Dhoot Transmissions

Harnessing Safety through wires

DHOOT TRANSMISSION LTD

Price Band	Issue Opens
₹829 to ₹871	10 Aug to 12 Aug, 2026

Face Value	Issue Size	Lot Size	Listing At
₹2	₹3,067 Cr	17 Shares	NSE, BSE

Dhoot Transmission Ltd Info

Issue Size	3,52,18,047 shares / ₹3,067 Cr
Fresh Issue	1,60,80,445 shares / ₹1,400 Cr
Offer for Sale	1,91,37,602 shares of ₹2 / ₹1,667 Cr
Retail Quota	Not more than 35% of the Net Issue
Retail Min/Max	₹14,807 / ₹1,92,491

Dhoot Transmission ltd Timeline

Tentative Allotment	Thu, Aug 13, 2026
Initiation of Refunds	Fri, Aug 14, 2026
Credit of Shares to Demat	Fri, Aug 14, 2026
"Dhoot Transmission ltd" Listing Day	Mon, Aug 17, 2026

Objects of The Offer

The company proposes to utilize the Net Proceeds from the Fresh Issue for the following purposes:

- **Capital Expenditure:** Funding the establishment of a new Research & Development (R&D) Centre and a Centre of Excellence to strengthen innovation capabilities and accelerate product development.
- **Manufacturing Expansion:** Financing capital expenditure for automation and modernization of the existing manufacturing facility, aimed at enhancing production capacity, operational efficiency, and quality standards.
- **General Corporate Purposes:** Meeting general corporate requirements, including supporting future business growth and strategic initiatives.

About The Company and Business Overview

Dhoot Transmission Limited (DTL) is one of India's leading electrical and electronics (E&E) companies engaged in the design, engineering, and manufacturing of integrated electrical and electronic solutions for the automotive industry. The company primarily manufactures wiring harnesses, which contribute 77.08% of its revenue from operations in Fiscal 2026, along with a diversified portfolio comprising sensors, electronic controllers, lithium-ion battery packs for electric two-wheelers, automotive switches, and power supply cords.

DTL is among the top two players in India's two-wheeler and three-wheeler wiring harness market, holding a 41% market share by value in Fiscal 2026. It is also the market leader in EV wiring harnesses for electric two-wheelers and three-wheelers, with an estimated 70% market share, reflecting its strong positioning in the rapidly growing electric mobility ecosystem. Around 95% of its automotive product portfolio is either EV-focused or powertrain-neutral, enabling the company to cater to internal combustion engine (ICE), hybrid, and electric vehicle platforms.

Source: RHP

The company serves a diversified customer base across two-wheelers, three-wheelers, commercial vehicles, off-highway vehicles, and agricultural and industrial equipment. Its long-standing relationships with leading OEMs, including Bajaj Auto, TVS Motor, Honda Motorcycle & Scooter India, and Royal Enfield, have supported consistent business growth, with its top ten customers contributing 80.93% of revenue in Fiscal 2026.

As of March 31, 2026, DTL operated 22 manufacturing facilities globally, comprising 19 plants in India and three overseas facilities in the United Kingdom, Slovakia, and Thailand. The company benefits from a backward-integrated manufacturing model, producing key components such as terminals, connectors, cables, and moulded parts in-house, which enhances quality control, supply chain reliability, and cost efficiency.

Innovation is a key focus area for DTL, supported by a dedicated design, engineering, and R&D team of 237 employees, enabling the development of advanced electrical and electronic solutions aligned with evolving automotive technologies and increasing vehicle electrification.

Financial Ratios

Financial Ratios	ROCE	ROE	P/E	INDUSTRY P/E	EV / EBITDA
Minda Corporation Limited	12.70	14.70	48.2	55.31	25.20
Uno Minda Limited	17.60	19.36	60.2	55.31	29.70
Motherson Sumi Wiring India Limited	38.90	32.40	43.4	55.31	25.30
Sona BLW Precision Forgings Limited	15.10	11.70	65.6	55.31	39.30
Dhoot Transmission	***19.14***	***16.30***	***35.70***	***55.31***	***N/A***

Source : RHP

Brief profile of the Directors

- **Ajay Seth is the Chairman** and Independent Director of the Company. He holds a bachelor's degree in Commerce (Honours) from the University of Delhi and is an Associate Member of the Institute of Chartered Accountants of India (ICAI). He has more than 38 years of experience in the automotive sector. He currently serves as a consultant with NBV Community Private Limited, a subsidiary of Suzuki Motor Corporation, and has previously held senior leadership roles, including Chief Financial Officer at Maruti Suzuki India Limited, Chief Financial Controller at Escorts Limited, and Deputy General Manager – Corporate Affairs at JCB India Limited.
- **Rahul Radhavallabh Dhoot i**s the Promoter and Managing Director of the Company. He holds a bachelor's degree in Electronics and Telecommunication Engineering from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad. Associated with the Company since 1998, he has over 27 years of experience in the automotive sector. He is responsible for driving the Company's strategic direction, innovation, and growth and also serves as a director in DACPL, DASPL, DESPL, and Dhoot UK.
- **Dhiren Vinodrai Sheth** is the Executive Director and Chief Human Resource Officer of the Company. He holds a bachelor's degree in Chemical Engineering from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad. He has been associated with the Company since 2007 and has more than 18 years of experience in the automotive sector. He is responsible for leading the Company's global export expansion while overseeing the human resources function.
- **Saahil Haresh Bhatia** is a Non-Executive Director of the Company. He holds a bachelor's degree in Electrical Engineering from the University of Texas at Austin and an MBA from INSEAD. He has more than 16 years of experience in investment banking, consulting, and private equity. He is currently a Partner at Bain Capital Advisors (India) Private Limited and has previously worked with Temasek Holdings Advisors India, Temasek International, Barclays Bank, and Deloitte.
- **Rishi Mandawat** is a Non-Executive Director of the Company. He holds a bachelor's degree in Commerce (Honours) from Jai Narain Vyas University and a Post Graduate Diploma in Management from the Indian Institute of Management Ahmedabad. He is a qualified Chartered Accountant with more than 20 years of experience in consulting and private equity. He is currently a Partner at Bain Capital Advisors (India) Private Limited and was previously associated with McKinsey & Company.
- **Burjor Kersasp Dadachanji** is a Non-Executive Director of the Company. He holds a bachelor's degree in Commerce from the University of Mumbai and a Post Graduate Diploma in Business from the Indian Institute of Management Bangalore. He has more than 21 years of experience across healthcare, consulting, and banking. He is currently an Operating Partner at Bain Capital Advisors (India) Private Limited and has previously worked with Abbott Healthcare, Boston Consulting Group, and J.P. Morgan Services India.
- **Tarun Dharampal Sharma** is an Independent Director of the Company. He holds a bachelor's degree in Computer Engineering from the University of Pune. He has more than 23 years of experience in the software development sector. He is the Founder and Chief Executive Officer of Yodda Elder Care Technologies Private Limited and has previously held leadership positions at Magneto Resource Management, BMC Software India, and Virtusa Corporation.
- **Matangi Gowrishankar** is an Independent Director of the Company. She holds a bachelor's degree in Arts from the University of Madras and an Honours Diploma in Industrial Relations and Welfare from XLRI, Jamshedpur. She has more than 28 years of experience in human resource management. She has previously held senior HR leadership roles at BP India Services, Cummins India, International Computers (India) Limited, Standard Chartered Bank, and Reebok Technical Services Private Limited.

Source : RHP

Profit and loss Statement

Particulars	FY2026	FY2025	FY2024
Revenue from Operations	45,249.55	34,448.63	27,977.26
Other Income	387.45	273.73	15.89
Total Income	**45,637.00**	**34,722.36**	**27,993.15**
Cost of Materials Consumed	30,689.82	22,567.38	18,289.17
Changes in Inventories of Finished Goods and Work-in-Progress	(760.12)	(233.24)	(243.61)
Employee Benefits Expense	3,734.02	2,952.98	2,521.54
Finance Costs	912.44	674.65	494.71
Depreciation and Amortization Expense	1,225.44	932.77	763.85
Impairment Loss on Financial Assets	24.81	60.57	1.03
Other Expenses	4,451.13	3,191.31	2,285.15
Total Expenses	**40,277.54**	**30,146.42**	**24,111.84**
Profit Before Share of Net Profit of Associates	5,359.46	4,575.94	3,881.31
Share of Net Profit of Associates	-	-	0.95
Profit Before Tax and Exceptional Items	5,359.46	4,575.94	3,882.26
Exceptional Items	(202.59)	-	-
Profit Before Tax	5,156.87	4,575.94	3,882.26
Current Tax	1,303.89	1,124.49	951.39
Adjustments/(Credits) Related to Previous Years	(14.47)	(5.66)	3.99
Deferred Tax (Credit)/Charge	(100.97)	(81.76)	(60.60)
Total Tax Expense	**1,188.45**	**1,037.07**	**894.78**
Profit for the Year	**3,968.42**	**3,538.87**	**2,987.48**
Remeasurements of Post-employment Benefit Obligations	13.06	(47.57)	(7.45)
Income Tax Effect on Above	(2.80)	10.95	1.58
Exchange Differences on Translation of Foreign Operations	218.01	81.47	27.87
Net Other Comprehensive Income	228.27	44.85	22.00
Total Comprehensive Income	**4,196.69**	**3,583.72**	**3,009.48**
Basic EPS (₹)	**24.40**	**24.31**	**20.83**
Diluted EPS (₹)	**24.40**	**24.31**	**20.80**

Source : RHP

Strengths

- **Market Leadership in Wiring Harnesses:** Dhoot Transmission is one of the leading manufacturers of wiring harnesses for India's two-wheeler and three-wheeler industry. In Fiscal 2026, the company held a 41% market share (by value) in the domestic 2W and 3W wiring harness market and an estimated 70% market share in the electric two-wheeler and three-wheeler segment, reflecting its strong competitive position.
- **Well Positioned to Benefit from Vehicle Electrification:** The company is strategically positioned to capitalize on the growing adoption of electric vehicles and increasing vehicle electrification. Approximately 95% of its automotive product portfolio is either EV-focused or powertrain-neutral, allowing it to serve ICE, hybrid, and EV platforms. Additionally, the wiring harness content per electric two-wheeler is significantly higher than conventional vehicles, supporting long-term content-led revenue growth.
- **Long-standing Relationships with Leading OEMs:** Dhoot has established long-term partnerships with marquee automotive manufacturers, including Bajaj Auto, TVS Motor Company, Honda Motorcycle & Scooter India, and Royal Enfield. The company's average relationship with its top five customers spans approximately 13 years, demonstrating strong customer trust, product quality, and execution capabilities.
- **Backward Integrated Manufacturing Operations:** The company manufactures several critical components, including terminals, connectors, cables, and moulded parts, in-house. This backward integration enhances supply chain reliability, improves quality control, reduces procurement costs, and enables faster product development while minimizing dependence on external suppliers.

Key Risk Factors

- **High Dependence on the Two-Wheeler and Three-Wheeler Segments:** Dhoot Transmission derives a significant portion of its revenue from the two-wheeler (65.47%) and three-wheeler (12.86%) segments in Fiscal 2026. In addition, wiring harnesses contributed 77.08% of total revenue, making the business highly dependent on a single product category. Any slowdown in these vehicle segments or decline in demand for wiring harnesses could materially impact the company's financial performance.
- **Customer Concentration Risk:** The company has a highly concentrated customer base, with the top 10 customers contributing 80.93% of revenue in Fiscal 2026. Its largest customer, Bajaj Auto Limited, alone accounted for 31.84% of total revenue. Loss of any major customer, reduction in order volumes, or changes in sourcing strategies by OEMs could adversely affect the business.
- **Lack of Long-Term Supply Agreements:** Dhoot generally operates without firm long-term purchase commitments from its OEM customers. Orders are largely requirement-based, allowing customers to modify, postpone, or cancel orders without compensating the company for idle capacity or investments made to meet expected demand. This limits revenue visibility and increases operational uncertainty.
- **Working Capital Intensive Business Model:** The business requires substantial working capital to maintain inventory, support customer credit, and finance day-to-day operations. In addition, continuous investments are required for manufacturing expansion, tooling, and technology upgrades.

Source: RHP

Valuation and Outlook

Dhoot Transmission Limited IPO is expected to be priced between **₹829 to ₹871** per share. At this price, the Company's **Price-To-Earning-Ratio (P/E)** is **35.70x. Industry (P/E)** Price-To-Earning-Ratio is **55.31x**

Name of the Company	Face Value (₹ per equity share)	Closing Price on July 31, 2026 (₹)	Revenue from Operations (₹ million)	EPS (Basic) (₹)	EPS (Diluted) (₹)	NAV (₹ per share)	P/E	RoNW
Dhoot Transmission	***2***	***NA***	***45249.55***	***24.4***	***24.4***	***149.74***	***NA***	***0.1655***
Minda Corporation Limited	2	700.55	61853.4	15.31	15.07	110.58	48.2	0.1363
Uno Minda Limited	2	1180.15	196575.9	20.78	20.75	118.38	60.2	0.1753
Motherson Sumi Wiring India Limite	1	40.65	114775.8	0.94	0.94	3.26	43.4	0.2892
Sona BLW Precision Forgings Limitec	10	768.8	44751.48	10.3	10.3	96.23	65.6	0.107

Dhoot Transmission Limited is well positioned to benefit from the long-term growth of the automotive electrical and electronics (E&E) components industry, driven by rising vehicle electrification, increasing electronic content per vehicle, and growing adoption of electric two-wheelers and three-wheelers. As wiring harnesses and electronic systems become increasingly critical across ICE, hybrid, and EV platforms, the company is expected to benefit from higher content per vehicle and expanding outsourcing opportunities from OEMs.

The company enjoys a strong competitive position as one of the largest wiring harness manufacturers in India's two-wheeler and three-wheeler market and the market leader in the electric 2W and 3W segment. Its diversified product portfolio, backward-integrated manufacturing capabilities, strong engineering expertise, and long-standing relationships with leading OEMs provide a solid foundation for sustained growth.

The proposed IPO proceeds will further strengthen the business by reducing debt, improving the balance sheet, and funding the establishment of new wiring harness manufacturing facilities in Haryana and Tamil Nadu, which are expected to enhance production capacity and support future order inflows. Continued investments in R&D and product development should also enable the company to expand its presence in high-value electronic components and advanced mobility solutions.

However, the company's future growth remains closely linked to the performance of the Indian automotive industry, particularly the two-wheeler and three-wheeler segments. High customer concentration, dependence on wiring harnesses as its primary product, raw material price volatility, and working capital intensity remain key business risks. In addition, the absence of long-term volume commitments from OEMs could result in fluctuations in production and profitability.

Overall, Dhoot Transmission is well positioned to capitalize on the structural shift towards vehicle electrification and increasing electronic content in automobiles, supported by its market leadership, strong customer relationships, backward integration, expanding manufacturing capacity, and robust engineering capabilities. Continued diversification across products, customers, and end markets will be important for sustaining long-term growth and reducing concentration risks.

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

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