ADROIT
WISDOM TO PROSPERITY

TENNECO

Tenneco Clean Air India Limited

11th November, 2025

IPO Details

IPO Date	November 12, 2025 to November 14, 2025
Face Value	₹10 per share
Price Band	₹378 to ₹397 per share
Lot Size	37 Shares
Sale Type	Offer For Sale
Total Issue Size	9,06,80,101 shares (aggregating up to ₹3,600.00 Cr)
Issue Type	Book building IPO
Listing At	BSE, NSE
Shareholding pre issue	40,36,04,309 shares
Shareholding post issue	40,36,04,309 shares
QIB Shares Offered	Not more than 50% of the Offer
Retail Shares Offered	Not less than 35% of the Offer
NII (HNI) Shares Offered	Not less than 15% of the Offer
Retail (Min & Max) shares	37 Shares & 481 shares
Retail (Min & Max) application amount	₹14,689 & ₹1,90,957
S-HNI (Min shares & application amount)	518 shares & ₹2,05,646
S-HNI (Max shares & application amount)	2,516 shares & ₹9,98,852
B-HNI (Min shares & application amount)	2,553 shares & ₹10,13,541
Basis of Allotment	Mon, Nov 17, 2025
Initiation of Refunds	Tue, Nov 18, 2025
Credit of Shares to Demat	Tue, Nov 18, 2025
Listing Date	Wed, Nov 19, 2025
Cut-off time for UPI mandate confirmation	5 PM on Fri, Nov 14, 2025
Promoters	Tenneco Mauritius Holdings Limited, Tenneco (Mauritius) Limited, Federal-Mogul Investments B.V., Federal-Mogul Pty Ltd and Tenneco LLC .
Registrar	MUFG Intime India Pvt.Ltd.

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link https://ipo.adroitfinancial.com/ for any kind of assistance please contact to their helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Company Profile

Tenneco Clean Air India Limited is part of the Tenneco Group, a U.S. headquartered key global Tier I automotive component supplier. The company's first manufacturing plant in India was established in 1979 at Parwanoo. They manufacture and supply critical, highly engineered and technology intensive clean air, powertrain and suspension solutions tailored for Indian OEMs and export markets. Their customer base spans across OEMs who use their products in: (i) passenger vehicles (PVs), (ii) commercial vehicles (CVs), which comprises commercial trucks (CTs) and off-highway vehicles (OHs), and (iii) industrial and other applications, which comprises generator sets, small commercial vehicles with gross vehicle weight of less than 3.5 tons, two wheelers and three wheelers (Industrial/Others). They also sell to the aftermarket primarily through Motocare India Private Limited (Motocare), a subsidiary of Tenneco LLC and their Group Company.

The company operates two business divisions, Clean Air & Powertrain Solutions and Advanced Ride Technologies:

(i) Clean Air Solutions, where the company designs, manufactures and sells exhaust after treatment systems; and Powertrain Solutions, where they design, manufacture and sell engine bearings, sealing systems and ignition products.

(ii) The Advanced Ride Technologies division designs, manufactures and sells shock absorbers, struts and advanced suspension systems under the Monroe brand to OEMs and the aftermarket.

Objects of the Issue

- Offer for sale – 3,600 crore

Financial Details

Particulars (Amount in Crores)	30-Jun-25	31-Mar-25	31-Mar-24	31-Mar-23
Revenue from Operations	1285.6	4890.4	5467.6	4827.3
Other income	30.8	41.0	69.7	59.6
Total Income	**1316.4**	**4931.4**	**5537.3**	**4886.9**
Expenses				
- Cost of Raw Material and components consumed	828.2	3181.3	3835.5	3396.8
- Changes in Inventories	-13.4	5.2	16.3	-10.0
- Purchases of Traded Goods sold	10.6	34.6	40.6	51.5
- Employee benefit expenses	83.0	297.9	252.6	248.5
- Other expenses	148.3	556.1	710.3	569.7
Total expenses	**1089.1**	**4198.5**	**4984.1**	**4378.9**
EBITDA	**228.9**	**815.3**	**612.3**	**570.8**
EBITDA Margin (%)	**17.80%**	**16.67%**	**11.20%**	**11.82%**
- Finance cost	7.1	20.3	25.2	21.6
- Depreciation and amortization	25.3	103.1	103.6	100.9
Profit/(Loss) before tax	**227.3**	**732.9**	**553.3**	**507.9**
Tax expense/(credit)	59.1	179.6	136.3	126.7
Profit/(Loss) After Tax	**168.2**	**553.3**	**417.0**	**381.2**
PAT Margin (%)		**11.22%**	**7.53%**	**7.80%**
Basic EPS (in Rs.)	**4.16**	**13.68**	**8.9**	**7.58**

Key Metrics	30-Jun-25	31-Mar-25	31-Mar-24	31-Mar-23
Debt-to-Equity	-0.22	-0.17	-0.17	0.31
EBITDA Margin (%)	17.8	16.67	11.2	11.82
Return on Equity (%)	10.44	42.65	38.05	32.88

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Competitive Strengths

- **Global Leader in Clean Air, Powertrain, and Suspension Technologies** – The company supplies critical, highly engineered and technology intensive clean air, powertrain and suspension solutions tailored for Indian OEMs and export markets, with leading market shares across several automotive industry sub-segments in terms of revenue by vehicle segment for Fiscal 2025. In FY 2025, they led the Indian Clean Air Solutions market with 57% share in CT, 68% in OH (ex-tractors), and 19% in PV segments.

- **Strategically Diversified Portfolio Poised to Capture Emerging Market Trends** – The company offers a diversified range of customized and proprietary products and solutions for each industry sub-segment including exhaust after treatment systems such as catalytic converters, mufflers and exhaust pipes, engine bearings, sealing systems, spark plugs, shock absorbers and struts and advanced suspension systems. In addition to supplying OEMs, they generate revenue from the aftermarket and exports, traditionally counter-cyclic revenue streams.

- **Innovating with Tenneco's Global Expertise** – The company is committed to innovation, supported by their R&D capabilities and the ability to leverage Tenneco Group's global R&D initiatives and product portfolio. As of June 30, 2025, Tenneco Group is the owner of more than 5,000 active patents and patent applications worldwide and more than 7,500 active trademarks worldwide. Their R&D initiatives, driven by their technical team often in close collaboration with their customers, develop innovative, cost-effective and customized systems and solutions

- **Automated and Efficient Manufacturing Network** – The company has 12 manufacturing facilities across seven states and one union territory in India, comprising seven Clean Air & Powertrain Solutions facilities and five Advanced Ride Technology facilities, as of June 30, 2025. Their facilities are strategically located in key automotive OEM hubs in India such as Maharashtra, Tamil Nadu, National Capital Region (NCR) and Gujarat. This geographic diversity allows them to serve major automotive markets across India while optimizing freight and logistics cost, providing their clients with timely and reliable access to their products.

Key Risk Factors

- **Dependence on Tenneco Group for Key Operations –** The company depends on entities in the Tenneco Group for their operations, such as the license to use Tenneco Group's brands and patented designs, technical know-how, purchase of certain parts and materials, and R&D. Any adverse change in their relationship, including the termination of their License Agreement, could have an adverse impact on the business, reputation, financial condition, and results of operations.

- **Revenue Concentration in PV and CV Segments –** The company derives a significant portion of their revenue from operations from the design, manufacture and sale of components and solutions to Indian OEMs of PVs and CVs, which comprise commercial trucks (CTs) and off-highway vehicles (OHs) and are therefore heavily dependent on the performance of the PV and CV sectors in India. Any adverse changes in these sectors in India could adversely impact the business, results of operations and financial condition.

- **High Customer Concentration –** The company is dependent on their top ten customers. The top ten customers (based on Fiscal 2025) contributed 80.57%, 82.32%, 81.54%, 83.92% and 77.79% of the company's revenue from operations in the three months ended June 30, 2025 and 2024 and Fiscals 2025, 2024 and 2023, respectively. As of June 30, 2025, the top ten customers had been with them for an average of 19.2 years. While they did not lose any of the top 10 customers in the three months ended June 30, 2025 and Fiscals 2025, 2024 and 2023, losing a top 10 customer could have a material adverse effect on the results of operations, financial condition and cash flow

- **Dependence on Motocare and Related-Party Transactions –** The company is dependent on Motocare India Private Limited ("Motocare"), an indirect subsidiary of Tenneco LLC and one of their Group Companies for sales to the aftermarket. They also enter into other related party transactions with entities in the Tenneco Group in the ordinary course and may continue to do so in the future. They cannot assure you that they could not have achieved more favorable terms had such transactions not been entered into with related parties, which may adversely affect their business and results of operations.

Comparison with Listed Peers

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW (%)	NAV (per Share)
Tenneco Clean Air India Limited	NA	10.00	29.02*	13.68**	13.68**	46.65%	31.10
Peers:							
Bosch Limited	37,091	10.00	54.29	683.25	683.25	15.58%	4,682.16
Timken India Limited	3,027	10.00	50.89	59.48	59.48	17.00%	378.21
SKF India Limited	2,070	10.00	18.08	114.5	114.5	21.43%	525.50
ZF Commercial Vehicle Control System India Ltd.	12,598	5.00	51.86	242.9	242.9	15.35%	1,694.75
Sharda Motor Industries Limited	1,120	2.00	10.21	109.71	109.71	30.46%	184.97
Gabriel India Limited	1,259	1.00	73.84	17.05	17.05	22.42%	82.38
Uno Minda Limited	1,328	2.00	80.88	16.42	16.37	18.36%	95.99
Sona BLW Precision Forgings Limited	483	10.00	48.69	9.92	9.92	14.76%	88.38

*P/E calculated based on upper band price.
**EPS calculated including fresh issue shares.

Summary

The Indian auto component industry recorded a turnover of Rs. 6.73 lakh crore in FY25, registering a CAGR of 14% between FY20 and FY25. The sector is projected to achieve exports worth Rs. 8.54 lakh crore by 2030, underscoring its global competitiveness. In FY25, exports stood at Rs. 1.95 lakh crore. The key export items included drive transmission and steering, engine components, body and chassis parts, suspension systems, and braking components.

Tenneco Clean Air India Limited is a subsidiary of Tenneco Inc., a global leader in designing and manufacturing clean air and powertrain products for automotive applications. The company operates within the Clean Air division, focusing on emission control technologies for both light and commercial vehicles. In India, Tenneco Clean Air provides advanced exhaust and after-treatment systems, helping vehicle manufacturers meet increasingly stringent emission norms such as Bharat Stage VI. Its product portfolio includes catalytic converters, diesel particulate filters (DPFs), mufflers, and exhaust pipes. As of March 31, 2025, the company have 12 manufacturing facilities, comprising seven Clean Air & Powertrain Solutions facilities and five Advanced Ride Technology facilities, across seven states and one union territory in India.

The company’s significant portion of revenue is derived from the sale of PV OEMs, CV OEMs, and others, contributing 59.45%, 20.17%, and 20.38%, respectively. Similarly, Clean Air and Powertrain Solutions and Advanced Ride Technologies contributed 52.55% and 47.45% in Fiscal 2025. The company’s growth will be driven by the expansion of the automotive industry, which is expected to grow at 6–7% annually, along with higher content per vehicle supported by stricter legislation and premiumization trends. Growth will also be aided by export expansion into European markets as Indian technology achieves global competitiveness, and by cross-selling across regions, which will enhance market penetration and strengthen customer relationships.

Therefore, it is recommended to **“Subscribe”** to the IPO for long-term investment, considering its growth potential.

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