



## Before the Bell: IPO Edition

by

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# Company Overview

- Bonfiglioli Transmissions Limited is an India-based subsidiary of the Italian multinational Bonfiglioli S.p.A.. The company is one of India's largest technology-led mechanical and electro-mechanical power transmissions. The Company is categorized into three major verticals being Industry & Automation Solutions, Off-Highway Mobility and Wind Industries.
  - The company hosts a R&D and IT center in Chennai, Tamil Nadu; with specialized testing facilities and as of 30<sup>th</sup> September, 2025, it was the only test laboratory in India to test yaw and pitch drives for wind turbines.
  - The company manufactures a broad portfolio of mission-critical, precision-engineered gear motors, gearboxes, and drive systems serving diverse end markets, and has manufactured and supplied over 10,500 SKUs and were the only major gearbox supplier offering a comprehensive portfolio across all three segments.
- **Competitive Advantages:**
    - **Market Dominance:** The Company holds a leading market share across all three segments in which it operates.
    - **End-to-end business solutions across verticals:** The Company's capabilities span the full value chain from design and manufacturing to supply.
    - **Trusted Brand backing:** The Company benefits from the strong brand equity of the Bonfiglioli group, which is globally recognized for its technical expertise and engineering excellence, thus providing strategic advantage.
  - **Risks/Challenges:**
    - **Heavy dependence on Bonfiglioli Group:** The company is heavily dependent on the Bonfiglioli group for the technology, know-how, production and trade secrets.
    - **Intense competitive landscape:** The company faces intense competition from domestic gearbox and drive systems manufacturers across multiple industrial segments.

# Financial Overview

(Amount in INR Crores)

Income Statement	Year Ended 31 <sup>st</sup> December, 2021	Year Ended 31 <sup>st</sup> December, 2022	Year Ended 31 <sup>st</sup> December, 2023	Year Ended 31 <sup>st</sup> December, 2024
Revenue from Operations	1,464	1,559	1,688	1,864
EBITDA	276	254	244	293
PBT	236	225	209	245
PAT	173	169	149	191

## Revenue by Segment (CY 2024):

- Industry & Automation Solutions
  - Revenue: INR 775 crores (41.56%)
- Off-Highway Mobility Industry:
  - Revenue: INR 436 crores (23.38%)
- Wind Industry:
  - Revenue: INR 599 crores (32.16%)
- Others:
  - Revenue: INR 54 crores (2.90%)

## Key Points:

- Revenue continues to steadily from INR 1,464 crores in CY 2021 to INR 1,864 crores in CY 2024, at a modest CAGR of 8%
- Despite revenue growth, EBITDA margins have fallen from 19% in CY 2021 to 16% in CY 2024
- The company has recorded a one-time income of INR 14 crores, as a secondary adjustment with respect to settlement of a dispute with the Indian Income tax authorities.

# Important Points

- The Company's top 5 customers account for approx. 30% of the total revenue from operations. Any reduction in orders or loss of major customers, would have an adverse impact on the business.
- The Company derives a substantial portion being approx. 54% of its revenue of operations from co-engineered products. Failure to commercialize such products or non-performance of such products would have an adverse impact on the business.
- **Financial Summary for Nine-months ended 30<sup>th</sup> September, 2025:**
  - Revenue: INR 1,460 Crores
  - EBITDA: INR 253 Crores
  - PAT: INR 165 Crores
- **Revenue by Segment (Nine-months ended 30<sup>th</sup> September, 2025):**
  - Industry & Automation Solutions
    - Revenue: INR 598 crores (40.98%)
  - Off-Highway Mobility Industry:
    - Revenue: INR 369 crores (25.26%)
  - Wind Industry:
    - Revenue: INR 467 crores (31.97%)
  - Others:
    - Revenue: INR 26 crores (1.79%)
- The IPO is entirely an Offer for Sale (OFS) of 4.7 crore equity shares, with Fresh Issue component. Accordingly, the company will not receive any proceeds from the public offering.

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