AXIS CAPITAL

MOLBIO DIAGNOSTICS LIMITED

IPO NOTE

August 2026

ISSUE HIGHLIGHTS

- Incorporated in October 2000, **Molbio Diagnostics** is a pioneering point-of-care company delivering rapid, cost-effective healthcare solutions for infectious and non-communicable diseases.
- Its flagship **Truenat platform**, a battery-operated PCR system patented in 100+ countries, enables decentralized diagnosis within an hour and supports 30 diseases with 43 assays, including **TB**, **COVID**, **Hepatitis B and C**, **HIV**, and **HPV**. The **Truenat TB test chip** is one of only two rapid molecular tests globally endorsed by the **WHO** for initial TB diagnosis and rifampicin resistance detection.
- Subsidiaries **Prognosys Medical Systems** and **OptraScan Inc**, along with partner **UE Lifesciences**, expand Molbio's reach into radiology, digital pathology, and breast health.
- The platform integrates the **Trueprep device** for nucleic acid extraction and the **Truelab analyzer** (UnoDx, Duo, Quattro), supported by ready-to-use **Truenat test kits**. By March 2026, over 12,500 devices were sold in 90+ countries, strengthening Molbio's global footprint.
- The company holds 16 patents in India and 191 abroad, reflecting its innovation strength. Strategic acquisitions include Prognosys and OptraScan, while collaborations span **Testi Technologies** for saliva-based alcohol testing and veterinary diagnostics.
- Manufacturing spans six facilities across Goa, Bengaluru, Visakhapatnam, and Pune, with installed capacity of 5,400 devices and 3.90 crore kits annually. Utilization rates between 20%–59% highlight scalability potential. Compliance is ensured through ISO 13485 and MDSAP certifications, meeting CDSCO, EU, Brazil, Canada, and US FDA standards.
- Leadership is spearheaded by CEO **Sriram Natarajan** and CTO **Chandrasekhar Nair**, backed by investors **Motilal Oswal AIA** and **Temasek Holdings**. Together, they reinforce Molbio's expansion strategy, combining innovation, strong R&D, global partnerships, and manufacturing scale to address critical healthcare challenges worldwide while positioning the company as a global leader in molecular diagnostics.

BRIEF FINANCIAL DETAILS*

(₹ In Cr)

Particular	As at Mar' 31, 2026	2025	2024
Equity Share Capital	11.28	2.26	2.25
Reserves~	1,133.40	950.70	805.69
Net Worth	1,144.68	952.95	807.94
Total Borrowings	412.64	123.16	174.58
Revenue from operations	1,445.69	1020.42	836.56
Revenue Growth (%)	41.68%	21.98%	-
EBITDA	328.24	256.64	185.09
EBITDA Margin (%)	22.56%	24.97%	22.02%
Net Profit for the year	164.14	138.58	83.54
Net Profit Margin (%)#	11.28%	13.48%	9.94%
EPS – Basic (₹)	14.77	12.87	9.05
RONW (%)	14.55%	15.23%	12.62%
NAV - (₹)	101.51	84.51	71.70
Cash flow from operating activities	50.39	287.10	9.57
Cash flow from investing activities	(93.22)	(122.65)	(45.01)
Cash flow from financing activities	276.07	(26.15)	(31.55)

*Source: RHP, *Restated Summary Statement; # NPM calculated on Total income, ~ Reserve excluding Amalgamation Reserve, Capital Reserve and exchange difference of foreign operation*

Issue Details

Fresh Issue of Equity Shares aggregating upto ₹ 200 Cr and Offer for Sale of 91,66,000 Equity Shares

Issue size: ₹ 904 – 940 Cr
Face value: ₹ 1/-
Employee Reservation: Shares aggregating up to ₹ 1.50 Cr

Price band: ₹ 768 – 807
Bid Lot: 18 Shares and in multiples
Employee Discount: ₹ 76/- per share

Post Issue Implied Market Cap:
₹ 8,860 – 9,300 Cr

BRLMs: Kotak Mahindra Capital, IIFL Capital, Jefferies India, Motilal Oswal

Registrar: KFin Technologies Ltd

Issue opens on: Monday, **10th August 2026**
Issue closes on: Wednesday**, 12th August 2026**

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	13-08-2026
Refunds/Unblocking ASBA Fund	14-08-2026
Credit of equity shares to DP A/c	14-08-2026
Trading commences	17-08-2026

Issue Break-up

	No. of Shares		₹ In Cr		% of Issue
	@Lower	@Upper	@Lower	@Upper	
QIB	58,75,316	58,12,862	451.22	469.10	**50%**
NIB	17,62,596	17,43,860	135.37	140.73	**15%**
-NIB2	*11,75,064*	*11,62,573*	*90.24*	*93.82*	-
-NIB1	*5,87,532*	*5,81,287*	*45.12*	*46.91*	-
RET	41,12,723	40,69,005	315.86	328.37	**35%**
Emp	21,676	20,519	1.50	1.50	
Total	**117,72,311**	**116,46,246**	**903.95**	**939.70**	**100%**

NIB-2 =NII Bid Above ₹ 10 Lakhs
NIB-1=NII Bid between ₹ 2 to 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII - Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	18 Shares	252 Shares	1,242 Shares
Minimum Bid Lot Amount (₹)	₹ 14,526^	₹ 2,03,364^	₹10,02,294^
Appl for 1x	2,26,056 Applications	2,307 Applications	4,613 Applications

Listing: BSE & NSE

Shareholding (No. of Shares)

Pre-issue	Post-issue~	Post-issue^
11,27,59,750	11,53,66,061	11,52,39,996

~@Lower price Band ^@ Upper Price Band

Shareholding (%)

	Pre-Issue	Post-Issue
Promoters	46.65%	43.01%
Public – Selling Shareholders	42.77%	36.52%
Public – Other	10.59%	20.47%
Total	**100.00%**	**100.00%**

BACKGROUND

The company was originally incorporated as 'Molbio Diagnostics Private Limited' at Panaji, on October 20, 2000. Sriram Natarajan, Chandrasekhar Bhaskaran Nair, Sangeetha Sriram, Shiva Sriram, Sowmya Sriram, and Exxora Trading LLP are the promoters of the company. Currently promoters collectively hold 52,597,450 Equity Shares, representing 46.65% of the pre-Offer issued, subscribed and paid-up Equity Share capital of the company.

Brief Biographies of Directors and Senior Management Personnel

Sriram Natarajan is one of the Promoter and an Executive Director and the Chief Executive Officer of the Company. He joined the Board with thirty-five years of experience in developing, manufacturing, and marketing diagnostic devices and kits, having previously co-founded Tulip Diagnostics Private Limited where he served as Director.

Dr. Chandrasekhar Bhaskaran Nair is one of the Promoter an Executive Director and the Chief Technology Officer of the Company. He joined the Board with thirty-four years of experience in translational research and development, having previously served as Head of Engineering and Computer Sciences at Vittal Mallya Scientific Research Foundation.

Sangeetha Sriram is one of the Promoter and an Executive Director and the Director – Operations of the Company. She joined the Board with five years of experience in the diagnostics sector, overseeing operations and administration.

Dr. Arun Kumar Jha is an Independent Director of the Company. He joined the Board bringing over thirty-six years of public sector experience as a retired officer of the Indian Economic Service. He has previously served as Principal Adviser in the Department of Agriculture and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, and as a consultant with John Snow India Private Limited. He is also the Chancellor of the National Institute of Advance Manufacturing Technology (NIAMT), Ranchi, Jharkhand.

Dr. Balram Bhargava is an Independent Director of the Company. He joined the Board with more than thirty years of experience in the medical field. He has previously served as Professor of Cardiology at the All-India Institute of Medical Sciences, New Delhi, and as Director General of the Indian Council of Medical Research and Secretary of the Department of Health Research, Ministry of Health and Family Welfare. He also serves as a Director on the Board of Cipla Limited.

Nupur Garg is the Independent Director of the Company. She joined the Board to provide governance support and expertise in finance and private equity, with over twenty-three years of experience, having previously worked with International Finance Corporation and Discovery Communications India, and served on the investment committee of NIIF Fund of Funds – I.

Manan Bimal Khokhani is the President – Finance and Accounts and Chief Financial Officer of the Company. He has been associated with the Company since December 22, 2025, and is responsible for finance and accounts. He has 15 years of experience in finance and accounts, having previously worked with Larsen & Toubro Ltd, Thermo Fisher Scientific India Pvt. Ltd., and Worley Services India Pvt Ltd

Darshan Raghunath Karekar is the Company Secretary and Compliance Officer of the Company. He has been associated with the Company since July 24, 2024. He has eight years of experience in the manufacturing sector.

OBJECTS OF THE ISSUE

Objects	Amount (₹ Cr)
• Funding capital expenditure towards the setting up of infrastructure for a research and development facility and Centre of Excellence which will be operated by their wholly-owned Subsidiary, Bigtec and connected office space for the company, Subsidiaries and Associate,	105.54
• Funding capital expenditure towards the purchase of certain plant, machinery and other equipment for Goa Unit I, Goa Unit II and Visakhapatnam Unit,	72.28
• General Corporate Purposes	[•]
Total	[•]

OFFER DETAILS

Particulars	No. of Shares	WACA per Equity Share (₹)
Fresh Issue (₹ 200 Crore)	Upto 24,80,246^ Equity Shares	-
Offer for Sale	**Up to 9,166,000 Equity Shares**	**WACA per Equity Share (₹)**
The Promoter Selling Shareholders:		
Exxora Trading LLP	Upto 18,11,000 Equity Shares	0.20

Offer for Sale	Up to 9,166,000 Equity Shares	WACA per Equity Share (₹)
Dr Chandrasekhar Bhaskaran Nair	Upto 12,21,000 Equity Shares	6.90
The Selling Shareholders:		
India Business Excellence Fund III	Upto 10,00,000 Equity Shares	187.14
Gopalkrishna Mangalore Kini	Upto 11,25,000 Equity Shares	5.60
J. Guru Dutt	Upto 9,02,000 Equity Shares	0.94
Gopalakrishna Sampathgiri	Upto 9,02,000 Equity Shares	6.90
Sangeetha M Kini	Upto 4,52,000 Equity Shares	-
M.A. Usha Rani	Upto 4,51,000 Equity Shares	7.08
M.A. Rohit	Upto 2,48,000 Equity Shares	6.54
M.A. Sharath	Upto 2,02,000 Equity Shares	6.91
Shaheeda Abdul Kader	Upto 97,000 Equity Shares	10.21
Shruthi G Kini	Upto 2,26,000 Equity Shares	Nil
Sujay Limited	Upto 1,93,000 Equity Shares	7.28
Vivek Devaraj	Upto 78,000 Equity Shares	5.74
M Ganesh Kamath	Upto 17,000 Equity Shares	10.85
Abdul Qadir Mohamed Theruvath	Upto 48,000 Equity Shares	10.21
Chewbacca Services Ltd	Upto 1,93,000 Equity Shares	7.28

(^at upper price band); WACA=Weighted Average Cost of Acquisition)

SHAREHOLDING PATTERN

Shareholders	Pre-offer		Fresh Issue shares^ and Offer for Sale	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoters	*5,25,97,450*	*46.65%*	*30,32,000*	*4,95,65,450*	*43.01%*
Total for Promoters and Promoter Group	**5,25,97,450**	**46.65%**	**30,32,000**	**4,95,65,450**	**43.01%**
Public – Selling Shareholders	*4,82,23,203*	*42.77%*	*61,34,000*	*4,20,89,203*	*36.52%*
Public - Other	*1,19,39,097*	*10.59%*	*24,80,246*	*2,35,85,343*	*20.47%*
Total for Public Shareholders	**6,01,62,300**	**53.35%**	**86,14,246**	**6,56,74,546**	**56.99%**
Total Equity Share Capital	**11,27,59,750**	**100.00%**		**11,52,39,996**	**100.00%**

Source: RHP; ^Shares at upper price band

Details of last five primary/secondary transactions not older than 3 years prior to the filing of RHP:

Date	Name of Transferor	Name of Transferee	No. of Equity Shares (FV ₹1), (adj. for bonus issue)	Transfer Price per Equity Share (₹)	Nature of Consideration	Total Consideration (₹ Cr)
04-10-2025	M.A. Rohit	Vinay Katrela	9,174	1,090.00	Cash	1.00
04-10-2025		Chetana Prakash	9,174	1,090.00	Cash	1.00
04-10-2025		Kailon Holding LLP	9,174	1,090.00	Cash	1.00
14-07-2025	Shruthi G Kini	Navin M Dalmia	45,875	1,090.00	Cash	5.00
14-07-2025	India Business Excellence Fund III	Unmaj Corporation LLP	137,625	1,090.00	Cash	15.00
09-07-2025	India Business Excellence Fund III	Nagesh M Patel	91,750	1,090.00	Cash	10.00
		Dover Commercials Pvt Ltd	91,750		Cash	10.00
		Unthinkable Solutions LLP	45,875		Cash	5.00
04-07-2025	J. Guru Dutt	Motilal Oswal Wealth Ltd	45,875	1,090.00	Cash	5.00
04-07-2025	Gopalkrishna M Kini		45,875		Cash	5.00
04-07-2025	M.A. Rohit		30,250		Cash	3.30
04-07-2025	M.A. Sharath		25,000		Cash	2.73
04-07-2025	M.A. Usha Rani		35,000		Cash	3.82
Total			**622,397**			**67.84**
Weighted average cost of acquisition				**1,090.00**		

Business Overview

Molbio Diagnostics is an innovative point-of-care (POC) diagnostics company focused on expanding access to accurate, rapid, and cost-effective healthcare technologies to diagnose infectious and non-communicable diseases. The company has developed the **Truenat** platform, which is a novel POC polymerase chain reaction (PCR) platform that can operate in resource-limited settings since it is battery operated, facilitating decentralized diagnosis within an hour.

As of March 31, 2026, Truenat is patented in more than 100 countries for the diagnosis of multiple infectious and non-communicable diseases. As of the same date, Molbio offers molecular testing for 30 diseases, including tuberculosis (TB), COVID, Hepatitis B and C, Human Immunodeficiency Virus (HIV), and Human Papillomavirus (HPV), with 43 assays. The platform underwent 13 years of R&D to obtain certification from the Indian Council of Medical Research (ICMR).

The Truenat test chip for diagnosing TB is the only one developed by an Indian company and one of the only two rapid molecular tests in the world endorsed by the World Health Organization for initial diagnosis of TB and rifampicin resistance detection using molecular diagnostic technology.

Molbio also provides devices enabling radiology, digital pathology, and breast health screening through its subsidiaries Prognosys Medical Systems and OptraScan, Inc, as well as its collaboration partner UE Lifesciences. Further, the company is focused on building a pipeline of additional products and platforms that are currently at various stages of development.

The total addressable market for global point-of-care testing (POCT), based on the number of tests conducted, currently stands at USD 29.3 billion across infectious and non-infectious diseases. It is projected to grow at a CAGR of 17.9% between 2025 and 2030, reaching USD 67.1 billion by 2030. Infectious diseases remain one of the most critical global health challenges, accounting for ~31% (1.94 crore) of global deaths in 2023. Of the estimated 0.15 crore deaths globally caused by infectious diseases such as tuberculosis, hepatitis, and HPV, an average of over 4,100 deaths occurred daily.

Limited access to affordable diagnostic solutions, inadequate infrastructure including electricity and laboratory resources, and a lack of facilities pose significant obstacles to providing healthcare for patients with infectious and non-communicable diseases, particularly in underserved populations worldwide. Molecular diagnostics tests play a crucial role in detecting specific infectious and non-communicable diseases, conditions, and genetic variances. These tests enable healthcare providers to enhance patient outcomes and reduce healthcare costs by facilitating early and accurate disease diagnosis and improved disease monitoring.

Truenat platform:

The company's Truenat platform is equipped with fully automated, user-friendly features such as portability, simple workflow, and rapid sample-to-result turnaround time. It is designed to perform a wide range of tests swiftly and efficiently with high sensitivity and specificity compared to conventional diagnostic methods. These features address challenges faced by underserved populations worldwide, including limited access to diagnostic facilities, cost-effective diagnostic solutions, timely detection and treatment of diseases, and electricity-dependent laboratory infrastructure.
The platform comprises two portable instruments: the **Trueprep universal nucleic acid extraction device**, which performs fully automated sample preparation; and the **Truelab analyzer**, which conducts real-time PCR. The Truelab analyzer is available in three variants - UnoDx, Duo, and Quattro - capable of performing one, two, and four tests simultaneously, respectively.

These tests are conducted using disease-specific Truenat test kits, which are ready-to-use, room-temperature stable, single-use consumables pre-loaded with necessary reagents required to conduct a real-time PCR test on the Truelab analyzers. The company offers their products globally to public health programs, diagnostic laboratories, and private and public hospitals. **Till March 31, 2026, they have sold over 12,500 devices in more than 90 countries**.

The comparison of the company's platform with centralized PCR machines across various parameters:

Parameters	Current PCR machines (Centralised)	Truenat (Decentralised)
TAT	120 mins	60 mins
Cost	INR 12-15lakhs	INR 6.5-13lakhs
Power source	Primary power source	Battery operated
Temperature	4°C to 99°C	Can work in high temperature
Samples	Batch processing upto 96 tests (require fixed number of samples to start the test)	1/2/4 samples processed simultaneously
Portability	Not portable	Portable, designed for field use
Training	Training is required	User-friendly, minimal training
Maintenance	Proper and routine maintenance	Low maintenance, minimal calibration

They derive their revenues from the sale of their Truenat platform, which is designed to work exclusively with their range of Truenat test kits that generate recurring revenues. A key feature of their platform is its versatility in diagnostic applications, accommodating tests for various infectious and non-communicable diseases. Their platform is designed to connect wirelessly to help healthcare providers manage clinical data and workflow online. It also enables remote management of the platform, including software updates. Their revenues from the sale of devices and test kits were ₹ 1,238.10 crore, ₹ 933.92 crore, and ₹737.23 crore in Fiscals 2026, 2025, and 2024, respectively.

They have strong in-house R&D capabilities through their wholly-owned subsidiary **Bigtec Pvt Ltd**, incorporated in 2000 and acquired in 2015, with a dedicated unit in Bengaluru. During the COVID-19 pandemic, their platform was among the first approved by ICMR and supported India's testing efforts. In 2020, they received a major order of **1,512 devices** from the GoI under the TB Programme, repurposed for COVID-19 testing. As of March 31, 2026, their R&D team comprised **153 employees**, including **136 scientists**, representing 11.10% **of their** workforce.

Their R&D expenditure was **₹ 87.46 crore**, **₹ 68.57 crore**, and **₹ 59.78 crore** in Fiscals 2026, 2025, and 2024, respectively. They hold **16 patents, 29 trademarks, 11 designs, and 3 copyrights in India**, and **191 patents abroad**, with additional applications pending in India and foreign jurisdictions.

The company has focuses on strengthening their capabilities through acquisitions and collaborations. In March 2023, they acquired 65.47% equity of **Prognosys Medical Systems**, which offers digital imaging solutions under the brand "**ProRad**" and has also expanded into animal healthcare imaging. In October 2024, they entered into a stock purchase agreement to invest and hold 60% equity of **OptraScan Inc**, and in November 2024 acquired 19.68% stake in the first tranche. OptraScan provides digital pathology solutions including scanners, AI-powered tools, and telepathology services. They also collaborate with organizations such as **Testi Technologies** to commercialize "**Promilless**", a saliva-based alcohol test strip, and with an animal diagnostics company to develop veterinary molecular diagnostic assays for their platform.

Molbio has 6 manufacturing facilities in India, including 2 in Goa, 1 in Bengaluru and 1 in Visakhapatnam operated by the company for devices and test kits, 1 in Bengaluru operated by Prognosys Medical Systems for radiology products, and 1 in Pune operated by OptraScan India Pvt Ltd for digital pathology scanners.

As of March 31, 2026, their installed capacity was 5,400 devices p.a. and 3.90 crore Truenat test kits p.a., with utilization ranging between 19.83%–58.89% for devices and 27.45%–58.25% for test kits over Fiscals 2024–2026.

They also collaborate with EMS vendors for device assembly, leverage automation for efficiency, and maintain ISO 13485 and MDSAP certifications from TUV SUD, ensuring compliance with CDSCO, EU, Brazil, Canada, and US FDA standards.

They have a strong management team with expertise in in-vitro and molecular diagnostics. Their Promoter and CEO, Sriram Natarajan, has over 35 years of experience in diagnostics, while their Promoter and CTO, Chandrasekhar Nair, has over 33 years in bioprocess and technology development. Their senior management drives strategic planning and growth, supported by institutional investors Motilal Oswal Alternate Investment Advisors and Temasek Holdings, who provide capital and strategic guidance critical to their expansion.

THE COMPANY'S BUSINESS OPERATIONS

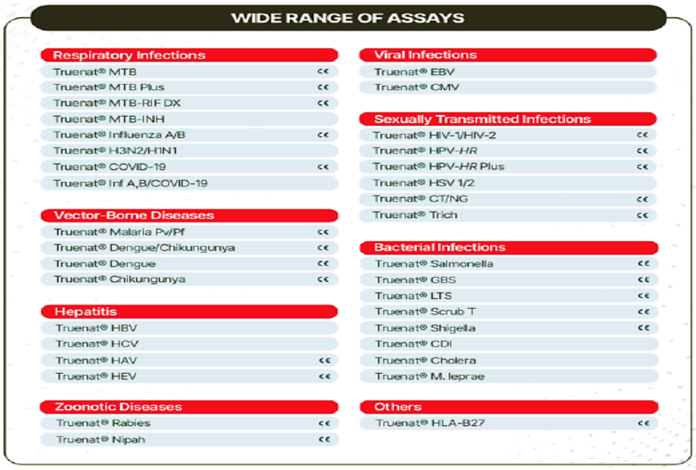
Platform	Details
	• The company offers the Truenat platform along with disease-specific Truenat test kits. The platform consists of two portable instruments: the Trueprep universal nucleic acid extraction device, which performs fully automated sample preparation, and the Truelab analyzer, which conducts real-time PCR. Together, these enable rapid, point-of-care molecular diagnostics and strengthen the company's position in innovative healthcare solutions.
	• The company offers the **Trueprep Auto v2** Universal Cartridge-based Sample Prep Device, which works with the **Trueprep Auto v2 Sample Prep Kit**. This combination enables extraction and purification of nucleic acids from clinical samples.
	• The **Truelab analyzer** is available in three variants: **UnoDx**, capable of performing one test simultaneously; **Duo**, capable of performing two tests simultaneously; and **Quattro**, capable of performing four tests simultaneously.
	• The company also offers the **Truelab micro PCR Printer** as an accessory to the Truelab analyzers. It utilizes Bluetooth technology to wirelessly print the results of PCR tests conducted by the Truelab analyzers.

Truenat Test Kits

As of March 31, 2026, the company offers Truenat test kits for 30 diseases.

Their Truenat test kits are disease-specific, readyto-use and disposable micro PCR chips that run on their platform.

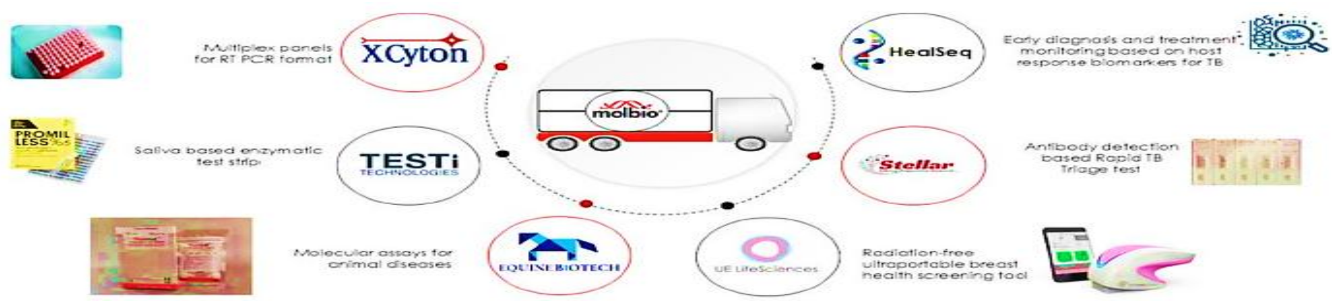
Truenat test kits are available for the following infectious and non-communicable diseases:



Through its subsidiary **Prognosys Medical Systems Pvt Ltd**, the company offers digital imaging solutions under the brand **ProRaD**. The portfolio includes radiology products such as ultraportable X-ray systems, mobile digital X-ray systems, floor-mounted and ceiling-suspended X-ray systems, and C-arm systems.

Product/Solutions	Details
	• The **ProRaD Atlas Ultraportable X-ray device** is a lightweight, battery-operated system designed for point-of-care applications such as home healthcare, mobile health camps, and remote areas. It operates with low radiation exposure and has received **US FDA approval**, ensuring compliance with international medical standards.
	• The **Mobile X-ray systems** are versatile imaging solutions designed for bedside X-rays in hospital intensive care units (ICUs) and smaller diagnostic centres.
	• **Fixed X-ray systems** are available in floor-mounted and floor-to-ceiling configurations to suit different clinical environments.
	• **Ceiling suspended X-ray systems** are specifically designed for maximizing space usage and user convenience, ideal for settings with a high volume of patient throughput.
	• **High-frequency C-arm systems are** available in image intensifier and flat panel detector configurations, offering high image quality and performance for a range of surgical applications including orthopaedics, urology, gastroenterology, and neurology.
	• **DR retrofit panels** are digital radiography solutions that enable transition from traditional analog systems to digital imaging.

Strategic Collaborations and Acquisitions



Multiplex panels for RT-PCR format: They collaborate with **Xcyton Diagnostics** to convert sepsis, fever, and meningitis panels from hybridization and PCR format to RT-PCR, making them compatible with their platform for point-of-care testing.

Rapid TB triage test: With **Stellar Diagnostics**, they are developing an antibody-based rapid TB triage test to differentiate active TB, past exposure, and no exposure.

Saliva based enzymatic test strips: Through **Testi Technologies**, they commercialize *Promilless*, saliva-based enzymatic strips that measure body alcohol content.

Host response biomarker-based test for TB diagnosis and treatment monitoring: They partner with **HealSeq** to validate and commercialize host biomarker assays for TB diagnosis and treatment monitoring.

Breast health screening at near-patient settings: With **UE Lifesciences**, they market *iBreastExam™*, an FDA-cleared portable breast health screening device, and jointly develop cancer screening tools.

Veterinary molecular diagnostics: They collaborate with **Equine Biotech** to develop veterinary molecular diagnostic assays, extending their expertise in point-of-care diagnostics to animal healthcare.

Molbio Diagnostics Limited made the **acquisition of Prognosys Medical Systems Private Limited ("Prognosys Medical")** pursuant to a share purchase cum subscription agreement dated January 13, 2023. They also made an **investment in OptraScan, Inc** pursuant to a stock purchase agreement dated October 24, 2024.

Manufacturing Facilities

The company operates six manufacturing facilities in India, all situated on leased land parcels. Of these, two are located in Goa, two in Bengaluru, Karnataka, one in Visakhapatnam, Andhra Pradesh, and one in Pune, Maharashtra.

The installed capacity, actual production and capacity utilisation for their devices and test kits manufactured by the Company and Subsidiaries

Products	As of/ For the year ended Mar'31, 2026			As of/ For the year ended Mar'31, 2025			As of/ For the year ended Mar'31, 2024		
	Installed Capacity (Units)	Actual Production (Units)	Capacity Utilisation (%)	Installed Capacity (Units)	Actual Production (Units)	Capacity Utilisation (%)	Installed Capacity (Units)	Actual Production (Units)	Capacity Utilisation (%)
Truenat Devices	5,400	2,284	42.30%	3,600	2,120	58.89%	3,600	714	19.83%
Truenat Test Kits	39,000,000	22,716,566	58.25%	39,000,000	16,943,080	43.44%	39,000,000	10,707,041	27.45%
X-ray Devices	1,820	923	50.71%	1,820	350	19.23%	3,640	423	11.62%
Digital Pathology Scanners	120	33	27.50%	NA	NA	NA	NA	NA	NA

Key Performance Indicators ("KPIs")

KPI	As of/ for the financial year ended March 31,		
	2026	2025	2024
Revenue from operations (₹ Cr)	1,445.69	1,020.42	836.56
Revenue from sale of devices (₹ Cr)	203.28	202.96	184.68
Revenue from sale of test kits (₹ Cr)	1,034.82	730.96	552.55
Revenue split – India (₹ Cr)	1,306.64	823.28	754.31
Revenue split – Outside India (₹ Cr)	139.04	197.14	82.25
EBITDA (₹ Cr)	328.24	256.64	185.09
EBITDA Margin (%)	22.56%	24.97%	22.02%
EBITDA Pre R&D (₹ Cr)	415.70	325.21	244.87
EBITDA Pre R&D Margin (%)	28.57%	31.64%	29.13%
Profit / (Loss) for the year (₹ Cr)	164.14	138.58	83.54
Profit / (Loss) Margin (%)	11.28%	13.48%	9.94%
Return on Equity (ROE %)	15.59%	16.20%	13.20%
Return on Capital Employed (ROCE %)	17.55%	20.98%	15.80%
Number of devices sold (Nos.)	2,524	2,180	2,011
Number of test kits sold (in Crores)	1.76	1.22	0.88
Diseases commercialized (Nos.)	30	30	26
Assays commercialized (Nos.)	43	42	38

Research and Development

The company views **R&D investment** as critical for future growth, undertaken through its wholly-owned subsidiary **Bigtec Private Limited**. Its Bengaluru facility is recognized by the Department of Scientific and Industrial Research, Government of India.

The laboratory is equipped with advanced instruments such as lyophilisers, mass spectrometer, liquid chromatography system, and IR spectrometer, supporting innovation in diagnostics.

As of March 31, 2026, the R&D team comprised **153 permanent employees**, including **136 scientists** (11.10% of the workforce), with expertise across biology, chemistry, software, and engineering. This reflects the company's commitment to **diagnostic innovation** and long-term competitiveness.

Revenue from Operations

(₹ Cr)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Sale of Products	**1,414.96**	**997.48**	**819.73**
– Sale of Products – Finished Goods	1,398.82	983.73	815.24
– Sale of Products – Traded Goods	16.13	13.76	4.49
Other operating revenue	**30.73**	**22.93**	**16.83**
– Revenues *from maintenance contracts and extended warranties*	*26.22*	*16.73*	*15.86*
– *Other* services	*4.51*	*6.20*	*0.97*
Revenue from Operations (Net)	**1,445.69**	**1,020.42**	**836.56**

The details of the sale or products - Domestic and Exports:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ Cr)	% of Revenue from operations	Amount (₹ Cr)	% of Revenue from operations	Amount (₹ Cr)	% of Revenue from operations
Domestic	1,306.64	90.38%	823.28	80.68%	754.31	90.17%
Exports	139.04	9.62%	197.14	19.32%	82.25	9.83%
Total Revenue from operations	**1,445.69**	**100.00%**	**1,020.42**	**100.00%**	**836.56**	**100.00%**

The revenues generated from government and international aid agencies and non-government agencies and revenue from contracts with customers:

Revenue from contracts	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ Cr)	% of Revenue	Amount (₹ Cr)	% of Revenue	Amount (₹ Cr)	% of Revenue
Contracts with customers - Sale of products – Finished Goods from:						
– Indian Central Govt	790.65	56.52%	499.82	50.81%	275.80	33.83%
– Indian State Govts	325.77	23.29%	210.15	21.36%	415.31	50.94%
– International Aid Agencies	66.45	4.75%	154.00	15.66%	55.65	6.83%
– Non-Government Agencies	215.95	15.44%	119.75	12.17%	68.49	8.40%
Total Sale of Finished Products	**1,398.83**	**100.00%**	**983.73**	**100.00%**	**815.24**	**100.00%**

Competitive Strengths

- ***Well placed to address unmet demand in a large and growing molecular diagnostic market with gaining credence of point-of-care testing***

The **Truenat platform** enables screening and diagnosis for 30 diseases, including TB, COVID-19, Hepatitis B & C, HIV, and HPV. In 2020, they supplied 1,512 devices under India's TB Programme, which were quickly repurposed for COVID testing, demonstrating adaptability in health crises.

The **Truenat TB test** is the only Indian-developed solution and one of two rapid molecular tests globally endorsed by WHO for initial TB and rifampicin resistance detection. Their portfolio has since expanded to cover multiple infectious and non-communicable diseases, ensuring comprehensive diagnostic support.

Molecular diagnostics provide higher accuracy than traditional methods, enabling early detection, targeted treatment, and personalized medicine. Global adoption is rising, with molecular site shares increasing across countries — India (7% in 2018 to 18% in 2022), Nigeria (9% to 14%), DR Congo (6% to 10%), Kenya (6% to 10%), Indonesia (14% to 20%), and Philippines (18% to 30%).

- ***Innovative, R&D focused business***

The company has strong in-house **R&D capabilities** through their subsidiary **Bigtec**, enabling rapid development of point-of-care diagnostics. Their platform underwent 13 years of R&D before ICMR certification. Key innovations include early **POC PCR platforms** for influenza and swine flu, and the **Truenat Nipah test**, the first in India with emergency use authorization. They earned recognition with ICMR's endorsement of **Truenat MTB** and **MTB-Rif**, and the **BioSpectrum Product of the Year award** in 2020, supported by vertical integration that accelerates healthcare innovation.

- ***Developed and commercialized a novel portable multi-disease point-of-care molecular diagnostics platform***

The company has developed and commercialized a portable **POC molecular diagnostics platform** using PCR technology for accurate and rapid testing. Testing is carried out using disease-specific **Truenat test kits**, which are ready-to-use, room-temperature stable, single-use consumables pre-loaded with all reagents required for PCR testing on Truelab analyzers.

The **Truenat platform** consists of two portable instruments:

- **Trueprep device**, which performs fully automated nucleic acid extraction and sample preparation.
- **Truelab analyzer**, which conducts real-time PCR.

Their platform has several key advantages, including: ***Fully automated, cost-effective and easy-to-use platform, Wide range of tests, Portable and battery-operated, Rapid turnaround time, Higher sensitivity and specificity, Multiple specimens, and Wireless connectivity***.

- ***Scalable business model with strong entry barriers, high proportion of recurring revenues and a growing suite of tests***

Their **Truenat platform** is a closed system with **Trueprep extraction** and **Truelab analyzer** devices, designed to work exclusively with Truenat test kits. Trueprep uses cartridge-based nucleic acid extraction, while Truelab performs realtime PCR for infectious and non-communicable diseases. The same device can test multiple diseases, ensuring recurring demand and flexibility for healthcare providers. After 13 years of R&D, the platform received ICMR certification, and Truenat for TB diagnosis is the only Indian-developed solution and one of just two rapid molecular tests globally endorsed by the **WHO** for TB and rifampicin resistance detection.

- ***Strategic collaborations and acquisitions enhancing their capabilities and offerings***

The company collaborated with organizations to enhance their screening and diagnostics platforms, aiming to extend healthcare services to remote areas. These partnerships help provide accessible diagnostic solutions while expanding their market reach and strengthening competitive advantages.

- ***Management team with deep domain expertise and track record of delivering strong financial performance***

The company Promoter and CEO Sriram Natarajan have 35 years of experience in diagnostics, co-founded Tulip Diagnostics, and later exited through its sale to PerkinElmer. Their Promoter and CTO Dr. Chandrasekhar Bhaskaran Nair have 34 years of R&D experience. Their CFO has 15 years of expertise in finance. Their senior management team plays a key role in strategic planning and business development, driving overall growth and revenues. The Key Managerial Personnel and senior leaders bring diverse industry and functional experience, enabling them to contribute effectively to the company's expansion.

KEY BUSINESS STRATEGIES

- ***Expand the geographical presence in India and across the globe***

The company plans to expand deployment of their platform in India and globally, with exports to 90+ countries including Nigeria, Bangladesh, and Kenya till March 31, 2026. The global shift from smear TB tests to molecular diagnostics offers a major opportunity, with 15 - 20 crore tests annually potentially moving to molecular platforms. The top 30 high TB burden countries account for 87% of global TB cases, led by India. Their Truenat platform is already deployed in most of these nations. The company aims to strengthen exports in Africa and Southeast Asia, expand into Latin America, and register their platform in new countries, including entry into the US and EU markets.

- ***Continue to expand their suite of diagnostic solutions for multiple diseases***

The company currently offers molecular testing for 30 diseases including TB, COVID, Hepatitis B & C, HIV viral load, and HPV, through 43 assays as of March 31, 2026, with 6 assays launched in the last three fiscals. Their platform's flexibility allows continuous expansion, and they plan to add 34 new assays for 22 diseases, further enhancing its utility. They will continue investing in R&D and expanding their sales and marketing network to support growth, while also leveraging imaging-based technologies to provide comprehensive diagnostic solutions.

- ***Develop new POC platforms for other communicable and non-communicable diseases***

The company intends to leverage their R&D capabilities to develop new **POC platforms** using advanced multiplex PCR technologies. These platforms will target critical diagnostic needs in **immunochemistry**, **hematology**, **histopathology**, **antimicrobial resistance detection**, and **biochemistry** to address a wide range of communicable and non-communicable diseases.

- ***Grow through strategic acquisitions and alliances and establish a centre of excellence***

The company is pursuing inorganic growth opportunities to expand market share and product categories. In March 2023, they acquired **65.47% equity in Prognosys Medical Systems**, strengthening their digital imaging portfolio under "ProRaD" and enabling end-to-end screening for infectious diseases at the POC. Prognosys also introduced an e-clinic approach, using digital tools to transfer patient data remotely for immediate consultation and treatment, improving access in underserved areas. Additionally, it has established a veterinary division for diagnostic imaging and software solutions, with plans to expand internationally.

RISK FACTORS AFFECTING THE COMPANY OPERATIONS

- ***Volume of products manufactured and sold:*** They have sold over 12,500 devices in 90+ countries till March 31, 2026, with revenues driven by the Truenat platform and recurring test kit demand. Production volumes vary with customer demand, and shortfalls are managed through new orders. Government healthcare spending usually rises in the second half of the fiscal year, causing quarterly fluctuations in revenues, operations, and cash flows.
- ***Relationships with customers and healthcare programs:*** The company derives a significant portion of its revenues from sales to the Indian Central and State governments and international aid agencies under public healthcare programs. Key initiatives include the National Tuberculosis Elimination Program, National Vector Borne Disease Control Program, National Viral Hepatitis Control Program, and the National AIDS Control Organisation. The continuation of these programs supports the company's operations and cash flows. However, adverse changes or reduced healthcare spending by government agencies could negatively impact sales and revenues.
- ***Availability and cost of raw materials:*** The company's primary raw materials include enzymes, primers, probes, electronic components, and chips, sourced from domestic and international vendors. Procurement is managed through periodic purchase orders, exposing the company to fluctuations in availability and pricing. In Fiscals 2026, 2025, and 2024, imported raw materials accounted for ₹243.40 Cr (42.01%), ₹183.94 Cr (33.94%), and ₹122.66 Cr (37.79%) of total consumption, respectively. Any restrictions on imports, embargoes, or increases in duties could impact margins, sales, and operations.
- ***Periods of disease outbreaks:*** The company's **revenues** and **operations** have historically fluctuated due to disease outbreaks, as testing volumes rise sharply during pandemics or periods of high prevalence. Increased demand for specific diagnostic tests drives revenue growth in such times. However, certain expenses, such as **employee benefits**, remain fixed, unlike variable costs of medical consumables. This mismatch leads to year-on-year variability, and the company expects such fluctuations in **results** to continue in the foreseeable future.
- ***Research and Development*:** The company has strong in-house R&D capabilities and a proven track record of developing innovative diagnostic products. R&D is undertaken through its wholly-owned subsidiary Bigtec to design platforms that address clinical gaps in point-of-care settings. The company ensures its technology, facilities, and machinery remain aligned with international standards. However, the cost of implementing new technologies, upgrading manufacturing facilities, and retaining skilled R&D personnel is substantial, impacting future operations and cash flows.
- ***Success of new tests on their device and integrating entities that they acquire:*** The company has historically derived a significant portion of its revenues from TB diagnostic tests, contributing ₹982.01 crore (70.20%) in FY26, ₹679.88 crore (69.11%) in FY25, and ₹508.72 crore (62.40%) in FY24. To diversify, the company intends to expand its suite with 34 assays for 22 additional diseases, enhancing device utility. The success of these tests will directly impact future operations.

COMPARISON WITH LISTED INDUSTRY PEERS (AS ON 31ST MARCH 2026)

Name of the Company	Consolidated/ Standalone	Revenue from Operations (₹ Cr)	Face Value (₹)	EPS		P/E Ratio	RONW (%)	NAV per Equity Share (₹)
				Basic (₹)	Diluted (₹)			
Molbio Diagnostics Ltd	**Restated**	**1,445.69**	**1**	**14.77**	**14.77**	**[●]**	**14.55%**	**101.51**
Poly Medicure Ltd	Consolidated	1,875.26	5	31.79	31.75	52.61	10.37%	306.45
Dr. Lal Pathlabs Ltd	Consolidated	2,762.91	10	30.24	30.20	62.20	20.78%	145.00
Metropolis Healthcare Ltd	Consolidated	1,645.85	2	9.19	9.19	63.72	12.56%	72.98
Vijaya Diagnostics Centre Ltd	Consolidated	814.20	1	16.81	16.79	81.02	18.07%	93.02

Source: RHP; The Price/earnings ratio has been computed based on the closing market price of equity shares on BSE as on July 30, 2026

Comparison of the company's KPIs with the listed peer companies:

(₹ in Cr, otherwise specified)

KPI	Molbio Diagnositcs			Poly Medicure			Dr Lal Pathlabs			Metropolis Healthcare			Vijaya Diagnostics		
	As of/ for the Financial Year ended March 31,														
	2026	2025	2024	2026	2025	2024	2026	2025	2024	2026	2025	2024	2026	2025	2024
Revenue frm operations (₹ Cr)	1,446	1,020	837	1,875	1,670	1,376	2,763	2,461	2,227	1,646	1,331	1,208	814	681	548
Revenue - India (₹ Cr)	1,307	823	754	NA	484	408	2,741	2,443	2,201	NA	1,222	1,106	NA	NA	NA
Revenue - Outside India (₹ Cr)	139	197	82	NA	1171	958	21	18	26	NA	109	102	NA	NA	NA
EBITDA (₹ Cr)	328	257	185	NA	542	416	752	696	609	401	304	285	337	273	221
EBITDA Margin (%)	22.56	24.97	22.02	NA	30.81	29.03	26.27	27.24	26.53	23.98	22.58	23.42	40.35	39.04	38.85
Profit for the year (₹ Cr)	164	139	84	321	339	258	510	492	362	191	146	128	173	144	120
Profit Margin (%)	11.28	13.48	9.94	16.07	19.25	18.00	17.80	19.27	15.78	11.44	10.81	10.56	20.72	20.55	21.04
Return on Equity (ROE %)	15.59	16.20	13.20	NA	15.77	18.70	20.55	23.30	19.26	NA	11.00	12.00	NA	18.00	18.00

Restated Summary Statement of Asset and Liabilities

(₹ Cr)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2024
Assets			
Non-current assets			
Property, plant & equipment	248.08	204.06	167.91
Capital work-in-progress	11.32	27.33	1.58
Investment property	–	–	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	5.98	45.57	5.98
Loans	–	9.33	–
others	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 assets			
Inventories	449.26	435.91	315.14
Trade receivables	408.74	271.66	425.45
Cash & cash equivalents	355.53	114.75	22.11
Bank balances other than cash	11.58	14.31	–
Other financial assets	25.53	6.57	9.22
Other assets	134.21	86.64	51.24
Total Current assets	**1,384.84**	**929.83**	**823.16**
Total Assets	**2,148.42**	**1,461.55**	**1,221.06**
Equity			
Equity share capital	11.28	2.26	2.25
Other equity	1,158.06	966.14	821.13
Equity attributable to parent	1,169.34	968.39	823.38
Non-controlling interest	139.44	(1.11)	5.46
Total Equity	**1,308.78**	**967.29**	**828.84**
Non-current liabilities			
Borrowings	212.41	6.14	15.12
Lease liabilities	27.20	17.41	4.63
Other financial liabilities	–	24.70	24.70
Net employee 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			

Particulars	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2024
Borrowings	200.23	117.02	159.45
Lease liabilities	10.23	6.36	4.41
Trade payables – Micro & small enterprises	24.49	39.52	5.60
Trade payables – Other creditors	175.01	190.69	88.39
Other financial liabilities	36.91	26.22	13.36
Net employee benefit liabilities	1.85	0.92	0.84
Other liabilities	77.23	40.28	49.91
Provisions	31.41	20.67	20.80
Total Current liabilities	**557.36**	**441.67**	**342.76**
Total Liabilities	**839.65**	**494.27**	**392.22**
Total Equity & Liabilities	**2,148.42**	**1,461.55**	**1,221.06**

Source: RHP

Restated summary statement of profit and loss

(₹ Cr)

Particulars	For the financial year ended March 31,		
	2026	2025	2024
Income			
Revenue from operations	1,445.69	1,020.42	836.56
Other income	9.48	7.52	4.10
Total income	**1,455.17**	**1,027.94**	**840.66**
Expenses			
Cost of raw material & components consumed	569.92	434.77	319.93
Change in inventories	1.29	(22.47)	19.68
Purchase of traded goods	4.97	2.54	0.82
Employee benefit expenses	145.23	102.79	63.89
Depreciation & amortisation	63.64	44.55	41.01
Finance costs	33.47	17.66	14.45
Other expenses	402.84	240.57	198.07
Total expenses	**1,221.35**	**820.41**	**657.83**
Share of loss of associates (net of tax)	(2.20)	(1.97)	(0.02)
Restated profit before tax & exceptional items	231.62	205.56	182.81
Exceptional items (net)	0.49	11.13	53.17
Restated profit before tax	231.14	194.43	129.64
Tax expenses			
Current tax	73.29	75.96	64.95
Deferred tax (credit)/charge	(6.30)	(20.41)	(19.24)
Adjustment of tax relating to earlier years	–	0.30	0.39
Total tax expenses	67.00	55.85	46.10
Restated profit for the year	**164.14**	**138.58**	**83.54**
Total other comprehensive income (loss)	15.75	(0.78)	(0.04)
Restated total comprehensive income for the year	179.89	137.80	83.51

Summary of Restated Cash Flows

(₹ Cr)

	For the year ended March 31,		
	2026	2025	2024
Profit before tax	231.14	194.43	129.64
Adjustments Related to Non-Cash & Non-Operating Items	121.69	90.67	143.49
Operating Profits before Working Capital Changes	352.83	285.10	273.13
Adjustments for Changes in Working Capital	(231.76)	81.87	(220.10)
Net cash generated from operations before tax	**121.07**	**366.97**	**53.03**
Income tax (paid)/Refund, (net)	(70.68)	(79.87)	(43.46)

	For the year ended March 31,		
	2026	**2025**	**2024**
Net cash generated from operating activities	**50.39**	**287.10**	**9.57**
Net cash used in investing activities	**(93.22)**	**(122.65)**	**(45.01)**
Net cash used in financing activities	**276.07**	**(26.15)**	**(31.55)**
Net (decrease)/ increase in cash and cash equivalents during the period	**233.24**	**138.30**	**(66.99)**
Add: Cash and cash equivalents as at the beginning of the period	63.23	(75.07)	(8.08)
Cash and cash equivalent upon addition of subsidiary	24.49	-	-
Effect of Exchange rate on Cash & Cash Equivalents	14.82	-	-
Cash and cash equivalents as at the end of the period	**335.78**	**63.23**	**(75.07)**