

May 07, 2026

## Transasia Bio-medicals Limited: Ratings reaffirmed

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term/Short-term – Fund-based/ Non-fund based limits – Working capital facilities	92.00	92.00	[ICRA]A+ (Stable)/[ICRA]A1; reaffirmed
<b>Total</b>	<b>92.00</b>	<b>92.00</b>	

\*Instrument details are provided in Annexure II

### Rationale

The ratings reaffirmation for Transasia Bio-medicals Limited (TBML) favourably factors in its established business position and the extensive experience of its promoters in the diagnostic equipment and domestic in-vitro diagnostics (IVD) industry. The ratings continue to draw comfort from the company's strong distribution network with a pan-India presence along with its widened geographical reach through its international operations, which has enhanced its research and development (R&D) capabilities for instruments and its reagent production. The ratings also factor in TBML's healthy capital structure and robust coverage indicators, supported by stable accruals from domestic operations and negative net debt position.

In FY2026, TBML is estimated to report healthy year-over-year (YoY) growth in revenue to around Rs. 1550-1600 crore, driven by steady performance in domestic operations on the back of new product launches and stable revenue growth in overseas operations, partly aided by favourable currency movement. Consolidated operating margins for FY2026 are estimated to improve to 21-22%, led by increased profitability in the India business (TBML standalone), with margins likely to grow from 23.7% in FY2025 to 25-26% in FY2026. In addition, the extensive restructuring undertaken across international operations, including exit from low-yielding businesses and cost optimisation measures, is expected to further support profitability. ICRA also notes the company's effort towards R&D, wherein it intends to launch new products in the near term. TBML's ability to successfully commercialise such launches and scale-up its operations through product diversification remains a key monitorable.

In FY2025, the company acquired a minority stake in the US-based entity, Perosphere Technologies Inc., with the intent of accessing technology for potential sublicensing and distribution in India over the medium term. Going forward, TBML will continue to look for acquisition opportunities. Any potential impact of such transaction on the company's cash flows and credit profile will be evaluated on a case-to-case basis.

However, the ratings remain constrained due to moderation in financial profile over the years as the company created significant provisions towards its loss-making operations due to modest gains from its international operations relative to investments. The liquidity profile also moderated due to the extended credit for the working capital requirement and R&D for overseas operations. Nonetheless, over the past couple of years, the company has been implementing various strategic measures to mitigate the losses such as closure, dissolution and selling off entities, evidenced by increased operating margins from 17.9% in FY2024 to 20.9% in FY2025. Going forward, performance improvement of international operations and higher growth and earnings of the domestic business will remain key for TBML's credit profile. The ratings also factor in the company's dependence on imports for its trading operations, resulting in the susceptibility of earnings to fluctuations in foreign exchange rates. However, this risk is partially mitigated by forward hedging contracts.

The Stable outlook on the long-term rating reflects ICRA's opinion that TBML's credit profile will be supported by steady earnings, comfortable capital structure and its adequate liquidity position.

## Key rating drivers and their description

### Credit strengths

**Among the largest players in the Indian IVD segment; extensive experience of promoters in diagnostic instruments and reagent business** – TBML enjoys a strong presence across IVD segments such as biochemistry and hematology, while it is improving its visibility in the immunology segment. The company's wide range of offerings and extensive distribution reach in the Indian market give it a competitive edge. Its promoters' extensive experience of around four decades in the IVD space supports its established market position.

**Domestic business continues to report healthy profitability** – The cash accruals of TBML remain strong on the back of its established position in the domestic IVD market and superior product offerings, leading to a healthy operating profit margin of 23.7% in FY2025 on a standalone basis. However, at a group level, the operating profit margin is lower, primarily on account of its loss-making international operations. Nonetheless, the company has undertaken restructuring over the past couple of years to simplify the group structure and moderate losses, evidenced by improvement in margins from 17.9% in FY2024 to 20.9% in FY2025. Going forward, TBML's ability to leverage its R&D investments in international subsidiaries through meaningful recovery in those businesses while sustaining existing consolidated margins, will remain a key rating monitorable.

**Healthy capital structure and coverage indicators** – The capital structure remains healthy characterised by low leverage, with gearing at 0.03 times as on March 31, 2025 (0.04 times as on March 31, 2024), supported by a healthy net worth of Rs. 1,555.8 crore and modest total debt of Rs. 45.9 crore, largely comprising lease liabilities as on March 31, 2025. The company's coverage metrics remain strong, with interest coverage at 28.6 times in FY2025 (20.3 times in FY2024), and are expected to be at 29-31 times in FY2026, aided by healthy operating profitability and low reliance on external borrowings, leading to minimal interest costs. ICRA expects the capital structure and coverage indicators to continue to be comfortable over the medium term, supported by stable accruals and the absence of any material debt addition.

### Credit challenges

**Return indicators remain constrained as international operations are yet to achieve meaningful scale and profitability amid high R&D expenses** – TBML's international operations in Europe and Asia remain sub-scale and loss-making, thereby constraining consolidated return indicators. While these overseas operations continue to be a drag on group profitability, the company has undertaken restructuring over the past couple of years to simplify the group structure and moderate losses. In FY2025, TBML extended around Rs. 115 crore (Rs. 202 crore in FY2024) to overseas group companies largely to support R&D initiatives. ICRA expects continued financial support to international operations, with advances estimated at Rs. 70 crore in FY2026, as sustained R&D investments remain critical to maintaining product competitiveness. However, the impact of impairments linked to R&D spends continues to be a key monitorable. A turnaround through scale-up, wider product acceptance and successful commercialisation remains critical from a credit perspective.

**Working capital-intensive nature of operations** – The company's operations are working capital-intensive, driven by high inventory days of 184 as on March 31, 2025. TBML has multiple instruments and reagents (including manufactured and traded), requiring multiple stock-keeping units, resulting in higher inventory days. As on March 31, 2025, receivable days were 108, as the credit period extended by the company to its different customers ranges from 30-90 days. Nonetheless, the working capital cycle is partly supported by creditor days of 85 as on March 31, 2025.

**Profitability vulnerable to volatility in foreign exchange rates** – TBML derives 25% of its revenue from the trade of imported instruments and reagents, making its profitability susceptible to fluctuations in foreign exchange rates. In addition, restatement of the company's investments in overseas operations also subject it to exchange volatility. Nevertheless, this risk is partially mitigated through the use of forward hedging contracts.

## Liquidity position: Adequate

TBML's liquidity position is Adequate, considering the free cash and bank balances and sizeable liquid investments and cushion available in the form of undrawn working capital limits of Rs. 92 crore as of March 2026. It does not have any large debt repayments. However, the company is expected to incur capital expenditure (capex) (including R&D) of Rs. 120-140 crore and dividend payout of Rs. 50 crore per annum, which is likely to be met adequately through operational cash flows and available liquidity.

## Rating sensitivities

**Positive factors** – ICRA could upgrade TBML's ratings if the company demonstrates healthy growth in revenue and earnings, with a meaningful and sustained turnaround of its international operations, while maintaining comfortable debt protection metrics and liquidity position.

**Negative factors** – The ratings could be downgraded in case of considerable decline in revenue and earnings, or if any sizeable debt-funded capex or stretch in the working capital cycle or significant dividend payouts exert pressure on the company's credit metrics and liquidity position.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a>
Parent/Group support	Not applicable
Consolidation/Standalone	To arrive at the ratings, ICRA has considered the consolidated financials of TBML. As on March 31, 2025, TBML had 5 subsidiaries and 18 step-down subsidiaries which are enlisted in Annexure III.

## About the company

TBML was founded by Mr. Suresh Vazirani in 1985 to provide services to the IVD space. At present, the company is a leading player in the diagnostic instruments and reagents industry in India. It has one of the largest sales and installation bases with over 94,000 country-wide installations. In collaboration with leading international companies, it offers an extensive range of products in the IVD space. The company manufactures a wide range of clinical chemistry analysers, ELISA readers and microplates. Its manufacturing operations facilities are located in Daman, SEEPZ (Mumbai), Baddi (Himachal Pradesh), Visakhapatnam (Andhra Pradesh) and Sikkim. It also has a manufacturing facility in the Czech Republic. All its facilities are ISO 9001:2000 certified. TBML's offices are spread across India, with its headquarters in Mumbai.

## Key financial indicators (audited)

TBML (consolidated)	FY2024	FY2025
Operating income (OI)	1524.3	1401.6
PAT	-15.5	202.2
OPBDITA/OI	17.9%	20.9%
PAT/OI	-1.0%	14.4%
Total outside liabilities/Tangible net worth (times)	0.2	0.2
Total debt/OPBDITA (times)	0.2	0.2
Interest coverage (times)	20.3	28.6

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation.

TBML (standalone)	FY2024	FY2025
Operating income (OI)	1,122.8	1,059.6
PAT	134.0	234.3
OPBDIT/OI	26.6%	23.7%
PAT/OI	11.9%	22.1%
Total outside liabilities/Tangible net worth (times)	0.1	0.1
Total debt/OPBDIT (times)	0.0	0.1
Interest coverage (times)	55.0	69.9

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

**Rating history for past three years**

	Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
		Type	Amount rated (Rs. crore)	May 07, 2026	FY2026		FY2025		FY2024	
					Date	Rating	Date	Rating	Date	Rating
1	Fund-based/ Non-fund based limits – Working capital facilities	Long term/ Short term	92.00	[ICRA]A+ (Stable)/ [ICRA]A1	-	-	Mar 26, 2025	[ICRA]A+ (Stable)/ [ICRA]A1	Dec 28, 2023	[ICRA]A+ (Stable)/ [ICRA]A1

**Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026**

ICRA-rated instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI

16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)
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(\*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(§) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other activities offered by ICRA fall under regulatory purview of various FSR as under:

Sr. No.	Activity name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

**Disclosure:** SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of FSR other than SEBI

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term/ Short-term – Fund-based/ Non-fund based limits – Working capital facilities	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

### Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Working capital facilities	-	NA	-	92.00	[ICRA]A+ (Stable)/[ICRA]A1

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure III: List of entities considered for consolidated analysis**

Company name	TBML's ownership	Consolidation approach
Transasia Diagnostic Private Limited	100.00%	Full consolidation
Care Data Informatics Private Limited	98.00%	Full consolidation
Erba Diagnostics Mannheim GmbH, Germany	100.00%	Full consolidation
Erba Diagnostics UK Ltd, UK	100.00%	Full consolidation
Erba Diagnostics Holdings Limited, Ireland	100.00%	Full consolidation
Erba Diagnostics Limited, Ireland	100.00%	Full consolidation
Biomedical Production Limited	100.00%	Full consolidation
Erba Corporate Services Limited, UK	100.00%	Full consolidation
Erba USA Inc., USA	100.00%	Full consolidation
Erba Lachema s r o . Czech Republic	100.00%	Full consolidation
AO Erba RUS, Russia	100.00%	Full consolidation
Erba Diasis Diagnostik Sistemler Ticaret VE Sanyyi A.S , Turkey	100.00%	Full consolidation
Erba Diagnostics France S.A R.L , France	100.00%	Full consolidation
Erba Polska sp.z o.o, Poland	100.00%	Full consolidation
Erba Diagnostics Ukraine LLC, Ukraine	100.00%	Full consolidation
Lumora Ltd, UK	100.00%	Full consolidation
Erba Technologies Austria GmbH, Austria	100.00%	Full consolidation
Erba Diagnostics Ltd, Brazil	100.00%	Full consolidation
Erba Diagnostics DMCC, UAE	100.00%	Full consolidation
Erba Czech SRO, Czech Republic	100.00%	Full consolidation
Erba Diagnostics FZ LLC, UAE	100.00%	Full consolidation
Erba Diagnostics Limited, Bangladesh	100.00%	Full consolidation
PT Erba Diagnostic Indonesia	100.00%	Full consolidation

Source: Company; Consolidated Audited Financials FY2025

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ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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### Branches



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