term of five (05) consecutive years, commencing from November 08, 2025, upto November 07, 2030, for approval by the Members.

Mr. Rohit Bhasin has provided consent and necessary declaration(s) to the Board, stating that he continues to meet the criteria of independence as provided under the provisions of Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). He also affirmed that he is not restrained from acting as a Director under any order passed by the SEBI or any such authority and is eligible to be re-appointed as a Director in terms of Section 164 of the Act.

In terms of Section 160 of the Act, the Company has received a notice in writing from a Member of the Company proposing the candidature of Mr. Rohit Bhasin for his re-appointment to the office of Non-Executive Independent Director of the Company.

In the opinion of the Board, Mr. Rohit Bhasin is independent from the management and fulfils the conditions as specified in the Act & Rules made thereunder and the Listing Regulations for re-appointment as a Non-Executive Independent Director of the Company.

Considering his experience, the Board deems it desirable and in the interest of the Company to continue Mr. Rohit Bhasin on the Board and accordingly recommends his re-appointment as a Non-Executive Independent Director for a second term of five (05) consecutive years, as proposed at Item no. 4 for approval by the Members as a Special Resolution.

Except Mr. Rohit Bhasin and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Disclosure and brief profile of Mr. Rohit Bhasin as required under the Listing Regulations and Secretarial Standard - 2 on General Meetings, annexed to this Notice. The terms and conditions of appointment of the Non-Executive Independent Directors are uploaded on the website of the Company i.e. www.lalpathlabs.com.

ITEM NO. 5

Mr. Arun Duggal (DIN: 00024262) was appointed as a Non-Executive Independent Director of the Company for a period of three (3) consecutive years, effective from February 02, 2023, until February 01, 2026, by the Members of the Company through Postal Ballot on March 10, 2023.

Following the performance evaluation of Mr. Arun Duggal and considering the significant contributions made by him during his present tenure as a Non-Executive Independent Director, along with the faith that his continued association would be valuable to the Company, the Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, recommended the re-appointment of Mr. Arun Duggal as a Non-Executive Independent Director of the Company for a second term of three (03) consecutive years, commencing from February 02, 2026, upto February 01, 2029, for approval by the Members.

Mr. Arun Duggal has provided consent and necessary declaration(s) to the Board, stating that he continues to meet the criteria of independence as provided under the provisions of Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). He also affirmed that he is not restrained from acting as a Director under any order passed by the SEBI or any such authority and is eligible to be re-appointed as a Director in terms of Section 164 of the Act.

In terms of Section 160 of the Act, the Company has received a notice in writing from a Member of the Company proposing the candidature of Mr. Arun Duggal for his re-appointment to the office of Non-Executive Independent Director of the Company.

In the opinion of the Board, Mr. Arun Duggal is independent from the management and fulfils the conditions as specified in the Act & Rules made thereunder and the Listing Regulations

for re-appointment as a Non-Executive Independent Director of the Company.

Considering his experience, the Board deems it desirable and in the interest of the Company to continue Mr. Arun Duggal on the Board and accordingly recommends his re-appointment as a Non-Executive Independent Director for a second term of three (03) consecutive years, as proposed at Item no. 5 for approval by the Members as a Special Resolution.

Except Mr. Arun Duggal and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Disclosure and brief profile of Mr. Arun Duggal, as required under the Listing Regulations and Secretarial Standard - 2 on General Meetings, annexed to this Notice. The terms and conditions of appointment of the Non-Executive Independent Directors are uploaded on the website of the Company i.e. www.lalpathlabs.com.

ITEM NO. 6

The Members of the Company (i) at the 29th Annual General Meeting (AGM) on September 12, 2023 approved the resolution for Payment of remuneration in excess of one percent (1%) of Net Profits of the Company to Mr. Rahul Sharma (DIN: 00956625), in the event of exercise of ESOPs for the Financial Year 2023-24 and 2024-25 and (ii) at the 30th AGM on June 29, 2024 approved the resolution for Payment of remuneration to Mr. Rahul Sharma, in excess of fifty percent (50%) of total remuneration payable to all Non-Executive Directors in the event of exercise of ESOPs for FY 2024-25.

Mr. Rahul Sharma, Non-Executive Director of the Company was granted stock options under the Company's ESOP 2010 Plan from time to time, of which 39,000 stock options (as on April 25, 2025) are remaining to be exercisable by him.

Mr. Rahul Sharma has expressed his intent to exercise the remaining stock options in different tranches at different points of time. Exercise of such options, however, is likely to create a perquisite in the hands of Mr. Rahul Sharma, to the extent of difference between the Market Price of the equity shares of the Company on the date of exercise and the Grant Price of the stock options so vested.

In case of exercise of options by Mr. Rahul Sharma, value of perquisites arising therefrom coupled with his annual Director commission may result in his annual remuneration exceeding (i) One Percent (1%) of the Net Profits computed as per Section 198 of the Companies Act, 2013 for FY 2025-26 & FY 2026-27 and (ii) Fifty Percent (50%) of the total remuneration payable to all Non-Executive Directors of the Company for FY 2025-26.

The Members may take note that the above increase in the limit(s) for payment of Managerial Remuneration in the nature of perquisites arising as a result of exercise of ESOPs will not require or result in any payment of cash compensation in addition to the overall remuneration already approved by the Members of the Company from time to time.

Pursuant to the provisions of Section 197, 198, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including rules, notifications, any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), approval of the Members by way of Special Resolution is required for payment of Managerial Remuneration by the Company to its Non-Executive Director, in any financial year, exceeding One Percent (1%) [in case there is Managing Director/ Whole Time Director/ Manager in the Company] of the net profits of the Company computed as per Section 198 of the Act.

Further, pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members by way of Special Resolution is required every year, in case annual remuneration payable to a single Non-Executive Director, exceeding Fifty Percent (50%) of the total remuneration payable to all Non-Executive Directors of the Company.

In view of the above, the Board recommends the payment of remuneration to Mr. Rahul Sharma, Non-Executive Director, in the event of exercise of ESOPs as proposed at Item no. 6 for the approval by the Members as a Special Resolution.

Except Mr. Rahul Sharma and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 7

Pursuant to the provisions of Regulation 24A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Board of Directors on recommendation of the Audit Committee appointed M/s. Chandrasekaran Associates Company Secretaries as a Secretarial Auditors of the Company for a term of five (5) consecutive Financial Years (FY) commencing from FY 2025-26 to FY 2029-30 at a remuneration of ₹ 4.50 Lakh plus applicable taxes and reimbursement of out-of-pocket expenses for FY 2025-26 and recommends their appointment including remuneration as proposed at Item no. 7 for approval by the Members by way of an Ordinary Resolution.

M/s. Chandrasekaran Associates, Company Secretaries is a firm of Company Secretaries having professional experience spanning over more than 36 years specializing in Secretarial Audit, Due Diligence, Assurance Audit, Corporate Compliance Management, Representation services and Transaction Advisory Services to the Corporate world on various matters.

M/s. Chandrasekaran Associates Company Secretaries have provided their consent to be appointed as Secretarial Auditors of the Company for a term of five (5) consecutive Financial Years (FY) commencing from FY 2025-26 to FY 2029-30 and also confirmed that they are not disqualified to be appointed as Secretarial Auditors of the Company. They also confirmed that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India (ICSI) and hold a valid certificate issued by the Peer Review Board of the ICSI.

None of the Directors or KMP's or their relatives are concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 8

The Board of Directors on recommendation of the Audit Committee, re-appointed M/s. A.G. Agarwal & Associates (Firm Registration Number: 000531), Cost and Management Accountants, as the Cost Auditors of the Company for the Financial Year 2025-26 at a remuneration of ₹ 1.70 Lakh plus applicable taxes and reimbursement of out of pocket expenses.

As per Section 148 of Companies Act, 2013 and applicable rules thereunder, the remuneration payable to the Cost Auditors is to be ratified by the Members of the Company.

The Board considers the remuneration payable to the Cost Auditors as fair and recommends the resolution as proposed at Item no. 8 for approval by the Members as an Ordinary Resolution.

None of the Directors or KMP's or their relatives are concerned or interested, financially or otherwise, in the said resolution.

STATEMENT OF INFORMATION AS PER SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. General Information

1.	Nature of Industry	Diagnostics		
2.	Date or expected date of commencement of commercial production	The Company was incorporated on February 14, 1995. Date of incorporation may be considered for commencement of operations		
3.	In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the Prospectus	Not Applicable		
4.	Standalone Financial Performance based on given indicators	(₹ in Million, except EPS)		
		Amount		
	Particulars	FY-2024-25	FY-2023-24	FY-2022-23
	Total Revenue	24,631	21,914	18,156
	PBT/ (LOSS)	6,213	4,825	3,908
	PAT/ (LOSS)	4,973	3,467	2,924
	EPS			
	Basic:	59.70	41.72	35.28
	Diluted:	59.61	41.46	35.17
5.	Foreign Investments or collaborations, if any	The Company has not entered into any foreign collaboration and no direct investment has been made in the Company during the previous three financial years. The Foreign Investors mainly comprised of Foreign Institutional Investors, Foreign Portfolio Investors, and NRI's		

II. Information about Directors

S No.	Particulars	Non-Executive Director		Non-Executive Independent Director				
		Mr. Rahul Sharma (DIN: 00956625)	Dr. Archana Lal Erdmann (DIN: 084322506)	Ms. Somya Satsangi (DIN: 07275574)	Mr. Rohit Bhasin (DIN: 02478962)	Mr. Arun Duggal (DIN: 00024262)	Mr. Rajit Mehta (DIN: 01604819)	Mr. Gurinder Singh Kalra (DIN: 10197218)
1.	Background details and Recognition or Awards	Mr. Rahul Sharma, aged about 65 years, is a Non-Executive Director on the Board. He studied Mathematics at Hindu College, University of Delhi and Commerce at the Kakatiya University. He has about 30 years of experience in the field of human resources. Previously he was a Partner at Executive Access, a leading executive search firm in Asia. He joined the firm in 1993 and was a key senior member of the firm's Asia Pacific Banking and	Dr. Archana Lal Erdmann holds a MBBS degree (Bachelor of Medicine and Surgery) from Bharati Vidyapeeth Medical College, Pune and completed M.D. & DNB (Pathology) from Sri Ramachandra University, Chennai, Tamil Nadu. She is an American board certified Geneticist, and completed fellowships in Clinical Cytogenetics and Clinical Molecular Genetics from Stanford University School of Medicine, California, USA. Dr. Archana brings 16 years of experience in laboratory genetics and genomics testing	Ms. Somya Satsangi holds a Bachelor of Science in Chemistry (Honors) from the University of Delhi and is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. She has also completed courses in Corporate Finance (Mergers and Acquisitions) at IIM, Ahmedabad, and Change Management Strategy at the London Business School. She is an accomplished professional with a diverse background in technology, business consulting, and human resources, spanning over 30 years. She has held senior management roles in global corporations across Europe, India, and the US, focusing on	Mr. Rohit Bhasin is a Chartered Accountant (qualified in 1984) with experience of over 41 years in leading organizations such as Standard Chartered Bank, AIG Inc., and Price Waterhouse Coopers (PwC). In addition to general management expertise, he has strong functional experience in the Finance area including Business Strategy, Investment Advisory, Business Planning & Restructuring and Corporate Finance, across sectors. Mr. Bhasin is currently serving as Board Member of Star Health and Allied Insurance Company Limited, Yatra Online Limited,	Mr. Arun Duggal had a 26 years' career with Bank of America, mostly in the U.S., Hong Kong and Japan. His last assignment was as Chief Executive of Bank of America in India from 1998 to 2001. He is an expert in international finance and from 1981- 1990 he was head of Bank of America's (oil & gas) practice handling relationships with companies like Exxon, Mobil, etc. From 1991-94 as Chief Executive of BA Asia Limited, Hong Kong he looked after investments Banking activities for the Bank in Asia. In 1995, he moved to Tokyo as the Regional Executive, managing Bank of America's business in Japan, Australia and Korea He is an experienced international Banker and has advised Companies and financial institutions	Mr. Rajit Mehta is the Managing Director and Chief Executive Officer of Antara Senior Living Ltd., a subsidiary of Max India Limited that pioneers the concept of 'Age in Place' by developing senior living communities. He is also the Managing Director of Max India Ltd and provides oversight/ advisory for the HR function across the Max Group. Mr. Rajit Mehta is the Chairman of ASLI (Association of Senior Living organizations in India) and the founding board member of Dementia India Alliance (DIA), a non-profit organization. He is also a Member of the Accreditation Board for the Healthcare Sector Skill Council. As Antara's MD and CEO, Mr. Rajit Mehta spearheads Antara 2.0 – a rejuvenation strategy that aims to propel the premier senior living organisation towards a new scale of growth and operations. Under his leadership Antara has	Mr. Gurinder Singh Kalra was Chief Financial Officer in a biotech company which is listed on NASDAQ in the US. As CFO, he guided the company through a SPAC merger and subsequent de-SPAC process. Mr. Kalra is having deep knowledge and understanding of capital markets and public/private fund raising process and has investor Relations expertise. Mr. Kalra has over 20 years of experience in technology equity research, predominantly at major investment banks. He also played a significant role

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	<p>Finance executive recruiting and consulting practice. Prior to Executive Access, he was with State Bank of India. He joined the bank as a Probationary Officer in 1987 and went onto manage a variety of portfolios in India and Japan.</p> <p>Mr. Rahul Sharma represented Delhi in the Ranji Trophy and also captaining Hong Kong in One Day Internationals.</p>	<p>with a focus on research for genetic tests for both inherited and acquired genetic diseases, developing next-generation sequencing-based tests for genotyping tumors, clinical variant curation, cell line characterization, and expanding the scope of genetic testing to identify patients eligible for novel targeting therapies.</p>	<p>areas such as Business Development, Strategy, and Operations. She provides advisory services to startups, offering guidance on scaling strategies and recruiting for next-generation business models, including those in the Gig economy. She has also served as an Independent Director on the Board of Steria India Limited, a Euro 3.8bn corporation specializing in consulting services, systems integration, and application solutions. Prior to her board positions, Ms. Somya held the role of VP Corporate Development and Strategy at CA Technologies, the fourth-largest software company</p>	<p>ICICI Bank Ltd, Bluestone Jewellery and Lifestyle Limited, etc. Mr. Bhasin is currently serving as a Board member/ Trustee on several not-for-profit organizations including Azad Foundation, Mobile Creches, etc.</p>	<p>on Financial Strategy, M&A and Capital Raising. Mr. Duggal is a Non-Executive Chairman and an Independent Director of J.B. Chemicals and Pharmaceuticals Limited. He is on the Boards of Ask Automotive Limited, Techno Electric & Engineering Company Limited, Davenport Management Consultants Services Private Limited. He is the founder of Women on Corporate Boards program in India under which high potential women are mentored individually by Corporate Leaders to prepare them for Board careers. Women from this program are serving on over 200 Corporate Boards. He is a Trustee of Chennai Mathematical Institute (CMI).</p>	<p>launched Antara Assisted Care Services comprising Care Homes, Memory Care Homes, Care at Home, Medcare Products and AGEasy platform to provide products and solutions to Seniors for chronic diseases thereby creating an integrated eco-system for seniors. Previously, Mr. Rajit Mehta has served as the MD & CEO for Max Healthcare where he led a transformation journey for Max Healthcare through a 5C framework, comprising Care, Clinical Excellence, Cohesion, Commitment and Compliance. He also successfully helped Max Healthcare achieve its vision of being the most admired healthcare company in India known for clinical and service excellence. Under Rajit's leadership, MHC made two large acquisitions which significantly increased its footprint in NCR. He led the seeding of alternate business models in Home Care, Diagnostics and Oncology Day care,</p>	<p>in investment banking transactions, both capital raising and M&A for technology companies. He has completed his MBA from Harvard University and Bachelor of Science & Bachelor of Arts from Brown University. Mr. Gurinder Singh Kalra was recognized as the most influential analyst on a number of technology companies by institutional investors.</p>

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	Mr. Rahul Sharma (DIN: 00956625)	Dr. Archana Lal Erdmann (DIN: 08432506)	Ms. Somya Satsangi (DIN: 07275574)	Mr. Rohit Bhasin (DIN: 02478962)	Mr. Arun Duggal (DIN: 00024262)	Mr. Rajit Mehta (DIN: 01604819)	Mr. Gurinder Singh Kalra (DIN: 10197218)
	in the world based in New York. In this capacity, she managed key investments and global strategic partnerships, evaluated hundreds of tech companies leveraging her deep understanding of the technology industry. Furthermore, She has served as a Senior Partner at Amrop India, where she globally established the Digital & Technology practice. During her three years at Amrop India, she worked with private equity, professional services, and education clients, placing professionals at high growth private equity funded companies. She provided valuable human resource strategies, even during challenging				CMI is a Centre of Excellence for Teaching and Research in Mathematical Sciences. A Mechanical Engineer from the prestigious Indian Institute of Technology, Delhi (recipient of Distinguished Alumni Service Award in 2019). Mr. Duggal holds an MBA from the Indian Institute of Management, Ahmedabad (recipient of Distinguished Alumnus Award). Mr. Duggal is involved in several initiatives in social and education sectors. Mr. Duggal is the founder of "Centre of Excellence in Clean Air and Climate Change (CERCA)" at Indian Institute of Technology, Delhi (https://cerca.iitd.ac.in) and is also the founder of Centre for Research in Corporate Governance and	keeping in mind emerging trends and to secure future growth. Under his watch, the Company doubled its earnings (EBITDA), revenue and valuation within a 5-year period. Mr. Rajit Mehta has also been a founder member of Max Life Insurance and was instrumental in helping Max Life become an admired and profitable Company. During his tenure at Max Life as Chief Operating Officer, he undertook additional responsibilities as the Chief Transformation Officer and provided oversight on execution of key initiatives; designing and implementing new work systems; aligning key stakeholders; rationalising the cost structure to improve profitability; and laying down a comprehensive change management agenda. Mr. Rajit Mehta has played a strategic role in helping Max Life expand its distribution footprint across India including facilitating a project	

S No.	Particulars	Non-Executive Director						
		Non-Executive Director	Non-Executive Director	Non-Executive Director	Non-Executive Director			
		<p>Mr. Rahul Sharma (DIN: 00956625)</p>	<p>Dr. Archana Lal Erdmann (DIN: 08432506)</p>	<p>Ms. Somya Satsangi (DIN: 07275574)</p> <p>business conditions, including advising companies funded by SoftBank. Ms. Somya's technology expertise extends to her tenure at Tata Consultancy Services (TCS) in the UK, where she played vital roles in business building. Her accomplishments included establishing TCS's successful Government business footprint in the UK, particularly within the healthcare sector. She collaborated with the National Health Service (NHS) and worked with multiple clinical database vendors across primary and secondary healthcare levels. Additionally, she held key business</p>	<p>Mr. Rohit Bhasin (DIN: 02478962)</p>	<p>Mr. Arun Duggal (DIN: 00024262)</p> <p>Sustainability at Indian Institute of Management, Ahmedabad (https://www.iima.ac.in/esgci/).</p>	<p>Mr. Rajit Mehta (DIN: 01604819)</p> <p>to "Revamp Sales processes". The project culminated in Rajit co-authoring a book titled "Growth Leadership Practices at Max Life". He was also the co-lead for Project Max Vijay, an innovative retail business model aimed at providing protection and long-term wealth creation opportunities to the underserved segments in India. The initiative was recognized with the Golden Peacock Award at London in September 2008 and Asia Insurance Industry Award – Innovation of the year in Singapore in November 2009.</p> <p>During his tenure as Chief Operating Officer, Max Life progressed its Quality & Service Excellence journey. This included putting a Service Blueprint in place, implementing a comprehensive outsourcing strategy to impact customer experience and cost and embedding the Max Performance framework in the business.</p>	<p>Mr. Gurinder Singh Kalra (DIN: 10197218)</p>

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2.	Past Remuneration (FY 2024-2025)	INR 4.00 Million*	INR 4.00 Million	INR 4.00 Million	INR 5.00 Million	INR 7.50 Million	INR 4.00 Million	INR 4.00 Million

(*) Excluding non-cash (stock related) perquisites, arises on exercise of stock options.

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		Mr. Rahul Sharma (DIN: 00956625)	Dr. Archana Lal Erdmann (DIN: 08432506)	Ms. Somya Satsangi (DIN: 07275574)	Mr. Rohit Bhasin (DIN: 02478962)	Mr. Arun Duggal (DIN: 00024262)	Mr. Rajit Mehta (DIN: 01604819)	Mr. Gurinder Singh Kalra (DIN: 10197218)
3.	Job Profile and suitability	Mr. Rahul Sharma is a Non-Executive Director on the Board of the Company since July 2005. As on April 01, 2025, he is member of Risk Management Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee of the Company.	Dr. Archana Lal Erdmann is a Non-Executive Director on the Board of the Company since May 2019.	Ms. Somya Satsangi is a Non-Executive Director of the Company since February 2019. As on April 01, 2025, she is Chairperson of Risk Management Committee and Member of Audit Committee and Nomination & Remuneration Committee of the Company.	Mr. Rohit Bhasin is a Non-Executive Independent Director of the Company since November 2022. As on April 01, 2025, he is Chairperson of Audit Committee and Member of Risk Management Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Company.	Mr. Arun Duggal is a Non-Executive Independent Director of the Company since February 2023. As on April 01, 2025, he is Chairperson of Nomination & Remuneration Committee and Stakeholders & Relationship Committee and member of Audit Committee, Risk Management Committee and Corporate Social Responsibility Committee.	Mr. Rajit Mehta is a Non-Executive Independent Director of the Company since July 2023.	Mr. Gurinder Singh Kalra is a Non-Executive Independent Director of the Company since July 2023.
4.	Remuneration Proposed	As mentioned in Item No. 6 of this AGM Notice	Not Applicable: Since, there is no change in the remuneration, which was already approved by the Members, the disclosure is being made in compliance with the requirement of Schedule V of the Companies Act, 2013.					
5.	Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person	Payment of remuneration by way of Commission and / or perquisites arising/ propose to arise as a result of exercise of ESOPs, may exceed one percent (1%) of the net profits of the Company.	Not Applicable: Since, there is no change in the remuneration, which was already approved by the Members, the disclosure is being made in compliance with the requirement of Schedule V of the Companies Act, 2013.					

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		Mr. Rahul Sharma (DIN: 00956625)	Dr. Archana Lal Erdmann (DIN: 08432506)	Ms. Somya Satsangi (DIN: 07275574)	Mr. Rohit Bhasin (DIN: 02478962)	Mr. Arun Duggal (DIN: 00024262)	Mr. Rajit Mehta (DIN: 01604819)
6.	Pecuniary relationship directly or indirectly with the Company or relationship with Managerial Personnel, if any	Except the remuneration paid/ payable (including shareholding, if any) to Directors, there is no pecuniary relationship directly or indirectly with the Company or relationship with Managerial Personnel. Dr. Archana Lal Erdmann, is a daughter of (Hony) Brig. Dr. Arvind Lal & Dr. Vandana Lal.					

III. Other Information

1.	Reason of loss or inadequate profits	While the Company is having profits, however, the inadequacy of profits, if any may arise as a result of
2.	Steps taken or proposed to be taken for improvement	perquisite value arising on exercise of vested stock options by Mr. Rahul Sharma, Non-Executive Director
3.	Expected increase in productivity and profits in measurable terms	Not Applicable
		Not Applicable

BRIEF PROFILE OF DIRECTORS PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD FOR GENERAL MEETINGS (SS-2) ARE AS MENTIONED BELOW:

Name	Dr. Archana Lal Erdmann	Mr. Rohit Bhasin	Mr. Arun Duggal	Mr. Rahul Sharma
DIN	08432506	02478962	00024262	00956625
Date of Birth (Age)	April 23, 1981 (about 44 years)	March 29, 1960 (about 65 Years)	October 01, 1946 (about 79 years)	September 14, 1960 (about 65 Years)
Date of First appointment to the Board	May 17, 2019	November 08, 2022	February 02, 2023	July 22, 2005
Qualification, Brief resume, Experience and Nature of Expertise in specific functional areas	As mentioned in Explanatory Statement			
Shareholding in the company either directly or in form of beneficial interest for any other person (As on March 31, 2025)	15,43,751 Equity Shares	NIL	NIL	24,233 Equity Shares
Relationship with other Directors, Manager & KMP's	Daughter of (Hony) Brig. Dr. Arvind Lal and Dr. Vandana Lal, Directors of the Company	None	None	None
No. of Meetings of the Board attended during the year	5 (Five)	5 (Five)	5 (Five)	5 (Five)
Directorships held in other Companies (Excluding Foreign Companies)	Genecode Health Private Limited	<ol style="list-style-type: none"> Star Health and Allied Insurance Company Limited Yatra Online Limited Select Synergies and Services Private Limited Indira IVF Hospital Limited Yatra for Business Private Limited TSI Yatra Private Limited ICICI Bank Limited Bluestone Jewellery and Lifestyle Limited Star Health and Allied Insurance Company Limited Chairperson - Audit Committee and Nomination & Remuneration Committee Member - Investment Committee and Board Administrative Committee	<ol style="list-style-type: none"> Davenport Management Consultants Services Private Limited Ask Automotive Limited J B Chemicals and Pharmaceuticals Limited Techno Electric & Engineering Company Limited 	Chimes Aviation Private Limited
Membership/ Chairmanship of Committees of other companies	None	Star Health and Allied Insurance Company Limited Chairperson - Audit Committee and Nomination & Remuneration Committee Member - Investment Committee and Board Administrative Committee	Ask Automotive Limited Chairperson - Audit Committee Member - Nomination & Remuneration Committee and Stakeholder Relationship Committee	None

Name	Dr. Archana Lal Erdmann	Mr. Rohit Bhasin	Mr. Arun Duggal	Mr. Rahul Sharma
	<p>Yatra Online Limited Chairperson - Audit Committee Member - Stakeholders Relationship Committee, Risk Management Committee and Nomination & Remuneration Committee</p> <p>Indira IVF Hospital Limited Chairperson - Audit Committee Member – Risk Management Committee</p> <p>BlueStone Jewellery and Lifestyle Limited Chairperson - Audit Committee and Risk Management Committee Member - Stakeholders Relationship Committee, and Corporate Social Responsibility Committee</p> <p>ICICI Bank Limited Chairperson - Risk Management Committee Member – Audit Committee and Corporate Social Responsibility Committee</p>	<p>J B Chemicals and Pharmaceuticals Limited Member- Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee</p>		
Name of Listed Entities from which resigned in the past three (3) years	None	<ul style="list-style-type: none"> Tanla Platforms Limited * 	<ul style="list-style-type: none"> ITC Limited* ICRA Limited* 	None
Terms and Conditions	Director liable to retire by rotation	As mentioned in Item No. 4 of this AGM Notice	As mentioned in Item No. 5 of this AGM Notice	Director liable to retire by rotation
Remuneration sought to be paid	Entitled for Commission as approved by the Members and Sitting fee in accordance with the Companies Act, 2013	Entitled for Commission as approved by the Members and Sitting fee in accordance with the Companies Act, 2013	Entitled for Commission as approved by the Members and Sitting fee in accordance with the Companies Act, 2013	As mentioned in Item No. 6 of this AGM Notice and also entitled for Commission as approved by the Members and Sitting fee in accordance with the Companies Act, 2013.
Remuneration last drawn	As mentioned in the Corporate Governance Report	As mentioned in the Corporate Governance Report	As mentioned in the Corporate Governance Report	As mentioned in the Corporate Governance Report

DR. LAL PATHLABS LIMITED

CIN: L74899DL1995PLC065388

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MEMBER`S SATISFACTION SURVEY

Dear Member,

As part of our constant endeavour to improve Member service, we seek your feedback on this Member`s Satisfaction Survey. Please spare a few minutes of your valuable time to fill this questionnaire.

Name of Sole/First Member :

DP ID & Client ID/Folio Number :

Email ID :

Kindly rate your responses on specified service areas listed below on the following scale:

S. No	Area	Rating				
		5	4	3	2	1
1.	Overall Service Rating of RTA					
2.	Response to queries/grievances by Company/RTA					
3.	Receipt of various documents from the Company i.e. Annual Report, ECS Intimation etc.					
4.	Quality of disclosures to Stock Exchanges/on Company`s Website					
5.	Quality and content of Annual Report					

5- Excellent ; 4-Very Good ; 3-Good ; 2-Satisfactory; 1-Need Improvement

Do you have any grievance which has not been addresses so far : Yes No

If yes, please provide a brief summary of the grievance.

Any suggestions for improving the quality of Investor Services:

(SIGNATURE OF THE MEMBER)

THANK YOU FOR YOUR SUPPORT. YOUR FEEDBACK IS IMPORTANT TO US.

Notes

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Notes

A series of horizontal dotted lines for writing notes.



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