

Rating: Subscribe

Issue Offer

Total issue size:

OFS – INR 25,338 Mn (43.24 Mn Shares)

Issue Summary`

Price Band (INR)	558-586
Face Value (INR)	10
Implied Market Cap (INR Mn)	11,0165
Market Lot	25
Issue Opens on	15 th October 2026
Issue Close on	19 th October 2026
No. of share pre-issue	18,79,95,834
No. of share post issue	18,79,95,834
Listing	NSE, BSE

Issue Break-up (% of Total Issue)

QIB Portion	50
Retail Portion	35
NII Portion	15

Book Running Lead Managers

Axis Capital Limited
BNP Paribas
ICICI Securities Limited
Jefferies India Private Limited

Registrar

MUFG Intime India Private Limited

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	100%	77%
Public & Others	0%	23%

Bonfiglioli Transmissions Ltd. manufactures gearboxes, gear motors and power transmission solutions for industrial automation, off-highway mobility and wind-energy applications. Backed by the global Bonfiglioli group, the company benefits from established engineering expertise, product development capabilities and a diversified customer base. Its specialised solutions cater to industrial machinery, construction and mining equipment, and renewable-energy applications, positioning it to benefit from increasing mechanisation and demand for efficient power transmission systems.

Investment Rationale:

Established Market Position: The company operates across industrial and automation, off-highway mobility and wind-energy segments, allowing it to cater to multiple end-user industries. Its specialised power transmission solutions and established customer relationships provide a platform to participate in industrial automation and equipment demand.

Diversified Product Portfolio: Bonfiglioli offers gear motors, gearboxes and drive systems for applications across industrial machinery, construction and mining equipment, and wind-energy systems. This diversified portfolio reduces dependence on a single application segment and enables the company to serve varied customer requirements.

Global Technology and Engineering Capabilities: Its association with the international Bonfiglioli group provides access to established engineering expertise, product platforms and technical capabilities. These strengths support product development, application-specific solutions and the company's ability to serve customers with specialised performance requirements.

Growth Opportunities Across End Markets: Demand for industrial automation, mechanisation and equipment modernisation presents opportunities for specialised drive solutions. The company is positioned to participate in these trends through its industrial and mobility product offerings, alongside potential opportunities in renewable-energy applications.

Valuation & Outlook: At the upper price band of INR 586 per share, the company commands an implied market capitalisation of approximately INR 110,160 Mn. In H1 FY27, revenue stood at INR 11,319 Mn, while PAT reached INR 1,486 Mn, reflecting healthy operating performance. However, the IPO is entirely an offer for sale, with proceeds accruing to the selling shareholder rather than the company. While its diversified product portfolio, engineering capabilities and exposure to industrial growth provide a favourable business outlook, investors should monitor earnings sustainability and valuation relative to listed peers. **Hence, we recommend a 'SUBSCRIBE' rating.**

Particulars (INR Mn)	FY24	FY25	H2FY25	H2Cy26
Revenue	18541.83	20135.26	9603.55	11318.69
<i>Growth (% YoY)</i>		<i>8.59%</i>	<i>-48.21%</i>	<i>-43.79%</i>
EBITDA	2950.74	3707.7	1764.28	2238.74
<i>Margins</i>	<i>15.91%</i>	<i>18.41%</i>	<i>18.37%</i>	<i>19.78%</i>
PAT	1915.98	2378.74	1149.69	1485.81
<i>Margins</i>	<i>10.33%</i>	<i>11.81%</i>	<i>11.97%</i>	<i>13.13%</i>

Abhishek Jain
abhishek.jain@arihantcapital.com
022-67114871

Arihant Research DeskEmail: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park Building No. 10, 1 st Floor Andheri Ghatkopar Link Road Chakala, Andheri (E) Mumbai – 400093 Tel: (91-22) 42254800 Fax: (91-22) 42254880	Arihant House E-5 Ratlam Kothi Indore - 452003, (M.P.) Tel: (91-731) 3016100 Fax: (91-731) 3016199

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	SMS: 'Arihant' to 56677	www.arihantcapital.com	instresearch@arihantcapital.com

Arihant Capital Markets Ltd.
1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800 Fax. 022-42254880

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Arihant Capital Markets Ltd.

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800

Abhishek Jain
Head of Research
Abhishek.jain@arihantcapital.com

Abhishek
Chhajed Jain

Digitally signed by
Abhishek Chhajed Jain
Date: 2026.10.14
18:30:24 +05'30'