BONFIGLIOLI TRANSMISSIONS LTD.

IPO — NOTE

Bonfiglioli Transmissions is one of India's largest technology-led mechanical and electro-mechanical power transmissions and industrial drive solutions providers by revenue for the six months period ended June 30, 2026. Its Corporate Promoter, Bonfiglioli S.p.A. is headquartered in Italy, and is one of the largest technologically advanced players globally in the mechanical and electro-mechanical power transmissions and industrial drive solutions industry with consolidated revenues of Euro 1,172.94 million (Rs.115.56 billion) for the year ended December 31, 2025.

SYMBOL	BONFIG
INDUSTRY	CAPITAL GOODS
ISSUE SIZE	Rs.2534 Crs.
PRICE BAND	Rs.558 — 586
LOT SIZE (Nos.)	25
FACE VALUE	Rs. 10.00
MARKET CAP	Rs. 11016.56 Crs
RATING	SUBSCRIBE

TENTATIVE DATES	
ISSUE OPEN	15th OCT 2026
ISSUE CLOSE	19th OCT 2026
ALLOTMENT	21st OCT 2026
INITIATION OF REFUNDS	22nd OCT 2026
CREDIT OF SHARES	22nd OCT 2026
LISTING	23rd OCT 2026

Overview :

- It manufactures a wide range of mission-critical and highly precision engineered gear motors, gearboxes and drive systems used across diverse end-user markets.
- Its legacy and reputation lie in the Bonfiglioli brand, which has a worldwide presence of nearly 70 years and which it has established in India through more than 25 years of operations.
- The markets it caters to are broadly categorized into 3 business verticals: Industry & Automation Solutions, Off-Highway Mobility & Wind Industries, based on the end-use applications.
- Its offerings for Industry & Automation customers include a wide range of gearboxes (including helical, bevel and worm gear motors and gearboxes), electric motors, servo motors and drives, variable frequency drives & precision drives for robotics & automation solutions.
- It is the largest manufacturer in India of gearboxes (gear motors below 15 kNm) and drives catering to OEMs and end-users in the Industry & Automation, Off-Highway Mobility and Wind Industries in India as of June 30, 2026, in terms of revenue from operations.
- As of December 31, 2025, it has manufactured and supplied more than 11,800 SKUs and were the only major gearbox suppliers with a comprehensive portfolio serving Industry & Automation, Off-Highway Mobility and Wind end-markets.
- It is also among the leading manufacturers of planetary gearboxes in India in the year ended December 31, 2025 by revenue.
- Its customer base comprises OEMs that it directly supplies products to under its Industry & Automation vertical, and OEMs that it co-engineer with under its Off-Highway Mobility Industry and Wind Industry verticals.
- It caters to a wide range of industries under its Industry & Automation vertical with no single industry contributing more than 10% of its revenue under the Industry & Automation vertical in the six months periods ended June 30, 2026.
- The Industry & Automation vertical benefits from its strong and loyal dealer network which, as of June 30, 2026 comprised of 44 dealers of which 16 dealers has been engaged with it for 20 years or more.
- Furthermore, of the 44 dealers it is engaged with, 36 dealers engaged with it on an exclusive basis as of June 30, 2026.
- It is an integral part of its customer's product development cycles under the Off-Highway Mobility and Wind Industries, working closely with them from design stage to create customized, technology intensive products to meet their bespoke end-use specifications.
- In the six months period ended June 30, 2026, it served more than 930 customers directly and had been engaged by seven out of its top 10 OEM customers (in terms of revenue from operations in Fiscal 2025) for more than 10 years, demonstrating the lasting value and reliability of its service commitment.
- It also had a diverse range of customers with its top 10 OEM customers representing less than 31.72% of its revenue from operations in the six months periods ended June 30, 2026.

- It approaches customers directly through its pan-India sales network that comprised 13 sales offices and 64 sales employees as of June 30, 2026.
- As of June 30, 2026, it operated three facilities in India, two of which were in Tamil Nadu (at Thirumudivakkam and Mannur) and one was in Maharashtra (in Talegaon), that manufactured a combined total of 341,133 units of gear motors and gearboxes in Fiscal 2025.
- As of June 30, 2026, it has 215 suppliers in India and 70 suppliers outside India. In the six months periods ended June 30, 2026 purchases of raw materials and components from the domestic market represented 68.32% of its total purchase of raw material and components, respectively, demonstrating its commitment to sourcing from India.
- It sources from a diverse network of suppliers, with no single supplier providing more than 20.00% of its purchases in the six months periods ended June 30, 2026 and June 30, 2025 and Fiscals 2025, 2024 and 2023.
- It also provides after-sales services to its customers through two dedicated channels: (a) team of in-house service engineers stationed at its 13 sales offices across India that aggregated to 15 engineers as of June 30, 2026; and (b) a broad base of 13 third-party authorised service facilities that had an aggregate of 24 service engineers as of June 30, 2026.
- Its 25 years of operating experience in India, global R&D, manufacturing capabilities, and customer relationships, has enabled it to deliver growth over the years in terms of its profitability, return on equity and return on capital employed.
- Its customers include well-known OEMs such as ElectroMech Material Handling Systems (India) Pvt Ltd, GMM Pfaudler Ltd, Milltec Machinery Pvt Ltd, Terex India Pvt Ltd, Uzzala Bio Energy Solutions and Ammann India Private Limited under its Industry & Automation vertical; Action Construction Equipment, Ajax Engineering Limited, CNH Industrial (India) Pvt Ltd, Hyundai Construction Equipment India Pvt Ltd, JCB India Limited, Schwing Stetter (India) Private Limited and Wirtgen India Pvt Ltd under its Off-Highway Mobility Industry vertical; and Nordex India Private Limited, Senvion Wind Technology Pvt Ltd and Suzlon Energy Limited under its Wind Industry vertical. *(Source — RHP)*

STRENGTHS

- End-to-end technology-led power transmissions and industrial drive solutions provider across business verticals.
- Highly diversified offerings across business verticals and customer industries.
- Established parentage and trusted brand backed by global and local R&D capabilities.
- Deep relationships with marquee customers built through decades of collaboration, a strong sales team and dealer network and after-sales service support.
- State-of-the-art manufacturing infrastructure with embedded industry 4.0 principles supported by an efficient and localized supply chain network.
- Stable and experienced management team delivering strong financial performance. *(Source — RHP)*

OBJECTS OF THE OFFER

- **The Offer for Sale** - Company will not receive any proceeds from the Offer for Sale of shares of Rs. 2534 crores. The Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale.

(Source — RHP)

RISKS

- It depends on a limited number of suppliers for procurement of raw materials and components required for its manufacturing operations.
- Any increase in the prices of raw materials and components required for its operations or levy of duties on the materials it imports for its operations, could adversely affect its business.
- Any unscheduled, unplanned or prolonged disruption of operations at its manufacturing facilities could materially and adversely affect its business.
- It depends on BSPA, one of its Corporate Promoters, for certain aspects of its operations, including the license to manufacture and sell products under its intellectual property including the “Bonfiglioli” trade name and trademark for which it pay a consideration of 6% of its annual sales of the specified products.
- Failure to successfully commercialise co-engineered products could adversely affect its business.

PEER COMPARISON

	Face Value (Rs.)	CMP In Rs. (14-10-2026)	TTM EPS (Rs.)	BV per share (Rs.)	TTM P/E (X)	P/BV (X)	M. Cap / Sales
Elecon Engineering	1.00	486.90	13.47	102.76	36.1	4.7	4.6
Shanthi Gears	1.00	554.10	8.78	57.36	63.1	9.7	8.5
Schaeffler India	2.00	3654.10	82.76	400.28	44.2	9.1	5.6
Timken India	10.00	2888.60	56.65	387.84	51.0	7.4	8.4
Bonfiglioli Transmission**	**10.00**	**586.00**	**14.44**	**55.02**	**40.6**	**10.7**	**9.7**

*(**On upper price band and TTM EPS)*

PROFIT & LOSS A/C (In Rs. Crore)

At the upper band of offer price of Rs 586, the issue has been priced at P/BV of 10.7 times and P/E of 40.6 times on enhanced equity and TTM EPS compared to average industry P/BV of 7.7 times and P/E of 48.6 times.

Investors - **SUBSCRIBE to BONFIGLIOLI TRANSMISSIONS LTD - IPO** considering largest manufacturer in India of gearboxes, leading market share, highly diversified offerings, established and strong parentage, deep relationships with marquee customers and strong financial performance.

PROFIT & LOSS A/C (In Rs. Crore)

PARTICULARS	FY 2024	FY 2025	FY 2026	3M JUNE FY 2026	3M JUNE FY 2027
Income					
Revenue from operations	1687.33	1854.18	2013.53	960.36	1131.87
Other income	14.47	6.97	10.06	6.14	7.30
Total Income	1701.80	1861.16	2023.59	966.50	1139.17
Expenses					
Cost of raw materials & components consumed	1110.49	1185.43	1196.72	597.74	754.18
Changes in inventories	-26.89	-6.41	54.25	3.44	-63.30
Employee benefits expense	89.67	98.22	106.27	49.23	58.96
Finance costs	13.09	10.42	7.78	3.66	4.07
Depreciation and amortisation expense	37.10	46.63	47.82	23.40	27.19
Other expenses	270.16	281.87	285.52	133.52	158.16
Total expenses	1493.63	1616.16	1698.36	810.99	939.25
Restated Profit before tax	208.17	245.00	325.23	155.51	199.91
Tax expense:					
Current tax	56.09	57.71	81.88	45.21	50.93
Tax pertaining to earlier years	7.35	-5.86	6.12	2.83	0.02
Deferred tax	-1.93	1.55	-0.64	-7.50	0.39
Total tax expense	61.51	53.40	87.36	40.54	51.33
Profit after tax from continuing operations	146.67	191.60	237.87	114.97	148.58

BALANCE SHEET (In Rs. Crore)

PARTICULARS	FY 2024	FY 2025	FY 2026	3M JUNE FY 2026	3M JUNE FY 2027
Assets					
Property, plant and equipment	256.15	263.98	269.15	259.01	269.89
Capital work-in-progress	20.26	13.73	12.35	11.79	13.57
Intangible assets	40.54	35.67	31.15	34.39	28.95
Loans	0	9.24	6.93	9.24	6.93
Other non-current assets	32.85	29.67	29.56	36.51	36.58
Total non-current assets	349.79	352.29	349.14	350.94	355.92
Inventories	332.28	321.42	319.21	340.20	377.61
Trade receivables	410.14	406.19	517.74	440.95	532.51
Cash and cash equivalents	90.53	144.67	153.18	25.08	140.17
Bank balances	170.01	0.09	10.02	163.83	0
Loans	0	12.61	5.00	5.94	6.09
Other current assets	61.96	61.80	85.18	61.00	83.53
Total current assets	1,064.93	946.79	1,090.32	1,037.00	1,139.90
Total assets	1,414.72	1,299.08	1,439.46	1,387.94	1,495.82
Equity and liabilities					
Equity share capital	131.12	125.33	125.33	125.33	188.00
Other equity	670.24	735.62	867.66	750.12	846.27
Total equity	801.36	860.95	992.99	875.45	1,034.27
Lease liabilities	6.01	2.81	0.39	0.73	0.32
Other non-current liabilities	12.79	10.82	14.34	10.84	14.04
Total non-current liabilities	18.80	13.63	14.73	11.58	14.36
Contract liabilities	3.13	5.04	5.64	5.30	8.35
Borrowings	110.79	0	0	0	0
Lease liabilities	3.66	3.75	2.42	4.01	0.47
Trade payables	382.03	308.55	330.21	325.74	371.21
Other current liabilities	94.95	107.16	93.46	165.87	67.18
Total current liabilities	594.55	424.50	431.74	500.92	447.20
Total liabilities	613.35	438.13	446.47	512.49	461.56
Total equity and liabilities	1,414.72	1,299.08	1,439.46	1,387.94	1,495.82

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