

Bonfiglioli Transmissions Ltd.

Nifty: 22,623 | Sensex: 72,782

IPO Note | 15th October 2026

Sector: Capital Goods

Price Range: ₹558 - ₹586

India's Market Leader in Industrial Drives...

Bonfiglioli Transmissions Ltd (BTL) is one of India's largest technology-led mechanical and electro-mechanical power transmission and industrial drive solutions providers. It manufactures mission-critical, precision-engineered gear motors, gearboxes and drive systems across three verticals: Industry & Automation Solutions (41.0% of CY25 revenue), Wind Industry (31.5%) and Off-Highway Mobility (25.2%). Its diversified portfolio of gearboxes, motors, and drive technologies supports reliable and efficient operation of industrial machinery and equipment across domestic and international markets.

- The global industrial gear motors market is projected to grow from USD 5.6bn in CY25 to USD 7.6bn by CY31, registering a CAGR of ~5.5%, led by strong demand for planetary gear motors from robotics, EV components, and renewable energy sectors. In India, demand is driven by manufacturing growth, localization initiatives, and the increasing adoption of energy-efficient solutions.
- BTL holds leading market share across all three verticals – 25.0% in Industry & Automation, 32.0% in Off-Highway Mobility and 67.9% in the Wind Industry – and is the largest manufacturer in India of gearboxes (gear motors below 15 kNm) and drives as of June 30, 2026.
- The company benefits from its parent, Bonfiglioli S.p.A., a nearly 70-year-old Italian group and has a presence across 80 countries. It serves leading customers such as JCB India, CNH Industrial, Hyundai Construction Equipment, Schwing Stetter, Suzlon Energy, and Nordex India.
- During CY23-CY25, BTL's revenue grew from ₹1,687.3cr to ₹2,013.5cr, a CAGR of 9.2%, while adjusted PAT rose from ₹146.7cr to ₹237.9cr, a CAGR of 27.4%, supported by rising demand from industrial automation, construction equipment, and wind energy sectors.
- Profitability improved steadily, with EBITDA margin expanding from 14.5% in CY23 to 18.4% in CY25 and 19.8% in H1CY26. ROE stood at 24.0% and ROCE at 32.4% in CY25, on a near debt-free balance sheet.
- At the upper price band of ₹586, BTL is valued at a CY26E P/E of 37.1x (annualised), which appears reasonable compared to its peers. Backed by market leadership across all three verticals, global parentage, expanding margins and a debt-free balance sheet, we recommend a 'Subscribe' rating with a long-term view.

Issue Details	
Date of opening	October 15, 2026
Date of closing	October 19, 2026
Total No. of shares offered (cr.)	4.32
Post Issue No. of shares (cr)	18.8
Face Value	₹10
Bid Lot	25 Shares
Minimum application for retail (upper price band for 1 lot)	₹14,650
Maximum application for retail (upper price band for 13 lot)	₹1,90,450
Listing	BSE,NSE

Lead Managers
Axis Capital, BNP Paribas, ICICI Securities, Jefferies India

Registrar
MUFG Intime India Pvt. Ltd.

Issue size (upper price)	Rs.cr
Fresh Issue	-
OFS	2,533.66
Total Issue	2,533.66

Shareholding (%)	Pre-Issue	Post Issue
Promoter & Promo. Group.	100.0	77.0
Public & others	-	23.0
Total	100.0	100.0

Issue structure	Allocation (%)	Size Rs.cr
QIB	50	1,265.38
Non-Institutional	15	379.61
Retail	35	885.77
Emp Reservation	-	2.90
Total	100	2,533.66

Y.E December (Rs cr) Consol.	CY24	CY25	H1CY26
Sales	1,854.2	2,013.5	1,131.9
Growth YoY(%)	10	9	17.9
EBITDA	295.1	370.8	223.9
Margin(%)	15.9	18.4	19.8
PAT Adj.	191.6	237.9	148.6
Growth (%)	31	24	25
EPS	10.2	12.7	7.9
P/E (x)	57.5	46.3	37.1**
EV/EBITDA (x)	36.9	29.3	24.3
P/Bv(x)	12.8	11.1	10.7

Annualised**

Purpose of IPO

The IPO is a pure offer for sale of up to ₹4.32cr equity shares aggregating ₹2,533.8cr by promoter Bonfiglioli S.p.A. The company will not receive any proceeds; the entire amount, net of expenses and taxes, accrues to the selling shareholder. The objects are to achieve listing benefits and carry out the OFS.

Key Risks

- Exposure to raw material price fluctuations and foreign exchange movements.
- Customer and supplier concentration across OEMs and key components.

Peer Valuation

Company	CMP(Rs.)	MCap(Rs.cr)	Sales (Rs.cr)	EBITDA(%)	PAT (%)	EPS(Rs.)	RoE (%)	P/E(x)	P/BV	Mcap/sales	D/E (x)	EV/EBITDA
Bonfiglioli Transmissions	586	11,017	2,013.5	18.4	11.8	12.7	25.7	46.3	11.1	5.5	0.0	29.3
Elecon Engineering Co Ltd.*	481	9,267	2,366.1	22.4	14.6	14.2	14.8	29.1	4.7	3.9	0.1	14.6
Shanthi Gears Ltd.*	633	4,239	518.7	20.3	14.9	10.0	17.4	55.2	11.0	8.2	0	30.5
Schaeffler India Ltd.	3,956	57,174	9,685.9	18.2	11.9	73.6	19.0	53.7	10.2	5.9	0	33.3
Timken India Ltd.*	3,181	21,919	3,478.0	18.2	11.9	55.2	13.7	52.8	7.9	6.3	0	37.9

Source: Geojit Research, RHP; Valuations of BTL are based on the upper end of the price band (post issue), financials as per CY25 consolidated and *based on FY26 data



Business Description:

Bonfiglioli Transmissions Limited (BTL), incorporated in 1998, is the Indian subsidiary of Italy-based Bonfiglioli S.p.A. and ranks among India's largest technology-driven providers of mechanical and electro-mechanical power transmission and industrial drive solutions by revenue for the six months ended June 30, 2026. The company manufactures mission-critical, precision-engineered gear motors, gearboxes, and drive systems across three key business verticals: Industry & Automation Solutions (41.0% of CY25 revenue), Wind Industry (31.5%), and Off-Highway Mobility Industry (25.2%). According to the F&S Report, BTL is the leading manufacturer in India of gearboxes (gear motors below 15 kNm) and drives serving OEMs and end-users across these segments as of June 30, 2026. It also ranked among the leading manufacturers of planetary gearboxes in India during CY25. The company commands a strong market position, with an estimated market share of 25.0% in Industry & Automation, 32.0% in Off-Highway Mobility, and a dominant 67.9% in the Wind Industry. With over 25 years of operations in India, BTL benefits from the technological expertise and global legacy of the Bonfiglioli Group, which has nearly 70 years of operating history, a presence across 80 countries, 18 manufacturing facilities, and seven R&D centres worldwide. The group reported consolidated revenue of Euro 1,172.9 million in CY25. As of June 30, 2026, BTL operated three manufacturing facilities located in Thirumudivakkam and Mannur (Tamil Nadu) and Talegaon (Maharashtra). These facilities had a combined annual manufacturing capacity of 1.21 million hours in Fiscal 2025, supporting the company's ability to serve a diversified customer base across key industrial sectors.

Key Products & Services

- **Industry & Automation Solutions:** Low, medium and heavy duty gear motors and gearboxes in torque capacities from 13 Nm to 1,400 kNm, including helical, bevel, planetary and worm gearboxes and gear motors, electric motors, variable frequency drives, servo motors and drives, and precision drives for robotics and automation. End-user industries include material handling, chemicals and pharmaceuticals, mining, food, beverage and tobacco, metal processing and machine tools, construction, textiles and leather, and rubber and plastics.
- **Off-Highway Mobility Industry:** Swing and track drives, drum and skip/mixer drives, wheel and auger/conveyor drives, and cutter and hoist drives, supplied to earthmoving and excavator, concrete, mining, road construction, agricultural and material handling equipment manufacturers.
- **Wind Industry:** Yaw and pitch drives for wind turbine manufacturers, where BTL holds a leading 67.9% market share in India. Key customers include Nordex India, Servion Wind Technology and Suzlon Energy.

The following table sets forth the revenue from operations by vertical in the period/years indicated:

Vertical	Six months period ended June 30, 2026		Six months period ended June 30, 2025		Year ended December 31, 2025		Year ended December 31, 2024		Year ended December 31, 2023	
	Amount (₹ million)	Percentage of total revenue from operations (%)	Amount (₹ million)	Percentage of total revenue from operations (%)	Amount (₹ million)	Percentage of total revenue from operations (%)	Amount (₹ million)	Percentage of total revenue from operations (%)	Amount (₹ million)	Percentage of total revenue from operations (%)
Industry & Automation Solutions	4,813.28	42.53%	3,902.36	40.63%	8,244.39	40.95%	7,648.89	41.25%	7,270.46	43.09%
Off-Highway Mobility Industry	3,203.78	28.31%	2,349.59	24.46%	5,070.48	25.18%	4,357.92	23.50%	4,257.93	25.23%
Wind Industry	3,096.46	27.36%	3,092.33	32.20%	6,347.70	31.53%	5,994.29	32.33%	5,009.58	29.69%
Others ⁽¹⁾	205.17	1.80%	259.35	2.71%	472.69	2.34%	540.73	2.92%	335.32	1.99%
Total	11,318.69	100.00%	9,603.55	100.00%	20,135.26	100.00%	18,541.83	100.00%	16,873.30	100.00%

Source: Geojit research, RHP

Key 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 across Industry & Automation, Off-Highway Mobility and Wind.
- Strong sales team, dealer network and after-sales service support.

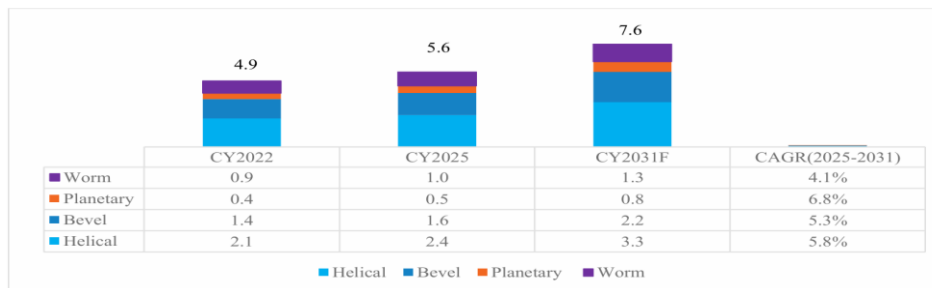
Key strategies

- Further strengthen market leadership by capitalizing on industry tailwinds across Industry & Automation Solutions, Off-Highway Mobility Industry and Wind Industry.
- Broaden the 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.

Industry Outlook:

The global industrial gear motors market grew from USD 4.9 billion in CY22 to USD 5.6 billion in CY25, supported by resilient demand across material handling, food and beverage, packaging and process industries. Between CY25 and CY31, the market is projected to rise to nearly USD 7.6 billion, a CAGR of roughly 5.5%. Planetary gear motors are the fastest-growing product segment at a 6.8% CAGR, emerging as the preferred choice for robotics, EV components and renewable energy systems, while helical and bevel gear motors grow at 5.8% and 5.3% respectively over the same period. Indian demand is supported by a manufacturing upcycle, localisation and energy-efficiency mandates, with users shifting towards more efficient, digitally enabled gearboxes and gear motors. Capacity expansion and modernisation between Fiscal 2025 and Fiscal 2030 across cement, metals and steel, plastics and polymers, rubber and tyres, ports and shipbuilding, defence and heavy engineering, sugar and power generation are expected to remain robust. Wind demand is underpinned by India's renewable capacity additions, where BTL supplies yaw and pitch drives to leading turbine makers.

Global Industrial Gear Motors, Market Split by Product Type, CY2022 - CY2025- CY2031F, USD Billion



Source: Geojit research, RHP

Promoter and promoter group

Sonia Bonfiglioli, Luciano Bonfiglioli, Luisa Lusardi, Bon-Fi S.r.l. and Bonfiglioli S.p.A. are the promoters of the company. Corporate promoter Bonfiglioli S.p.A. holds 187,995,834 equity shares, aggregating to 100.00% of the pre-IPO share capital, and is the sole selling shareholder in the offer. Post issue, promoter and promoter group holding falls to 77.0%.

Brief Biographies of directors

- **Ravindra Pisharody** is the Chairperson and Independent Director of the company. He has been associated with the Company since April 2018. He was previously associated with Philips India Limited, BP India Private Limited, BP Singapore Pte Ltd, and Tata Motors Limited.
- **Kennady V Kaippally** is the Managing Director of the company. He is responsible for overseeing production, manufacturing sales, marketing operations and various management and operations functions in the Company.
- **Gatham Anandhan Balaji** is a Whole-Time Director and Chief Financial Officer of the Company and is responsible for overseeing finance, accounts, and tax functions in the Company.
- **Sonia Bonfiglioli** is a Non-Executive and Non-Independent Director and a Promoter of the company. She has been associated with the Bonfiglioli group since 1982 and has over 43 years of experience in management and business development.
- **Massimo Sarti** is a Non-Executive and Non-Independent Director of the company. He has been associated with Bonfiglioli group since 1987 and has over 38 years of experience in strategic planning, mergers and acquisitions, and communications.
- **Marco Mossuto** is a Non-Executive and Non-Independent Director of the company. He has been associated with the company since February 2026.
- **Rossella Schiavini** is an Independent Director of the company. She has been associated with the company since February 2026.
- **Ananthanarayan Sundaresan** is an Independent Director of the company and has been associated with the company since February 2026. He has over 24 years of experience in the manufacturing, construction, and infrastructure sectors.

CONSOLIDATED FINANCIALS

PROFIT & LOSS

Y.E December (Rs cr)	CY24	CY25	H1CY26
Sales	1,854.2	2,013.5	1,131.9
% change	9.9%	8.6%	17.9%
EBITDA	295.1	370.8	223.9
% change	21.0%	25.7%	26.9%
Depreciation	46.6	47.8	27.2
EBIT	248.4	322.9	196.7
Interest	10.4	7.8	4.1
Other Income	7.0	10.1	7.3
Exceptional items	0.0	0.0	0.0
PBT	245.0	325.2	199.9
% change	17.7%	32.7%	28.6%
Tax	53.4	87.4	51.3
Tax Rate (%)	22%	27%	26%
Reported PAT	195.2	237.9	148.6
Adj	-3.6	0.0	0.0
Adj. PAT	191.6	237.9	148.6
% change	30.6%	24.2%	-
Post issue No. of shares (cr)	18.8	18.8	18.8
Adj EPS (Rs)	10.2	12.7	7.9
% change	30.6%	24.2%	-

BALANCE SHEET

Y.E December (Rs cr)	CY24	CY25	H1CY26
Cash	144.8	163.2	140.2
Accounts Receivable	406.2	517.7	532.5
Inventories	321.4	319.2	377.6
Other Cur. Assets	74.4	90.2	89.6
Investments	0.1	0.1	0.1
Deff. Tax Assets	16.2	17.4	16.1
Net Fixed Assets	298.3	299.9	298.4
CWIP	13.7	12.4	298.4
Intangible Assets	1.3	0.3	0.3
Other Assets	22.7	19.1	27.4
Total Assets	1,299.1	1,439.5	1,495.8
Current Liabilities	333.8	359.8	422.3
Provisions	31.6	40.0	27.8
Debt Funds	6.6	2.8	0.8
Other Fin. Liabilities	66.2	43.9	10.6
Deferred Tax liability	0.0	0.0	-
Equity Capital	125.3	125.3	188.0
Reserves & Surplus	735.6	867.7	846.3
Shareholder's Fund	861.0	993.0	1,034.3
Total Liabilities	1,299.1	1,439.5	1,495.8
BVPS (Rs)	45.8	52.8	55.0

Cash Flow

Y.E December (Rs cr)	CY24	CY25	H1CY26
PBT Adj.	249.6	325.2	199.9
Non-operating & non cash adj.	53.1	51.2	27.1
Changes in W.C	-114.3	-188.8	-97.1
C.F. Operating	188.4	187.7	129.9
Capital expenditure	-43.1	-54.0	-40.9
Change in investment	-50.1	-120.0	-0.4
Sale of investment	220.0	110.1	10.0
Other invest.CF	-17.4	11.5	5.3
C.F - investing	109.4	-52.4	-26.1
Issue of equity	-72.0	-	-
Issue/repay debt	-110.8	-	-
Dividends paid	-46.4	-115.3	-110.0
Other finance.CF	-14.5	-11.5	-6.9
C.F - Financing	-243.6	-126.8	-116.8
Change. in cash	54.1	8.5	-13.0
Opening Cash	90.5	144.7	153.2
Closing cash	144.7	153.2	140.2

RATIOS

Y.E December	CY24	CY25	H1CY26
Profitab. & Return			
EBITDA margin (%)	15.9	18.4	19.8
EBIT margin (%)	13.4	16.0	17.4
Net profit mgn.(%)	10.3	11.8	13.1
ROE (%)	23.1	25.7	15.6
ROCE (%)	27.8	34.7	15.8
W.C & Liquidity			
Receivables (days)	80.3	83.7	77.8
Inventory (days)	101.2	93.5	94.0
Payables (days)	111.4	95.9	97.3
Current ratio (x)	2.6	2.7	2.5
Quick ratio (x)	1.7	1.9	1.6
Turnover & Levq.			0.0
Net asset T.O (x)	6.3	6.7	3.8
Total asset T.O (x)	1.4	1.5	0.8
Int. covge. ratio (x)	23.8	41.5	48.3
Adj. debt/equity (x)	0.0	0.0	0.0
Valuation ratios			
EV/Sales (x)	5.9	5.4	4.8
EV/EBITDA (x)	36.9	29.3	24.3
P/E (x)	57.5	46.3	37.1
P/BV (x)	12.8	11.1	10.7

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