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MOLBIO DIAGNOSTICS LIMITED

August 07, 2026

SMC Ranking

★★☆☆☆ (2.5/5)

Issue Highlights

Industry	Healthcare
Offer for sale (Shares)	91,66.000
Fresh Issue (Shares)	24,80,246
Net Offer to the Public	11,646,246
Issue Size (Rs. Cr.)	894-940
Price Band (Rs.)	768-807
Employee discount	Rs.76.00
Offer Date	10-Aug-26
Close Date	12-Aug-26
Face Value	1
Lot Size	18

Issue Composition

In shares

Total Issue for Sale	11,646,246
QIB	50%
NIB	15%
Retail	35%

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	46.65%	43.01%
QIB	12.66%	12.12%
NIB	40.69%	41.33%
Retail	0.00%	3.54%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Funding capital expenditure towards the setting up of infrastructure for research and development facility, Center of Excellence and connected office space.
2. Funding capital expenditure towards the purchase of certain plant, machinery and other equipment for Goa Unit I, Goa Unit II and Visakhapatnam Unit, and
3. General Corporate Purposes

Book Running Lead Manager

- Kotak Mahindra Capital Company Limited
- IIFL Capital Services Limited
- Jefferies India Private Limited
- Motilal Oswal Investment Advisors Limited

Name of the registrar

- KFin Technologies Limited

About the company

Incorporated in October 2000, Molbio Diagnostics Limited is a global point-of-care (POC) molecular diagnostics company engaged in the research, development, manufacturing, and commercialization of rapid diagnostic solutions for infectious and non-communicable diseases. The company has developed its proprietary 'Truenat' platform, a portable, battery-operated PCR-based molecular diagnostics system designed for resource-limited settings, offering accurate test results within an hour. Molbio offers molecular testing solutions for over 30 diseases through 43 diagnostic assays, including tuberculosis (TB), COVID-19, HIV, Hepatitis B & C, and HPV. The company also provides radiology, digital pathology, and breast health screening solutions through its subsidiaries and strategic collaborations, while continuously expanding its diagnostics product pipeline through strong in-house R&D capabilities. The company operates six manufacturing facilities across India and serves customers in over 90 countries, including government health programs, diagnostic laboratories, hospitals, and international healthcare organizations. Backed by a strong portfolio of patents, global certifications, and strategic acquisitions, Molbio has established itself as a leading innovator in molecular diagnostics.

Strength

Well Positioned to Address the Growing Molecular Diagnostics Market: Molbio Diagnostics Limited is well positioned to capitalize on the expanding global molecular diagnostics market through its proprietary Truenat platform, which enables rapid point-of-care (POC) testing for 30 infectious and non-communicable diseases, including TB, COVID-19, Hepatitis B & C, HIV, and HPV. The company's WHO-endorsed Truenat TB test is the only Indian-developed rapid molecular test approved for initial TB diagnosis and rifampicin resistance detection. By delivering accurate results within approximately 60 minutes, Truenat enhances disease surveillance, pandemic preparedness, and timely treatment. The growing global shift from centralized laboratory testing to decentralized molecular diagnostics, coupled with the expanding POCT market, provides significant long-term growth opportunities for Molbio Diagnostics Limited.

Innovative, R&D-Focused Business: Innovation remains the cornerstone of Molbio Diagnostics Limited's competitive advantage. Through its wholly owned subsidiary, Bigtec, the company has invested extensively in research and development to create innovative molecular diagnostic solutions tailored for point-of-care applications. Its Truenat platform represents more than 13 years of R&D and has received multiple regulatory recognitions, including ICMR certification and India's first emergency authorization for a Nipah virus molecular test. Supported by a multidisciplinary team of 153 R&D professionals, including 136 scientists, and a robust intellectual property portfolio comprising patents, trademarks and designs across India and international markets, Molbio Diagnostics Limited continues to strengthen its technological leadership through sustained investments in innovation.

Developed and Commercialized a Portable Multi-Disease Point-of-Care Molecular Diagnostics Platform: Molbio Diagnostics Limited has successfully commercialized the Truenat platform, a portable real-time PCR-based molecular diagnostics solution designed for decentralized healthcare settings. The platform integrates automated sample preparation through Trueprep with real-time PCR analysis via Truelab, enabling rapid, accurate, and cost-effective testing across multiple diseases. Unlike conventional centralized PCR systems, Truenat delivers results in nearly 60 minutes, requires minimal infrastructure, operates on battery power, supports multiple specimen types, and offers wireless connectivity for remote monitoring and software updates. Its scalability, ease of use, high sensitivity, and ability to add new assays through software upgrades make it an ideal solution for both urban and resource-limited healthcare environments.

Scalable Business Model with Strong Entry Barriers and High Recurring Revenue: Molbio Diagnostics Limited operates a scalable business model built around its proprietary Truenat closed-platform ecosystem, comprising Trueprep extraction devices, Truelab analyzers, and disease-specific test kits. This integrated model generates recurring revenue through continuous demand for consumable test kits while enabling customers to conduct multiple disease tests using the same installed equipment. The platform's ability to add new diagnostic assays through software updates further enhances its long-term utility and customer retention. High technological entry barriers, supported by over 13 years of research and development, regulatory approvals, and the WHO endorsement of its Truenat TB test, reinforce the company's competitive positioning and support sustainable long-term growth.

Strategic Collaborations and Acquisitions Strengthening Growth Opportunities: Molbio Diagnostics Limited has expanded its technological capabilities and market reach through strategic acquisitions and collaborative partnerships. The acquisition of Prognosys strengthened its presence in digital imaging and enabled integrated tuberculosis screening solutions by combining portable X-ray systems with Truenat molecular diagnostics. Its investment in OptraScan Inc. further diversified the business into digital pathology and AI-enabled diagnostic imaging. The company has also established collaborations with leading healthcare innovators to develop advanced molecular assays, cancer screening solutions, tuberculosis diagnostics, veterinary diagnostics, and saliva-based testing technologies. These partnerships broaden the product portfolio, accelerate innovation, and enhance the company's ability to address evolving diagnostic needs across multiple healthcare segments.

Experienced Management Team with Proven Industry Expertise: Molbio Diagnostics Limited is led by an experienced management team with extensive expertise in molecular diagnostics, medical technology, research, and healthcare. Chief Executive Officer Sriram Natarajan brings over three decades of experience in developing and commercializing diagnostic solutions, while Chief Technology Officer Dr. Chandrasekhar Bhaskaran Nair has played a pivotal role in advancing the company's innovation capabilities and has been recognized with the prestigious Infosys Prize. Supported by an experienced leadership team across finance, medical affairs, strategy, and business development, the company benefits from strong operational execution, technological leadership, and strategic vision, providing a solid foundation for sustainable growth and continued expansion in the global diagnostics market.

Strategy

Expand Geographical Presence in India and International Markets: Molbio Diagnostics Limited aims to strengthen its domestic and international footprint by expanding the deployment of its Truenat molecular diagnostics platform across public and private healthcare institutions. As of March 31, 2026, the company had exported its products to over 90 countries, with a strong presence across Africa and Southeast Asia. The ongoing global transition from conventional smear-based tuberculosis testing to molecular diagnostics presents a significant long-term opportunity, particularly in high TB-burden countries where Truenat is already established. The company also plans to expand into Latin America while pursuing regulatory approvals to enter the US and European markets, supporting sustained international growth.

Expand the Portfolio of Multi-Disease Diagnostic Solutions: Molbio Diagnostics Limited intends to broaden its molecular diagnostics portfolio by developing new assays that enhance the utility of its Truenat platform. As of March 31, 2026, the company offered 43 assays covering 30 infectious and non-communicable diseases, with six new assays introduced during the previous three fiscal years. It plans to develop an additional 34 assays spanning 22 diseases, enabling healthcare providers to diagnose a wider range of medical conditions using the same platform. Continued investment in research and development, coupled with an expanding sales and marketing network and increasing focus on imaging-based diagnostics, is expected to strengthen the company's competitive positioning.

Develop Next-Generation Point-of-Care Diagnostic Platforms: Molbio Diagnostics Limited plans to leverage its strong research and development capabilities to create next-generation point-of-care diagnostic platforms based on advanced multiplex PCR technologies. The company aims to expand beyond infectious disease testing by addressing critical diagnostic requirements across immunochemistry, hematology, histopathology, antimicrobial resistance detection, and biochemistry. These innovations are expected to support the diagnosis of a broader range of communicable and non-communicable diseases while improving testing efficiency, accessibility, and clinical outcomes. By continuously advancing its technology platform, Molbio Diagnostics Limited seeks to reinforce its leadership in decentralized molecular diagnostics and address evolving healthcare needs globally.

Drive Growth Through Strategic Acquisitions, Partnerships and Innovation: Molbio Diagnostics Limited intends to accelerate growth through disciplined acquisitions, strategic collaborations, and technology partnerships that strengthen its product portfolio and expand market reach. Recent investments in Prognosys and OptraScan have enhanced its capabilities in digital imaging, radiology, pathology, and AI-enabled diagnostics, enabling comprehensive screening and diagnostic solutions. The company also plans to expand its EDGE innovation program, which supports medical technology startups through product development, manufacturing, and commercialization partnerships. Additionally, Molbio Diagnostics Limited is establishing a Centre of Excellence in Bengaluru by FY2028 to support innovators, accelerate medical device development, and foster collaboration with domestic and international healthcare technology ecosystems.

Key Risk Factors

- The company is highly dependent on government and international aid agency orders, exposing it to public healthcare spending and policy risks.
- It has a concentrated customer base, making it vulnerable to the loss of key customers.
- It derives a significant share of revenue from TB diagnostic test kits, creating product concentration risk.
- It's growth depends on successful R&D and timely regulatory approvals for new products.
- It operates in a highly regulated industry, and any regulatory non-compliance could disrupt operations.

Peer Comparison

Company	Total Sales	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Dr Lal Pathlabs	2890.80	541.90	33.55	57.44	12.88	149.62	10	1927.20	32307.15
Poly Medicure	1875.26	322.14	32.29	52.92	5.58	306.45	5	1708.85	17320.82
Vijaya Diagnost.	857.13	187.49	16.79	81.35	14.70	92.93	1	1365.85	14067.94
Metropolis Healt	1710.00	201.63	10.04	56.03	7.77	72.44	2	562.55	11666.59
Molbio Diagnostics Limited	1445.69	164.14	14.24	56.66	6.16	130.94	1	807.00	9299.87

*Peer companies financials are TTM based

*** Molbio Diagnostics Limited financials are based on FY26

Valuation:

Considering the P/E valuation, on the upper end of the price band of Rs.807, the stock is priced at pre issue P/E of 55.44x on annualized FY2026 EPS of Rs.14.56. Post issue, the stock is priced at a P/E of 56.66x on its EPS of Rs. 14.24. Looking at the P/B ratio at Rs.807 pre issue, book value of Rs.116.07 of P/Bvx 6.95x. Post issue, book value of Rs.130.94 of P/Bvx 6.16x.

Considering the P/E valuation, on the lower end of the price band of Rs.768, the stock is priced at pre issue P/E of 52.76x on annualized FY 2026 EPS of Rs. 14.56. Post issue, the stock is priced at a P/E of 53.92x on its EPS of Rs. 14.24. Looking at the P/B ratio at Rs. 768 pre issue, book value of Rs. 116.07 of P/Bvx 6.62x. Post issue, book value of Rs.130.94 of P/Bvx 5.87x.

Industry Overview

India's healthcare sector offers significant growth potential, supported by rising healthcare spending, increasing government investment, expanding diagnostic infrastructure, and a high burden of infectious diseases. The country continues to face elevated incidence of tuberculosis, hepatitis, HPV, dengue, and other communicable diseases, driving demand for rapid and accurate molecular diagnostics. Government initiatives, disease surveillance programs, and the transition towards decentralized point-of-care testing are accelerating adoption of advanced diagnostic technologies, creating strong long-term growth opportunities for the molecular diagnostics industry.

Outlook

Molbio Diagnostics Limited is well positioned to benefit from the rising adoption of decentralized molecular diagnostics, supported by its proprietary Truenat platform, strong R&D capabilities, and expanding global presence. The company's focus on launching new assays, entering new geographies, and strengthening AI-enabled diagnostic solutions is expected to drive long-term growth. Its scalable recurring-revenue model and strategic partnerships further support expansion. However, dependence on government procurement, TB diagnostics, regulatory approvals, and a concentrated customer base remain key risks to monitor.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Mon, Aug 10, 2026
IPO Close Date	Wed, Aug 12, 2026
Tentative Allotment	Thu, Aug 13, 2026
Initiation of Refunds	Fri, Aug 14, 2026
Credit of Shares to Demat	Fri, Aug 14, 2026
Tentative Listing Date	Mon, Aug 17, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	1445.69	1020.42	836.56
Total expenditure	1124.24	758.20	602.38
Operating Profit	**321.44**	**262.22**	**234.18**
OPM%	22.23	25.70	27.99
Other Income	9.48	7.52	4.10
Total Net Income	**330.93**	**269.74**	**238.28**
Interest	33.47	17.66	14.45
PBDT	**297.46**	**252.08**	**223.83**
Depreciation	63.64	44.55	41.01
Restated profit before tax, **share of loss of associates and exceptional items**	**233.82**	**207.53**	**182.83**
Share of loss of associates, net of tax	-2.20	-1.97	-0.02
Restated profit before tax and exceptional items	**231.62**	**205.56**	**182.81**
Exceptional items	0.49	11.13	53.17
PBT	**231.14**	**194.43**	**129.64**
Tax	67.00	55.85	46.10
Profit & Loss	**164.14**	**138.58**	**83.54**

Balance sheet is on next page

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Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property Plant & Equipment	248.08	204.06	167.91
Capital Work In Progress	11.32	27.33	1.58
Investment property	0.00	0.00	32.97
Goodwill	62.13	3.84	3.84
Other intangible assets	170.81	52.78	70.42
Right-of-use assets	55.36	28.83	14.22
Investments accounted for using the equity method	5.98	45.57	5.98
Financial assets			
Loans	0.00	9.33	0.00
Other financial assets	81.93	32.78	26.11
Deferred tax assets (net)	51.55	46.94	29.11
Non-current tax assets (net)	16.88	18.58	14.55
Other assets	59.55	61.68	31.19
Total non-current assets	**763.58**	**531.72**	**397.90**
Current asset			
Inventories	449.26	435.91	315.14
Financial Assets			
Trade receivables	408.74	271.66	425.45
Cash and cash equivalents	355.53	114.75	22.11
Bank balances other than (ii) above	11.58	14.31	0.00
Other financial assets	25.53	6.57	9.22
Other assets	134.21	86.64	51.24
Total current assets	**1384.84**	**929.83**	**823.16**
Total Assets	**2148.42**	**1461.56**	**1221.06**
Non-current liabilities			
Financial liabilities			
Borrowings	212.41	6.14	15.12
Lease liabilities	27.20	17.41	4.63
Other financial liabilities	0.00	24.70	24.70
Net employee defined benefit liabilities	9.57	4.05	1.90
Deferred tax liabilities (net)	33.11	0.29	3.10
Total Non- Current liabilities	**282.29**	**52.61**	**49.46**
Current liabilities			
Financial Liabilities			
Borrowings	200.23	117.02	159.45
Lease liabilities	10.24	6.36	4.41
Trade Payables			
- Total outstanding dues of MSME	24.49	39.52	5.60
- Total outstanding dues of creditors other than MSME	175.01	190.69	88.39
Other financial liabilities	36.91	26.22	13.36
Net employee defined benefit liabilities	1.85	0.92	0.84
Other liabilities	77.23	40.28	49.91
Provisions	31.41	11.67	20.80
Total - Current Liabilities	**557.36**	**432.66**	**342.76**
Total Liabilities	**839.65**	**485.27**	**392.22**
Net worth represented by:			
Equity share capital	11.28	2.26	2.25
Other equity	1158.06	966.14	821.13
Non-controlling interest	139.44	-1.11	5.46
Total Equity	**1308.78**	**967.29**	**828.84**

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RANKING METHODOLOGY

WEAK ★

NEUTRAL ★★

FAIR ★★★

GOOD ★★★★

EXCELLENT ★★★★★

E-mail: smc.care@smcindiaonline.com

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moneywise. be wise.

Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park, A Wing 401 / 402 , 4th Floor , Graham Firth Steel Compound, Off Western Express Highway, Jay Coach Signal, Goreagon (East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:
18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004