Retail Research	IPO Note
Sector: Medical Equipment	Price Band (Rs): 327 – 344
13th October 2026	Recommendation: NEUTRAL

Sahajanand Medical Technologies Ltd.

Company Overview:

Founded in 2001, **Sahajanand Medical Technologies Ltd. (SMTL)** is a medical devices company engaged in the development of Class III (classified under the EU Medical Device Regulations) and Class C/D (classified under the Indian Medical Device Rules, 2017) medical devices, with an emphasis on Vascular Intervention (VI) and Structural Heart (SH). SMTL's product portfolio includes (i) VI products such as coronary intervention products (coronary stents and balloons), (ii) SH products such as TAVI and Occluders, and (iii) Other products including its own brand of renal stents, peripheral DCBs and trading products.

Key Highlights:

1. Deep marketing presence and leadership in domestic and international markets: As of FY26, the company marketed its products in 77 countries (including India) through a mix of direct, hybrid, and distributor-led models. In India, through its hybrid model, SMTL caters to large hospitals, including Narayana Hrudayalaya. While in Europe, the company has direct operations in major markets such as Germany, Spain, France, and UK. In certain other regions, such as Italy, it uses distributor-led models for efficient market entry and scaling. Consequently, SMTL has emerged as a key player in the Drug Eluting Stents (DES) market in India with market share of ~25% in FY26 by sales volume and ranks among the top 5 companies by DES sales volume in Germany, Spain, Poland, and Brazil. Additionally, the company has leveraged its leadership in DES market to successfully scale its SH portfolio and as of FY26, SMTL ranked among the top 5 companies by sales volume of Occluders in Thailand, South Korea, and India.

2. Integrated manufacturing capabilities with focus on R&D: The company operates 3 integrated manufacturing facilities, located in Surat & Hyderabad in India and in Nonthaburi in Thailand. These facilities possess in-house manufacturing of balloon catheters, which allows for faster prototyping and time to market. Additionally, SMTL operates 2 R&D centers located in India and Thailand, supported by a team of 156 professionals. In India, the R&D center is situated in Surat, Gujarat and is recognized by the Department of Scientific and Industrial Research (DSIR), while the Thailand facility is certified under Thai GMP and holds CE certifications. Further, the company holds a robust intellectual property portfolio, with 119 patents granted globally, 78 more patent applications in the pipeline, and five design registrations in India. Notably, SMTL's possesses significant room for expansion at its Hyderabad facility as it utilizes only 33% of the available area at present.

3. Track record of successful M&A and strategic collaborations: The company has demonstrated proficiency in executing and integrating M&A across multiple geographies and product categories. By acquiring distributors in Spain (Imex) and Brazil (Zarek), SMTL transitioned from a distributor-led to a direct model in Spain and hybrid model in Brazil. Further, the company acquired Vascular Concepts and Vascular Innovations in May 2020, which enabled it to successfully enter new product categories in the SH category such as Occluders and TAVI, thereby expanding the total addressable market. Additionally, the company has made strategic investments in SNP Medical Corporation, USA, intended to provide an entry point into the percutaneous ventricular enlargement devices market.

View & Valuation: SMTL is a R&D centered company developing Class III and Class C/D medical devices, particularly for Vascular Intervention (VI) and Structural Heart (SH). The company's manufacturing facilities are integrated for the manufacturing of balloon catheters which has led to cost reductions and development of more complex versions of certain products used to manufacture DES. Historically, the company has recorded Revenue/EBITDA CAGR of 15.9%/24.5% respectively over the FY24-FY26 period. During FY24, the company had recorded net loss of Rs 12.8 cr on an adjusted basis, which turned positive in FY25 to Rs 29.6 cr and subsequently to Rs 65.3 cr in FY26. At the upper price band of Rs 344, the issue is valued at FY26 P/E multiple of 53.6x based on post-issue capital. We assign a NEUTRAL rating to the issue and would like to would like to track the performance of the company for a few quarters post listing.

Issue Details	
Date of Opening	15th October 2026
Date of Closing	19th October 2026
Price Band (Rs)	327 – 344
Issue Size (Rs cr)	475
Fresh Issue (Rs cr)	-
Offer for sale (Rs cr)	475
Total issue size	1,38,22,116 shares @UB
Face Value (Rs)	1
Post Issue Market Cap (Rs cr)	3,497 @upper price band
BRLMs	Motilal Oswal Investment Advisors Ltd, Avendus Capital Pvt Ltd, HSBC Securities and Capital Markets (India) Pvt Ltd, Nuvama Wealth Management Ltd
Registrar	MUFG Intime India Pvt Ltd
Bid Lot	43 shares and in multiple thereof
QIB shares	50%
Retail shares	35%
NII shares	15%

Shareholding Pattern		
Pre-Issue	**No. of Shares**	**%**
Promoter & Promoter Group	4,14,92,500	40.8
Public & Others	6,01,54,278	59.2
Total	**10,16,46,778**	**100.0**

Post Issue @ UB	No. of Shares	%
Promoter & Promoter Group	3,67,92,500	36.2
Public & Others	6,48,54,278	63.8
Total	**10,16,46,778**	**100.0**

Selling shareholder via OFS	Classification	No. of shares
Shree Hari Trust	Promoter	27,00,000
Dhirajkumar Savjibhai Vasoya	Promoter	20,00,000
Samara Capital Markets Holding Ltd	Public	64,79,063
Kotak Pre-IPO Opportunities Fund	Public	13,07,875
NHPEA Sparkle Holding B.V.	Public	13,35,178
Total		**1,38,22,116**

Source: RHP, SBICAP Securities Research

Key Financials & KPIs

Particulars (Rs cr)	FY24	FY25	FY26	1QFY27
Revenue from operations	902	1,025	1,211	352
EBITDA	110	128	171	49
EBITDA Margin (%)	12.2	12.5	14.1	13.8
PAT	(13)	20	65	15
PAT Margin (%)	(1.4)	2.0	5.4	4.1
EPS	(1.3)	2.0	6.4	-
Adj. PAT	(13)	30	65	15
Adj. PAT Margin (%)	(1.4)	2.9	5.4	4.1
Adj. EPS	(1.3)	2.9	6.4	-
RoE (%)	-	5.2	9.4	-
RoCE (%)	7.3	9.7	10.9	-
P/E (x)*	-	118.0	53.6	-

Note: Pre-issue P/E based on upper price band
Source: RHP, SBICAP Securities Research

Risk Factors

- **Raw material risk:** The company is dependent on the continued supply of raw materials and components for its operations, primarily metal tubes, plastic tubes, drugs, and polymers. The supply and cost of these materials can be subject to significant variation due to factors outside the company's control. Further, SMTL procures a substantial portion of raw materials and components from international markets including Germany, China, Netherlands and Ireland. During FY26/1QFY27, import purchases accounted for ~77%/84% of the company's total purchases.

- **Technological risk:** The company operates in a highly competitive medical device market which is characterized by extensive R&D and rapid technological change. Thus, the company's inability to adapt to the rapid technological changes in the medical devices industry could adversely affect its operations and financial conditions.

- **Regulatory risk:** The company's business is subject to rigorous regulation by regulatory authorities across geographies such as the Medical Devices Rules in India and the EU Medical Device Regulation in the EU. Additionally, SMTL is required to maintain statutory and regulatory permits, licenses and approvals in relation to its manufacturing facilities and the facilities are also subject to periodic inspections and audits by regulatory authorities. Thus, any adverse action by any authority against the company would negatively impact its ability to offer products to clients and adversely impact its business. Regulatory uncertainty associated with the pricing of medical devices remains a key monitorable risk for the company.

Growth Strategies

- Target deeper penetration and the launch of comprehensive product portfolio in both existing and new markets.

- Continue developing high value clinically proven products and enhancing existing products and capabilities.

- Evaluate opportunity for strategic M&As to add fast-growing product segments, technological capabilities and entry into large markets.

- Focus on improving operational efficiency leading to lowering cost of manufacturing along with simplifying and de-risking supply chain.

Business Segments

Segment	Description
Vascular Intervention (VI)	Minimally invasive procedures used to diagnose or treat diseases of blood vessels. These procedures are typically performed by interventional cardiologists, radiologists or vascular surgeons using introducer sheath, diagnostic catheter, guide catheter, guidewire, balloons, and stents under fluoroscopy or other imaging modalities. SMTL's portfolio of VI products includes coronary intervention products such as coronary stents and PTCA catheters and Coronary DCB (Drug Coated Balloons).
Structural Heart (SH)	Minimally invasive procedures used to treat defects or abnormalities in the heart's structure. These procedures often serve as alternatives to open-heart surgery for treatment of heart valves (e.g., aortic, mitral), left atrial appendage and Congenital heart defects. SMTL's portfolio of SH products includes aortic valve and Occluders.
Others	Includes SMTL's own brand of renal stent and peripheral DCB along with traded goods

Source: RHP, SBICAP Securities Research

Revenue Mix – Product Categories

Particulars	FY24		FY25		FY26		1QFY27	
	Rs cr	% of TR	Rs cr	% of TR	Rs cr	% of TR	Rs cr	% of TR
VI Devices	618	68.6%	675	65.9%	740	61.1%	212	60.4%
SH Devices	111	12.3%	157	15.3%	203	16.8%	56	16.0%
Others*	173	19.2%	193	18.8%	267	22.1%	83	23.6%
Total Revenue (TR)	**902**	**100.0%**	**1,025**	**100.0%**	**1,211**	**100.0%**	**352**	**100.0%**

Includes revenue from traded goods and revenue from sale of own brands of renal stents and peripheral DCB.
Source: RHP, SBICAP Securities Research

Revenue Mix – Geographies

Particulars	FY24		FY25		FY26		1QFY27	
	Rs cr	% of TR	Rs cr	% of TR	Rs cr	% of TR	Rs cr	% of TR
India	314	34.8%	321	31.3%	316	26.1%	84	23.8%
Europe	266	29.5%	338	33.0%	468	38.7%	133	37.7%
Rest of world (RoW)	322	35.7%	366	35.8%	426	35.2%	135	38.5%
Total Revenue (TR)	**902**	**100.0%**	**1,025**	**100.0%**	**1,211**	**100.0%**	**352**	**100.0%**

Source: RHP, SBICAP Securities Research

Trend of R&D Expenses

Particulars	FY24		FY25		FY26		1QFY27	
	Rs cr	% of TR^	Rs cr	% of TR	Rs cr	% of TR	Rs cr	% of TR
R&D Expenses	81	9.0%	93	9.1%	104	8.6%	35	9.9%

^TR = Total Revenue.
Source: RHP, SBICAP Securities Research

Past Acquisitions & Rationale

Name of acquired entity	Acquisition Period	Rationale
Vascular Concepts	May'20	Acquired assets to access the SH market
Vascular Innovations		
Imex	Jun'19	Acquired Brazil and Spain distributors to have control over sales channel and to deepen penetration in these markets
Zarek	Sep'19	

Source: RHP, SBICAP Securities Research

Product-wise Manufacturing Capacity and Utilization

Particulars	FY24		FY25		FY26		1QFY27	
	Capacity (units)	Utilization (%)	Capacity (units)	Utilization (%)	Capacity (units)	Utilization (%)	Capacity (units)	Utilization (%)
VI Devices								
Stents	7,80,000	85.1%	8,40,000	82.4%	9,00,000	78.3%	9,60,000	15.3%
Catheters	9,60,000	94.5%	9,60,000	91.2%	11,40,000	91.7%	12,60,000	13.3%
Drug coated PTCA balloon catheter	-	-	-	-	56,000	1.8%	56,000	3.3%
SH Devices								
TAVI devices	1,800	38.1%	7,800	14.4%	9,000	19.8%	9,600	4.3%
Occluders	30,000	50.2%	42,000	23.3%	42,000	34.7%	42,000	8.2%

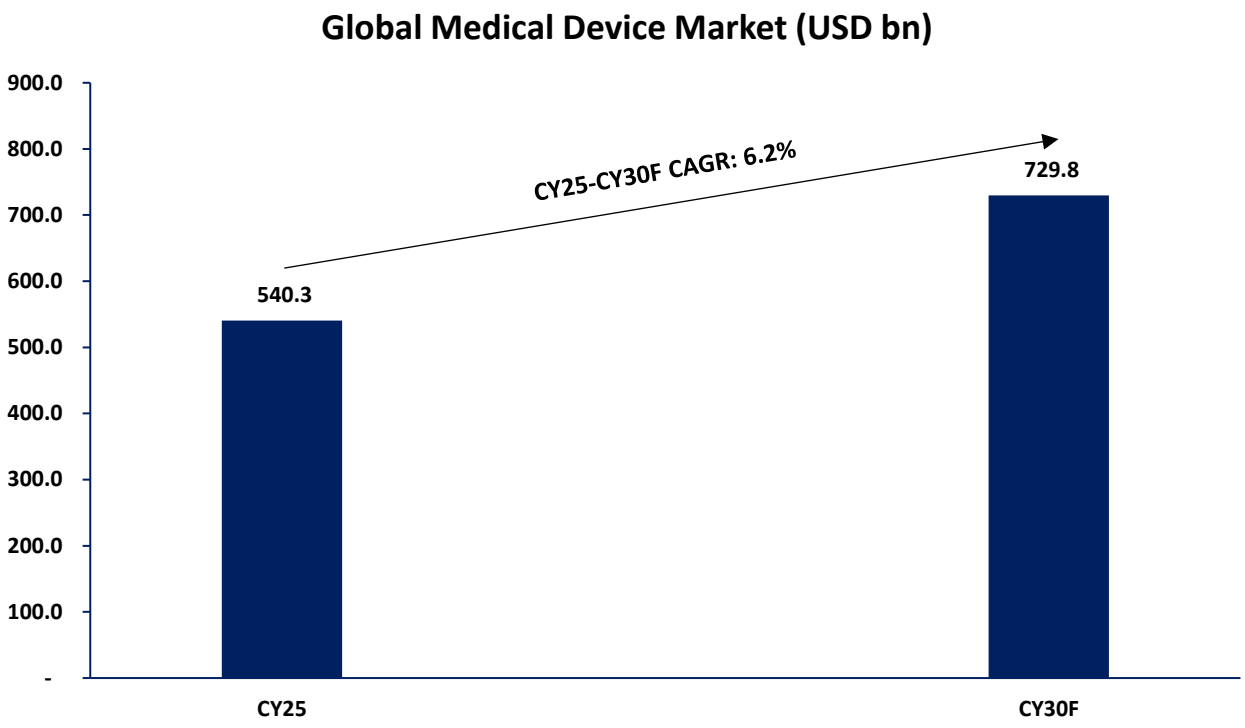
**1QFY27 figures are not annualized.*
Source: RHP, SBICAP Securities Research

Manufacturing Facilities

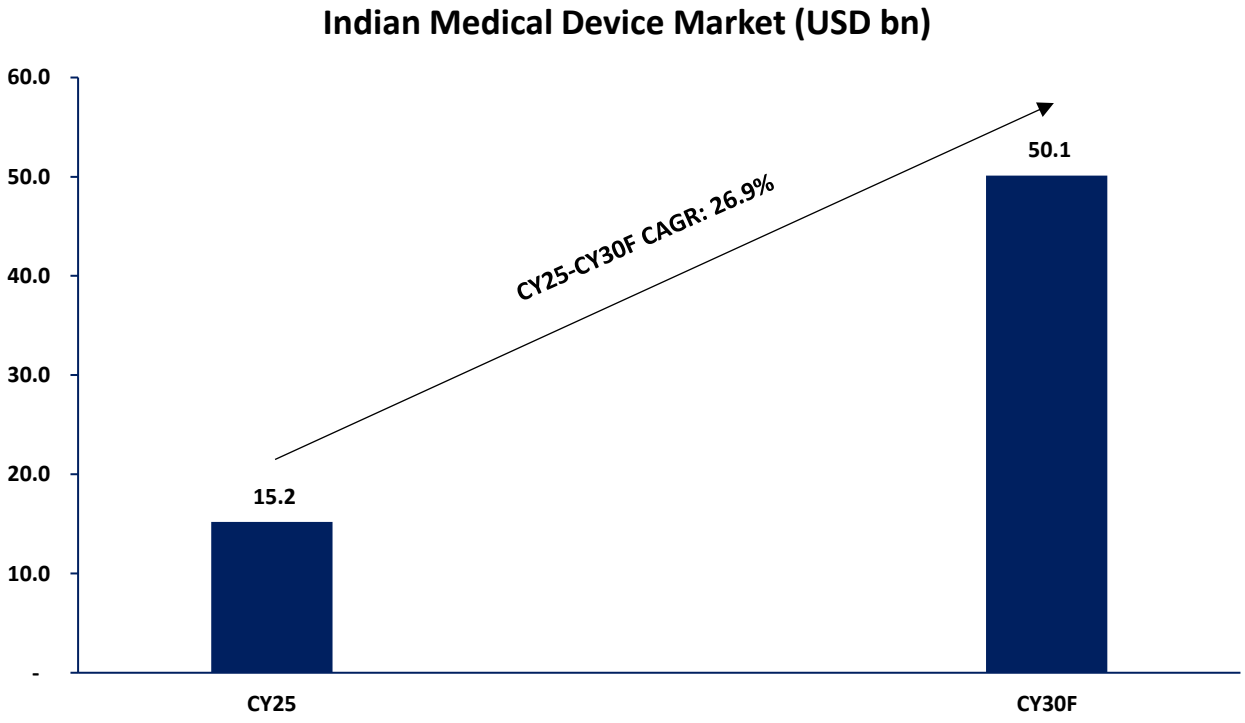
	Sachin SEZ, Surat, India	Hyderabad, India	Nonthaburi, Thailand
			
Area utilization %	~100%	~33%	~100%
Annual capacity | Capacity utilization %			
DES	780,000 | *80.48%*	120,000 | *64.26%*	-
Balloon	660,000 | *96.48%*	480,000 | *85.19%*	-
Drug coated PTCA balloon catheter	56,000 | *1.81%*	-	-
TAVI	-	6,000 | -	3,000 | *59.47%*
Occluder	-	12,000 | -	30,000 | *48.55%*

Source: RHP, SBICAP Securities Research

Industry Overview



Source: RHP, SBICAP Securities Research



Source: RHP, SBICAP Securities Research

Peer Comparison – FY26

Particulars (Rs cr)	Sahajanand Medical Technologies	Poly Medicure	Laxmi Dental
CMP (Rs)	344	1,602	196
Mkt Cap.	3,497	16,235	1,079
Enterprise Value	3,691	16,489	1,069
Revenue from Operations	1,211	1,875	278
EBITDA	171	446	44
EBITDA Margin (%)	14.1	23.8	15.8
Adj. PAT	65	265	34
Adj. PAT Margin (%)	5.4	14.1	12.1
RoE (%)	9.4	8.5	13.8
RoCE (%)	10.9	11.7	15.0
P/E (x)	53.6	61.3	32.2
EV/EBITDA (x)	21.6	37.0	24.3
EV/Sales (x)	3.0	8.8	3.8

For Sahajanand Medical Technologies Limited (SMTL), the P/E(x), EV/EBITDA (x), and EV/Sales (x) ratios are calculated on post-issue equity share capital based on the upper price band.

CMP for peer companies is live price as on 13th October, 2026

Source: RHP, Exchange Filings, SSL Research

Financial Snapshot

INCOME STATEMENT				
Particulars (Rs cr)	**FY24**	**FY25**	**FY26**	**1QFY27**
Revenue from Operations	**902**	**1,025**	**1,211**	**352**
YoY growth (%)	-	*13.7%*	*18.1%*	-
COGS (incl Stock Adj)	232	250	294	91
Gross Profit	**670**	**774**	**917**	**261**
Gross margin (%)	***74.3%***	***75.6%***	***75.7%***	***74.1%***
Employee Cost	254	292	352	97
Other Operating Expenses	306	354	394	115
EBITDA	**110**	**128**	**171**	**49**
EBITDA margins (%)	***12.2%***	***12.5%***	***14.1%***	***13.8%***
Other Income	7	11	8	3
Interest Exp.	19	21	24	7
Depreciation	65	63	74	20
PBT	**33**	**56**	**80**	**24**
Exceptional item	-	(15)	-	-
Tax	40	16	11	9
Minority Interest	5	5	4	1
PAT	**(13)**	**20**	**65**	**15**
PAT margin (%)	***(1.4%)***	***2.0%***	***5.4%***	***4.1%***
EPS (Rs)	**(1.3)**	**2.0**	**6.4**	**1.4**
Adj. PAT	**(13)**	**30**	**65**	**15**
Adj. PAT margin (%)	***(1.4%)***	***2.9%***	***5.4%***	***4.1%***
Adj. EPS	**(1.3)**	**2.9**	**6.4**	**1.4**

BALANCE SHEET				
Particulars (Rs cr)	**FY24**	**FY25**	**FY26**	**1QFY27**
Assets				
Net Block	179	181	239	236
Capital WIP	13	6	8	9
Right of use assets	28	30	36	33
Intangible Assets	44	31	18	14
Goodwill	46	47	50	49
Other Non current Assets	64	102	115	124
Current Assets				
Inventories	252	267	309	325
Current Investment	6	5	36	28
Trade receivables	215	263	286	307
Cash and Bank Balances	74	102	75	80
Short-term loans and advances	1	1	1	1
Other Current Assets	48	61	101	101
Total Current Assets	**596**	**699**	**809**	**842**
Current Liabilities & Provisions				
Trade payables	82	104	111	103
Other current liabilities	114	133	143	118
Short-term provisions	1	1	2	2
Total Current Liabilities	**198**	**238**	**255**	**222**
Net Current Assets	**399**	**460**	**554**	**620**
Total Assets	**773**	**857**	**1,022**	**1,087**
Liabilities				
Share Capital	10	10	10	10
Reserves and Surplus	530	556	686	700
Total Shareholders Funds	**540**	**566**	**695**	**709**
Minority Interest	26	25	7	7
Total Debt	175	225	270	321
Long Term Provisions	0	1	1	1
Lease Liabilities	25	29	36	33
Other Long Term Liabilities	3	10	10	13
Net Deferred Tax Liability	3	2	2	2
Total Liabilities	**773**	**857**	**1,022**	**1,087**

CASH FLOW STATEMENT				
Particulars (Rs cr)	FY24	FY25	FY26	1QFY27
Cash flow from Operating Activities	41	74	105	(22)
Cash flow from Investing Activities	(42)	(49)	(130)	(16)
Cash flow from Financing Activities	13	6	(12)	42
Free Cash Flow	2	26	17	(43)

RATIOS			
Particulars	FY24	FY25	FY26
Profitability			
Return on Capital Employed	7.3%	9.7%	10.9%
Return on Equity	-	5.2%	9.4%
Margin Analysis			
Gross Margin	74.3%	75.6%	75.7%
EBITDA Margin	12.2%	12.5%	14.1%
Net Profit Margin	(1.4%)	2.9%	5.4%
Short-Term Liquidity			
Current Ratio (x)	1.7	1.6	1.7
Quick Ratio (x)	1.0	1.0	1.1
Days Sales Outstanding	87	94	86
Days Inventory Outstanding	102	95	93
Days Payables	33	37	33
Fixed asset turnover (x)	4.4	4.9	4.4
Debt-service coverage (x)	0.3	0.3	0.4
Long-Term Solvency			
Total Debt / Equity (x)	0.3	0.4	0.4
Interest Coverage Ratio (x)	2.7	3.7	4.3
Valuation Ratios*			
EV/EBITDA (x)	32.7	28.3	21.6
P/E (x)	-	118.0	53.6
P/B (x)	6.5	6.2	5.0
EV/Sales (x)	4.0	3.5	3.0
Market Cap/Sales (x)	3.9	3.4	2.9

Valuation ratios are based on pre-issue capital at the upper price band

Source: RHP, SBICAP Securities Research

SBICAP Securities Limited
(CIN): U65999MH2005PLC155485
SEBI Registration No.: Stock Broker: INZ000200032 | DP Registration No.: IN-DP-314-2017
Research Analyst: INH000000602 | IRDA: CA0103 | PFRDA Registration No: POP 26092018

Registered & Corporate Office: Marathon Futurex, Unit No. 1201, B-Wing, 12th Floor, N M Joshi Marg,
Mafatlal Mill Compound, Lower Parel East, Mumbai 400013 .
For any information contact us: **(022) 6854 5555 | E-mail: helpdesk@sbicapsec.com I Web: www.sbisecurities.in**

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Name	Qualification	Designation
Fundamental Team		
Sunny Agrawal	B.E, MBA (Finance)	DVP - Fundamental Research
Rajesh Gupta	PGDBM (Finance), MA (Bus. Eco)	AVP - Fundamental Research
Monica Chauhan	C.A.	Research Analyst - Equity Fundamentals
Harsh Vasa	C.A.	Research Analyst - Equity Fundamentals
Sumeet Shah	B.E., CFA	Research Analyst - Equity Fundamentals
Shubham Purohit	BMS (Finance)	Research Associate - Equity Fundamentals
Vinit Mishra	B.Com	Research Associate - Equity Fundamentals
Avijit Sheet	MBA (Finance	Research Associate - Equity Fundamentals
Siddhesh Nanal	MSc (Finance)	Research Associate - Equity Fundamentals
Aldrin Viegas	BFM	Research Associate - Equity Fundamentals
Technical & Derivatives Team		
Sudeep Shah	MMS-Finance	VP- Technical & Derivative Research
Gautam Upadhyaya	MBA (Finance)	Research Analyst - Equity Derivatives
Vinayak Gangule	BE (IT)	Research Analyst - Equity Technicals
Aditya Bhamare	MBA (Finance)	Research Analyst - Equity Technicals
Ashwin Ramani	B.Com	Research Analyst- Equity Technicals
Sagar Peswani	B.Tech (ECE)	Research Associate - Equity Technicals
Kalpesh Mangade	B.Com	MIS Analyst - Retail Research

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Sudeep Shah
VP – Technical & Derivative Research

Sunny Agrawal
DVP – Fundamental Research