



IPO NOTE

BONFIGLIOLI TRANSMISSIONS LIMITED



Rating:

SUBSCRIBE



ISSUE OFFER

Issue Opens on	OCT 15, 2026
Issue Close on	OCT 19, 2026
Total IPO size (cr)	₹2,534 CR
Fresh issue (cr)	-
Offer For Sale (cr)	₹2,534 CR
Price Band (INR)	₹558-586
Market Lot	25 SHARES
Face Value (INR)	₹10
Listing At	BSE, NSE
Market Cap (Pre IPO)	₹11,016.56 CR

MINIMUM INVESTMENT DETAILS

Number of Shares	4,32,39,042
Minimum Investment Amount	₹14,949
Small-HNI (Min)/ 350 Shares	₹2,05,100
Big-HNI (Min)/ 1725 Shares	₹10,10,850

INDICATIVE TIMETABLE

Basis of Allotment	21-10-2026
Refunds/Unblocking ASBA Fund	22-10-2026
Credit of Share to Demat A/c	22-10-2026
Listing Date	23-10-2026

ISSUE BREAK-UP (%)

QIB Portion		50%
Retail Portion		35%
NII Portion		15%

Bonfiglioli Transmissions Ltd is one of India's leading technology-driven companies providing mechanical and electro-mechanical power transmission and industrial drive solutions.

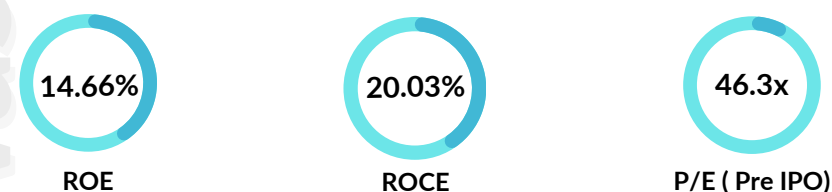
OBJECTS OF THE ISSUE

- The Bonfiglioli Transmissions Ltd. IPO is a 100% Offer for Sale (OFS), so the company will not receive any funding and the entire IPO proceeds will go to the selling shareholders.

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	Dec 25	Dec 24	Dec 23
Equity Share Capital	125.33	125.33	131.12
Net Worth	992.99	860.95	801.36
Revenue from operations	2013.52	1854.18	1687.33
EBITDA Margin%	18.41%	15.91%	14.45%
Net Profit/Loss of the year	237.87	195.16	148.49

FINANCIAL RATIOS OF FY26



OUTLOOK & VALUATION

- The valuation of 46.3x FY26 EPS leaves limited room for immediate, multi-fold expansion on day one, but it accurately reflects the company's market-leading position (~30%+ market share in gearboxes below 15 kNm), strong parentage, and clean balance sheet.
- EBITDA margins have expanded from 18.4% in FY25 to 19.8% in Q1 FY27, driven by higher localization of gear components and growing demand in high-margin wind turbine drives.
- The balance sheet maintains a low debt-to-equity ratio (~0.12x), allowing internal accruals to fund expansion without diluting return ratios.
- Strong financial metrics, market leadership in gearboxes, high return ratios, and direct exposure to India's industrial automation and renewable energy tailwinds make it a high-quality compounder for long-term industrial portfolios.



COMPANY PROFILE

- Manufactures low, medium and heavy-duty gear motors and gearboxes with torque capacities ranging from 13 Nm to 1,400 kNm. Its offerings include helical, bevel, planetary and worm gearboxes, electric motors, variable-frequency drives, servo motors and precision drives for robotics and automation.
- Operates across three segments – Industry and Automation Solutions, Off-Highway Mobility, and Wind Industry. Its industrial segment serves OEMs and end-users across a wide range of applications.
- Operates three manufacturing plants in India, with two in Tamil Nadu (Thirumudivakkam and Mannur) and one in Talegaon, Maharashtra. These facilities produced over 341,133 gear motors and gearboxes in FY25.
- As of June 30, 2026, the company had 285 suppliers, comprising 215 domestic and 70 international suppliers across countries including Italy, China, the US and Germany.



COMPETITIVE STRATEGIES

- Further strengthen market leadership position by capitalizing on industry tailwinds across Industry & Automation Solutions, Off- Highway Mobility Industry and Wind Industry
- Broaden product portfolio and accelerate new product launches
- Continue to strengthen manufacturing operations with increasing local sourcing
- Continue to strengthen market access and customer relationships while remaining cost effective



KEY CONCERNS

- High dependency on a limited number of suppliers for materials.
- Vulnerable to operational disruptions at manufacturing facilities.
- Heavily reliant on the corporate promoter for IP and technology.
- Revenue is concentrated among a few key OEM customers.
- Long co-engineering cycles risk commercial failure or delays.



KEY STRENGTHS

- Diverse gearbox and drive systems portfolio across multiple sectors.
- Strong global export footprint across the US, Europe, and China.
- Deep customer integration via co-engineered products.
- Three established manufacturing facilities in India.
- Strong backing and IP access from Bonfiglioli S.p.A.

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (₹ Basic)	P/E	NAV	Revenue (cr.)	RoNW%
Bonfiglioli Transmissions	12.65	46.3	52.82	2013.52	23.96
Peer Group					
Elecon Engineering Company Limited	15.20	31.63	102.65	2366.05	14.81
Shanthi Gears Limited	9.99	63.39	57.36	518.72	17.42
Schaeffler India Limited	73.60	53.74	386.94	9685.85	19.02
Timken India Limited	55.16	57.66	403.31	3478.02	13.68



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