



TENNECO



TENNECO CLEAN AIR INDIA LTD



Price Band

₹378 to ₹397

Issue Opens

Nov 12, 2025 to Nov 14, 2025

Face Value

₹10

Issue Size

₹3,600.00 Cr.

Lot Size

37 Shares

Listing At

NSE, BSE

Tenneco Clean Air Ltd Info

Issue Size

9,06,80,101 shares / ₹3,600.00 Cr

Fresh Issue

N/A

Offer for Sale

9,06,80,101 shares of Rs. 10 / ₹3,600.00 Cr

Retail Quota

Not less than 35% of the Net Issue

Retail Min/Max

Rs.14,689 / 1,90,957

Tenneco Clean Air Ltd Timeline

Tentative Allotment

Mon, Nov 17, 2025

Initiation of Refunds

Tue, Nov 18, 2025

Credit of Shares to Demat

Tue, Nov 18, 2025

"Tenneco Clean Air Ltd" Listing Day

Wed, Nov 19, 2025



Objects of The Offer

The primary objective of the IPO is to facilitate the sale of existing shares by the promoter and to achieve the benefits of listing the equity shares on the stock exchanges.

Offer for Sale (₹36,000 million):

The Offer comprises a complete Offer for Sale (OFS) of up to equity shares of face value ₹10 each by the Promoter Selling Shareholder - Tenneco Mauritius Holdings Limited.

The Company will not receive any proceeds from this offer. The entire proceeds, net of Offer-related expenses and applicable taxes, will be received by the selling shareholder.

About The Company and Business Overview

Tenneco Clean Air India Limited ("Tenneco India" or "the Company") is a leading manufacturer and supplier of highly engineered automotive components specializing in clean air, powertrain, and advanced ride technologies. The Company forms part of the U.S.-based Tenneco Group, a global Tier I automotive supplier with revenues of US\$16.78 billion in CY2024. Tenneco India established its first manufacturing facility in 1979 at Parwanoo and has since grown into a diversified component manufacturer serving major domestic and global OEMs.

Business Segments

Clean Air & Powertrain Solutions Division

This is the Company's largest operating division, serving both internal combustion engine (ICE) and hybrid vehicle segments.

- **Clean Air Solutions:** Designs and manufactures exhaust aftertreatment systems, including catalytic converters, mufflers, and exhaust pipes. The product portfolio includes advanced emission control systems such as DOC, SCR, and SDPF converters used in passenger vehicles, commercial trucks, and off-highway vehicles.
- **Powertrain Solutions:** Focused on precision-engineered components like engine bearings, gaskets, sealing systems, and ignition products (spark plugs and coils), catering to both domestic and export markets.



Advanced Ride Technologies (ART) Division

This division designs and produces suspension and ride control systems under the global Monroe® brand.

- The product range includes shock absorbers, struts, and advanced suspension systems, both passive and semi-active, serving leading OEMs and the aftermarket.

Market Position & Customer Base

Tenneco India is among the most dominant players in India's auto component industry, holding leadership positions across multiple segments (Source: CRISIL Report, FY2025):

- **Clean Air Solutions (CT OEMs):** 57% market share (No.1 in India).
- **Clean Air Solutions (OH OEMs, ex-tractors):** 68% market share (No.1 in India).
- **Shock Absorbers & Struts (PV OEMs):** 52% market share (No.1 in India).
- **Engine Bearings:** Top 2 supplier - 44% share in PVs and 34% in CTs.

The Company serves all top 7 PV OEMs and top 5 CT OEMs in India, supplying to 119 customers in FY2025 across passenger vehicles, commercial vehicles, and industrial applications.

Sales Channels

- **OEM Sales:** Core business driven by direct supply to major automakers in India.
- **Aftermarket Sales:** Conducted through Motocare India Pvt. Ltd., contributing 4.88% of total revenue in Q1 FY26.
- **Exports:** Supplies specialized components to global markets under the Tenneco network.

The Company emphasizes Value Added Revenue (VAR) – revenue excluding substrate costs – as a key indicator of operational efficiency. VAR rose from ₹39,020 million in FY2023 to ₹43,801 million in FY2025, reflecting stable growth.

Manufacturing Footprint

As of June 30, 2025, Tenneco India operates 12 strategically located manufacturing facilities near major automotive hubs:

- **Clean Air:** Chakan I, Chakan II, Chennai, Pithampur
- **Powertrain:** Parwanoo, Chakan Sealings, Bhiwadi
- **Advanced Ride Technologies (ART):** Sanand, Bawal, Puducherry, Hosur, Chakan ART

Tenneco Clean Air India Limited combines four decades of manufacturing experience with advanced engineering expertise to serve India's growing mobility and clean emission needs. With market leadership in multiple component categories, a diversified product portfolio, and strong OEM relationships, the Company stands well-positioned to benefit from the industry's ongoing shift toward cleaner, more efficient vehicle technologies.

FINANCIAL RATIOS

FINANCIAL RATIOS	ROCE	ROE	P/E	INDUSTRY P/E	EV/EBITDA
Bosch Ltd	21.80	15.60	49.00	48.34	32.10
Timken India Ltd	20.90	17.00	50.40	48.34	35.20
SKF India Ltd	28.80	21.40	19.30	48.34	11.80
ZF Commercial Vehicle Control System India Ltd	20.20	15.10	50.00	48.34	29.40
Sharda Motor Industries Ltd	34.60	26.50	17.50	48.34	13.50
Gabriel India Ltd	26.10	19.40	84.00	48.34	50.10
Uno Minda Ltd	18.80	17.50	69.20	48.34	33.60
Sona BLW Precision Forgings Ltd	17.80	14.40	48.50	48.34	26.20
Tenneco Clean Air India Limited	16.29	10.44	29.02	48.34	N/A

Source : RHP

Brief profile of the Directors



- **Niranjan Kumar Gupta** is serving as the Independent Director and Chairman of the Board of the Company. A bachelor's degree in commerce from the University of Calcutta, Kolkata was obtained by him. He is a qualified Chartered Accountant, having passed the final examination conducted by the Institute of Chartered Accountants of India in 1994. He has also passed the final examinations conducted by the Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India. More than 30 years of experience across finance, governance and corporate leadership has been gained by him.
- **Arvind Chandrasekharan** is serving as the Whole-time Director and Chief Executive Officer of the Company. A bachelor's degree in chemical plant engineering from the University of Bombay, a master's degree in industrial engineering and management from Oklahoma State University, USA, and a master's degree in business administration from the University of Michigan, USA were obtained by him. He also holds a diploma in quality systems and management from the Narsee Monjee Institute of Management Studies, Mumbai in association with the National Centre for Quality Management. More than 21 years of experience in the automotive sector has been gained by him.
- **Manavendra Singh Sial** is serving as a Non-Executive Director of the Company. A bachelor's degree in commerce (honours) from the Sri Ram College of Commerce, University of Delhi, and a master's degree in business administration from the Fuqua School of Business, Duke University, USA were obtained by him. He is a qualified Chartered Accountant. More than 25 years of experience in finance and leadership roles across global organizations has been gained by him.
- **Prakash Mahesh** is serving as a Non-Executive Director of the Company. A bachelor's degree in electrical and electronics engineering from PSG College of Technology, Coimbatore, a master's degree in science from Drexel University, Philadelphia, and a master's degree in business administration from California Coast University, USA were obtained by him. More than 29 years of experience in the industrial, automotive manufacturing and IT solutions sectors has been gained by him.
- **Nathan Patrick Bowen** is serving as a Non-Executive Director of the Company. A bachelor's degree in business administration from Central Michigan University and a master's degree in business administration from Grand Valley State University, Michigan, USA were obtained by him. More than 24 years of experience in the automotive industry has been gained by him.
- **Utsav Baijal** is serving as a Non-Executive Director of the Company. A bachelor's degree in arts (honours) from the University of Delhi and a postgraduate degree in management from the Indian Institute of Management, Ahmedabad were obtained by him. More than 24 years of experience in private equity and consulting has been gained by him.
- **Gopika Pant** is serving as an Independent Director of the Company. A bachelor's degree in law from the University of Delhi, a master's degree in laws from Columbia University, New York, and a diploma in environmental law from the Centre for Environmental Law, World Wide Fund for Nature - India were obtained by her. She is also an alumna of St. Stephen's College, University of Delhi. More than 39 years of experience in corporate law and legal advisory has been gained by her.
- **Jaidit Singh Brar** is serving as an Independent Director of the Company. A postgraduate diploma in management from the Indian Institute of Management, Calcutta was obtained by him. More than 20 years of experience in management consulting has been gained by him.

Strengths



- **Market Leadership Across Core Segments:** Tenneco India holds leading positions in multiple automotive component categories, including Clean Air (CT - 57%), Clean Air (OH - 68%), and Shock Absorbers & Struts (PV - 52%), making it India's largest supplier across these segments. It is also among the Top 2 suppliers of engine bearings in both PV and CT categories, reinforcing its dominance in critical vehicle systems.
- **Strong Technology Access from Tenneco Group:** The Company benefits from global R&D and innovation transfer from the Tenneco Group, allowing it to deliver advanced, Euro 6-compliant, and BS6-ready products customized for Indian markets. Its ability to launch 45 new BS6 products across 26 platforms in 13 months demonstrates world-class engineering agility.
- **Diversified Product Portfolio and Integration:** Tenneco India offers a diversified suite of products across Clean Air, Powertrain, and Advanced Ride Technologies – from catalytic converters and bearings to suspension systems – serving all major PV, CV, and OH OEMs. This diversification ensures business resilience across multiple vehicle categories and regulatory shifts.
- **Long-Standing OEM Relationships:** The Company serves all top 7 PV and top 5 CT OEMs in India, with an average customer relationship span of over 19 years among its top 10 clients. Its role as a design-stage development partner ensures long-term contracts and customer stickiness.

Key Risk Factors

- **High Dependence on the Tenneco Group:** Tenneco India's business heavily relies on its parent group for technology licenses, trademarks, R&D support, and raw material sourcing. Any termination of its license agreements or disruption in technology transfer could impact operations and competitiveness. The Company also incurs significant royalty costs (₹2,574.47 million in FY24, 4.7% of revenue), which affect margins.
- **Customer Concentration Risk:** Revenue is concentrated among a few large OEM customers – the top 10 customers contributed over 80% of operational revenue in Q1 FY26. The absence of firm purchase commitments makes the Company vulnerable to order fluctuations, relationship changes, or reduced volumes from major clients.
- **Exposure to Auto Industry Cyclicality and Raw Material Volatility:** The Company's business depends on the Passenger and Commercial Vehicle sectors, which contributed over 80% of revenue. Slowdowns in these segments directly affect demand. In addition, raw material costs form 64-70% of revenue, exposing profitability to commodity price swings and supply chain disruptions.
- **Historical Compliance and Governance Issues:** Subsidiaries like TAIP and FMIPL have faced non-compliance with Companies Act provisions, delayed filings, and pending compounding applications. A material weakness in internal controls (FY23) led to fraudulent vendor payments, and 35 whistleblower complaints were recorded in recent years, highlighting internal control and governance challenges.
- **Capacity Constraints at Key Facilities:** High utilization levels at plants such as Bhiwadi (97.9%), Hosur (94.9%), and Puducherry (90.9%) limit the ability to scale up production quickly, posing a constraint on growth and responsiveness to new customer orders.

Statement of Profit and Loss



(All amounts are in Indian Rupees millions, unless otherwise stated)

Particulars	Year	Year	Year
	Ended	Ended	Ended
	Mar 31, 2025	Mar 31, 2024	Mar 31, 2023
I. Income			
Revenue from operations	48,904.30	54,676.12	48,273.68
Other income	410.15	697.76	595.88
Total income (I+II)	49,314.45	55,373.88	48,869.56
II. Expenses			
Cost of materials consumed	31,813.40	38,355.04	33,968.92
Change in inventories of finished goods, WIP & traded goods	52.21	163.25	(99.67)
Purchase of stock-in-trade	346.06	406.70	514.63
Employee benefits expense	2,979.24	2,526.45	2,485.76
Finance cost	202.66	251.63	215.58
Depreciation and amortisation expense	1,031.72	1,035.93	1,009.19
Other expense	5,561.00	7,103.83	5,697.70
Total expenses (II)	41,986.29	49,842.83	43,792.11
III. Restated Profit before Tax (I - II)	7,328.16	5,531.05	5,077.45
IV. Tax Expense			
Current tax	1,878.16	1,354.28	1,280.23
Deferred tax	(91.28)	(25.67)	(19.98)
Short provision of tax (earlier years)	9.85	34.57	6.77
Total tax expense	1,796.73	1,363.18	1,267.02
V. Restated Profit for the Year / Period (III - IV)	5,531.43	4,167.87	3,810.43
Attributable to:			
- Owners of the Parent	5,520.63	4,166.58	3,810.79
- Non-controlling interest	10.80	1.29	(0.36)
VI. Other Comprehensive Income (OCI)			
Remeasurements of defined benefit plans	(52.62)	(16.90)	(2.08)
Income tax relating to above	13.08	8.76	0.26
Restated OCI for the year / period	(39.54)	(8.14)	(1.82)
Attributable to:			
- Owners of the Parent	(39.46)	(8.00)	(1.60)
- Non-controlling interest	(0.08)	(0.14)	(0.22)
VII. Total Comprehensive Income (V + VI)	5,491.89	4,159.73	3,808.61
Attributable to:			
- Owners of the Parent	5,481.17	4,158.58	3,809.19
- Non-controlling interest	10.72	1.15	(0.58)
VIII. Restated Earnings per Equity Share (Face Value ₹10 each)			
Basic (₹)	13.68	8.90	7.58
Diluted (₹)	13.68	8.90	7.58

Valuation and Outlook



Tenneco Clean Air India Ltd IPO is expected to be priced between ₹378 to ₹397 per share. At this price, the company is valued at (Price To Earning) P/E **29.02x**. The Industry P/E is **48.34x**.

Name of the Company	Face Value (₹ per share)	Closing Price (₹ per share as on Nov 11, 2025)	Revenue from Operations (₹'000)	EPS (₹)	Net Asset Value (₹ per share)	P/E (x)	Net Worth (₹ million)	RoNW (%)	Market Cap / Revenue (x)
Tenneco Clean Air India Limited	10.00	N/A	48,904.30	31.39	N/A	12,558.93	0.47		
Bosch Ltd	10.00	36,920.00	1,80,874.00	683.25	4,682.16	49.00	1,38,094.00	0.16	6.39
Timken India Ltd	10.00	3,045.00	31,478.10	59.48	378.21	50.40	28,448.65	0.17	7.00
SKF India Ltd	10.00	2,049.00	49,199.00	114.50	525.50	19.30	25,979.60	0.21	2.21
ZF Commercial Vehicle Control System India Ltd	5.00	12,572.00	38,309.63	242.90	1,694.75	50.00	32,145.40	0.15	6.45
Sharda Motor Industries Ltd	2.00	529.00	28,345.73	109.71	184.97	17.50	18,618.54	0.30	2.15
Gabriel India Ltd	1.00	1,264.00	40,633.83	17.05	82.38	84.00	31,832.85	0.22	4.58
Uno Minda Ltd	2.00	1,312.00	1,67,346.30	16.42	95.99	69.20	35,113.90	0.18	4.21
Sona BLW Precision Forgings Ltd	10.00	489.00	35,460.23	9.92	88.38	48.50	34,947.70	0.15	8.09

Tenneco Clean Air India Limited is well-positioned to benefit from the ongoing automotive industry transition toward cleaner, emission-compliant, and performance-enhanced vehicles. With leadership across key segments – clean air systems, powertrain components, and ride control technologies – the Company is set to capture increasing demand from OEMs driven by stricter emission norms, BS6 and Euro 7 transitions, and rising localization in manufacturing.

Its strategic integration with the global **Tenneco Group** gives it strong access to advanced R&D, global supply chains, and process excellence, ensuring a sustained edge over domestic competitors. However, high customer concentration, dependency on group entities, and raw material price volatility remain structural risks. Despite these factors, Tenneco India's robust financial health, debt-free balance sheet, and diversified product portfolio support a stable growth trajectory. The Company is expected to continue leveraging its market leadership and technological capabilities to deliver steady performance over the medium term, aligned with the automotive sector's cleaner and more efficient future.

"Call us on **8448899576**" to find out whether or not you should apply.

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