

DR. LAL PATHLABS LTD.

ISIN: INE600L01024

BSE: 539524

NSE: LALPATHLAB

CMP: Rs.3780.15

Wed, 13th Oct' 21

OVERVIEW

- Dr. Lal PathLabs Ltd is an Indian pathology lab. In the fields of pathology and radiology, it provides diagnostic services and other healthcare testing.
- Biochemistry and other pathological and radiological studies are among the services provided by the company's laboratories.
- Diagnostic services provided by the firm aid in the prevention, monitoring, and treatment of illnesses, as well as the improvement of health conditions.

STRENGTHS

- An exhaustive range of Pathology, Radiology and Cardiology tests
- Over 7 decades of experience in the world of diagnostics
- A strong well-respected brand, trusted by over 20 million customers
- A specialized and super specialized menu of tests which are mainly from high end Molecular Diagnostics, Cytogenetics, Transplant Immunology, Transmission Electron Microscopy & more.

BUSINESS STRATEGY

- Shifting from regional window to globally recognized Pathlabs.
- Testing process with zero errors.
- Expansion into new markets with 150+ new labs.
- Strategic alliances with / acquisition of existing players.
- Public - Private Partnerships.

KEY HIGHLIGHTS

- Dr Lal Pathlabs suppliers are trustworthy and respected. Furthermore, they provide raw materials and ingredients on schedule, completing the supply chain management process.
- Has more than 190 Labs and over 2000 centers across India and international operations in Nepal and Bangladesh.
- Serves over 13 million customers every year through its widest test menu and panels.
- Some Examples of studies conducted are Haematology, histology, microbiology, electrophoresis, immunochemistry, immunology, virology, cytology

EDGE OVER COMPETITORS

- The company's geographical presence in the northeast and central India regions continues to grow.
- The business stated that it is assessing inorganic prospects in the south and west.
- Over the FY21-FY23 period, Dr Lal PathLabs will exceed the industry in terms of revenue, EBITDA, and PAT growth, with CAGRs of 16.3 percent, 19.6 percent, and 24.9 percent, respectively.

SUMMARY OF FINANCIALS

- Revenue / turnover of DR. LAL PATHLAB LIMITED is Over INR 1000 crs
- Net worth of the company is INR 1217.09 crs
- EBITDA of the company has increased by 6.83%
- Total assets of the company has increased by 20.86%
- PAT of the company has increased by 22%
- 200% Equity dividend for FY 20-21
- ROCE has increased by 86%

Disclaimer: The analysis is only for information purposes only. Please consult your financial advisor, agent, broker before acting on any information. We may or may not have positions in the stock. We would not be responsible for the profit/loss resulting from this analysis.

Growth Rates (Compound Annual)	1 Yr	3 Yr	5 Yr	10yr
Revenue %	18.9	14.4	14.9	20.9
Operating Income %	26.8	15.9	25.4	29.0
Earnings/Share %	28.8	19.2	17.1	25.9
Dividends %	(22.6)	55.4	-	-
Book Value/Share %	20.6	16.5	21.5	-
Stock Total Return	70.4	56.9	29.0	-
Market +/-	43.5	43.6	18.8	-

Valuation Analysis	Current	5Yr Avg	Ind	Mkt.
Price/Earning	77.4	55.0	60.5	15.2
Forward P/E	-	-	-	-
Price/Cash Flow	76.7	52.6	-	9.9
Price/Free Cash Flow	90.2	74.8	-	-
Dividend Yield %	0.4	0.5	0.5	2.8
Price/Book	24.7	12.7	20.5	2.1
Price/Sales	15.9	9.2	12.8	-

Profitability Analysis	Current	5Yr Avg	Ind.	Mkt.
Return on Equity %	-	25.0	34.1	15.4
Return on Asset %	-	20.7	24.8	5.6
Gross Margin %	75.7	77.5	74.3	-
Operating Margin %	39.9	34.5	29.4	-
Net Margin %	20.5	17.0	21.2	21.4
Inventory Turns	-	9.3	8.6	-
Fixed Asset Turns	-	6.6	4.6	-

Financial Position (INR)	03-20(Mil.)	03-21 (Mil.)
Cash	1,976	2,443
Inventories	570	426
Receivables	—	—
Current Assets	8,926	11,452
Fixed Assets	3,021	3,176
Intangibles	1223	1,449
Total Assets	13,743	16,613
Payables	1,372	1,658
Short-Term Debt	-	-
Current Liabilities	2,273	2,743
Long-Term Debt	0	1
Total Liabilities	3,203	3,853
Total Equity	10,328	12,451

Source: Company filings & Analyst research