IPO Note

MOLBIO DIAGNOSTICS LIMITED

Aug 10th, 2026

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Details of the Issue	
Price Band	₹ 768 - ₹ 807
Issue Size	₹ 940 Cr
Market Cap	₹ 9,299.87 Cr
Face Value	₹ 1
Bid Lot	18
Listing on	BSE,NSE
Investment Range	₹ 13,824 - ₹ 14,526

Important Indicative Dates (2026)	
Opening	10 - Aug
Closing	12 - Aug
Basis of Allotment	13 - Aug
Refund Initiation	14 - Aug
Credit to Demat	14 - Aug
Listing Date	17 - Aug

Lead Manager
Kotak Mahindra Capital Company Ltd
IIFL Capital Services Ltd
Jefferies India Pvt Ltd
Motilal Oswal Investment Advisors Ltd

Offer Details	
Offer Size	₹ 940 Cr
Fresh Issue	₹ 200 Cr
OFS	₹ 740 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	470	5.82	6.12	50
NII	141	1.75	1.84	15
Retail	329	4.08	4.28	35
Em-ploy.	-	-	-	-
Total	940	11.65	12.24	100

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Company Profile

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. Its proprietary Truenat platform is a portable, battery-operated PCR-based molecular diagnostics system designed for resource-limited settings, delivering accurate results within an hour. The company offers diagnostic solutions for over 30 diseases through 43 molecular assays, including tuberculosis (TB), COVID-19, HIV, Hepatitis B & C, and HPV, while also providing radiology, digital pathology, and breast health screening solutions through its subsidiaries and strategic collaborations. With six manufacturing facilities across India, operations spanning more than 90 countries, and a customer base comprising government health programs, hospitals, diagnostic laboratories, and international healthcare organizations, Molbio has established a strong global presence. Supported by robust in-house R&D, a strong patent portfolio, global certifications, and strategic acquisitions, the company continues to expand its diagnostics portfolio and strengthen its position as a leading innovator in molecular diagnostics. As of March 31, 2026, it employed 1,225 permanent employees across R&D, manufacturing, quality assurance, sales, finance, and corporate functions.

GEPL's Insights & Investment Thesis:

- Molbio Diagnostics Ltd is well-positioned to capitalize on the rapidly expanding global point-of-care (POC) molecular diagnostics market through its proprietary Truenat platform, which enables rapid, accurate, PCR-based testing for over 30 infectious and non-communicable diseases.
- The company will be utilizing IPO fresh proceeds towards the purchase of certain plant, machinery and other equipment for Goa Unit I, Goa Unit II and Visakhapatnam Unit. Also it will set up infrastructure for a R&D facility and Center of Excellence.
- Based on the FY26 earnings, relative to the company's paid-up capital, the issue is priced at a P/E ratio of 57x. The issue is fairly valued compared to its peers, healthy financial performance, is well positioned to capitalize rapidly expanding POC molecular diagnostics, and doing capex, we recommend a "**Subscribe**" rating for issue.

Business Highlights & Services

Molbio Diagnostics is well-positioned to capitalize on the rapidly expanding global point-of-care (POC) molecular diagnostics market through its proprietary Truenat platform, which enables rapid, accurate, PCR-based testing for over 30 infectious and non-communicable diseases, including TB, COVID-19, HIV, Hepatitis B & C, and HPV. The platform's portable, battery-operated design, ability to deliver results within approximately 60 minutes, multi-disease testing capability, and suitability for resource-limited settings provide a strong competitive advantage over conventional centralized laboratory testing. Backed by WHO endorsement for its TB diagnostic chip, strong adoption across government healthcare programs, robust in-house R&D capabilities, and a sizeable intellectual property portfolio, the company has consistently expanded its product portfolio and demonstrated its ability to rapidly respond to emerging healthcare needs. With increasing global adoption of molecular diagnostics, rising demand for decentralized healthcare solutions, and a growing international presence across more than 90 countries, Molbio is well positioned to drive sustainable long-term growth and strengthen its leadership in the global molecular diagnostics industry.

Molbio Diagnostics has built a differentiated and scalable business model centered on its proprietary Truenat platform, a closed-system molecular diagnostics ecosystem that creates high entry barriers and generates recurring revenues through the continued sale of disease-specific test kits. The platform supports testing for over 30 diseases, enabling customers to add new assays without significant incremental investment, while its portable, rapid, and cost-effective design strengthens adoption across government health programs, hospitals, and laboratories. The company derives a significant proportion of its product revenue from high-margin consumable test kits, providing revenue visibility and operating leverage as its installed device base expands. Backed by strong in-house R&D, WHO endorsement for its TB diagnostic platform, a growing portfolio of diagnostic assays, strategic acquisitions in radiology and digital pathology, and collaborations that broaden its product offerings, Molbio is well positioned to capitalize on the increasing global adoption of decentralized molecular diagnostics and deliver sustainable long-term growth.

Molbio Diagnostics is pursuing a well-defined growth strategy focused on expanding its global footprint and broadening its molecular diagnostics portfolio. The company currently serves customers in over 90 countries and plans to expand into new geographies, including the US and European markets, while strengthening its presence across high-burden disease regions in Asia, Africa, and Latin America. International revenue contributed 9.6% of revenue from operations in FY26, amounting to ₹139.04 crore, providing significant headroom for future growth as overseas commercialization accelerates. Simultaneously, Molbio continues to enhance its proprietary Truenat platform, which currently supports 43 diagnostic assays covering 30 diseases, with plans to introduce 34 additional assays across 22 diseases. The growing installed base of Truenat devices and expanding portfolio of disease-specific test kits are expected to improve platform utilization and drive higher recurring consumables revenue. The company's focus on geographic expansion, product innovation, and increasing test menu breadth positions it to capitalize on the rising global demand for decentralized molecular diagnostics while diversifying its revenue base.

Molbio Diagnostics is strengthening its long-term growth pipeline through sustained investments in innovation, strategic acquisitions, and ecosystem partnerships. The company plans to leverage its strong in-house R&D capabilities to develop next-generation point-of-care (POC) platforms using advanced multiplex PCR technologies, expanding beyond infectious diseases into immunochemistry, hematology, histopathology, antimicrobial resistance detection, and biochemistry, thereby significantly widening its addressable market. Alongside organic innovation, Molbio is pursuing disciplined inorganic growth to enhance its technology capabilities and product portfolio. The acquisition of a 65.47% stake in Prognosys has expanded its offerings into digital radiology and remote e-clinic solutions, while the acquisition of a 60% stake in US-based OptraScan Inc. strengthens its presence in AI-powered digital pathology and telepathology. Additionally, the company's EDGE innovation program and the planned Centre of Excellence (COE) in Bengaluru by FY28 are expected to accelerate product development through collaborations with medical technology startups, incubators, and research institutions. These initiatives enhance Molbio's innovation ecosystem, broaden its diagnostic capabilities, and create multiple avenues for future product commercialization and technology-led expansion.

Customer wise revenue breakup

Particular	FY26		FY25		FY24	
	INR (Cr)	% of revenue	INR (Cr)	% of revenue	INR (Cr)	% of revenue
Indian Central government	791	56.54%	500	50.81%	276	33.87%
Indian State governments	326	23.30%	210	21.34%	415	50.92%
International aid agencies	66	4.72%	154	15.65%	56	6.87%
Non-government agencies	216	15.44%	120	12.20%	68	8.34%
Total	**1,399**	**100%**	**984**	**100%**	**815**	**100%**

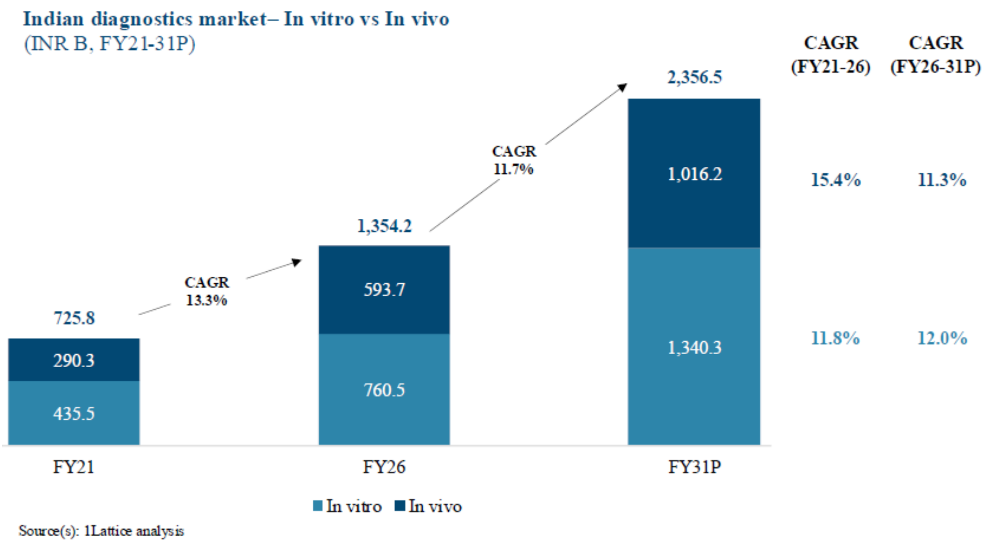
Key KPIs

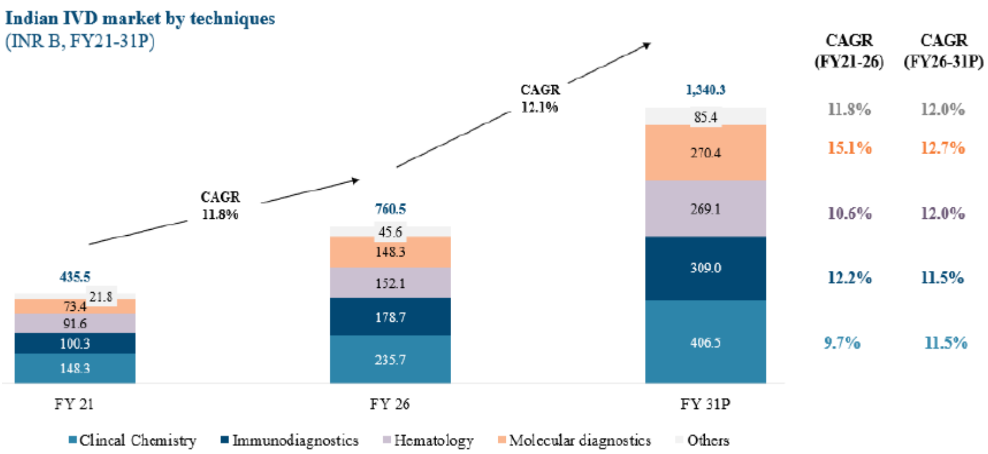
Particular	Units	FY26	FY25	FY24
Revenue from sale of devices	Rs Cr	203	203	185
Revenue from sale of test kits	Rs Cr	1,035	731	553
Number of devices sold	Numbers	2,524	2,180	2,011
Number of test kits sold	Million Units	18	12	9
Diseases commercialized	Numbers	30	30	26
Assays commercialized	Numbers	43	42	38

No. of Test kits sold

Particular	FY26		FY25		FY24	
	Units (Mn)	%	Units (Mn)	%	Units (Mn)	%
Tuberculosis	17	96.02%	12	94.31%	8	93.26%
Hepatitis B	0.2	1.14%	0.2	1.63%	0.1	1.12%
HLA-B27	0.1	0.57%	0.1	0.81%	0.1	1.12%
Other diseases	0.4	2.27%	0.4	3.25%	0.4	4.49%
Number of test kits sold	**18**	**100%**	**12**	**100%**	**9**	**100%**

Industry Outlook





Peers Comparison

Name of the company	Face Value (₹)	Total Revenue (₹ Cr)	EPS	NAV (₹)	P/E (x)	RoNW(%)
Molbio Diagnostics Ltd	**1**	**1,446**	**14.77**	**102**	**NA**	**14.55**
Peers Group						
Poly Medicure Ltd	5	1,875	31.75	307	52.61	10.37
Dr. Lal Pathlabs Ltd	10	2,763	30.20	145	62.20	20.78
Metropolis Healthcare Ltd	2	1,646	9.19	73	63.72	12.56
Vijaya Diagnostics Centre Ltd	1	814	16.79	93	81.02	18.07

Company's Competitive Strength

- Well placed to address unmet demand in a large and growing molecular diagnostic market with gaining credence of point-of-care testing.
- Innovative, R&D focused business.
- Developed and commercialized a novel portable multi-disease point-of-care molecular diagnostics platform.
- Scalable business model with strong entry barriers, high proportion of recurring revenues and a growing suite of tests.
- Strategic collaborations and acquisitions enhancing the capabilities and offerings.
- Management team with deep domain expertise and track record of delivering strong financial performance.

Key Strategies Implemented by Company

- Expand the geographical presence in India and across the globe.
- Continue to expand the suite of diagnostic solutions for multiple diseases.
- Develop new POC platforms for other communicable and non-communicable diseases.
- Grow through strategic acquisitions and alliances and establish a center of excellence.

Particular (INR in Cr)	FY26	FY25	FY24
Equity Capital	11	2	2
Reserves and Surplus	1,158	966	821
Net Worth	1,169	968	823
Revenue	1,446	1,020	837
Growth (%)	42%	22%	
EBITDA	321	262	234
EBITDAM (%)	22%	26%	28%
PAT	165	150	137
PATM (%)	11.4%	14.7%	16.4%
ROE (%)	14.1%	15.5%	16.6%
ROCE (%)	16.9%	20.6%	19.8%

Notes

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