



IPO RESEARCH REPORT

Bonfiglioli Transmissions Limited

India's #1 Gearbox & Industrial Drive Manufacturer — Powering Automation, Off-Highway & Wind Energy

IPO Open: Oct 15, 2026 **IPO Close:** Oct 19, 2026 **Listing:** Oct 23, 2026 (BSE & NSE)

OUR RECOMMENDATION

SUBSCRIBE

Listing + Long-term

PRICE BAND

₹558 – ₹586

Lot: 25 shares | ₹14,650 min.

GMP (AS OF OCT 13, 2026)

₹175 (~30%)

Est. listing ₹761 | Unofficial

This report is for informational purposes only. Not investment advice. Past performance is not indicative of future results. Please read the full disclaimer at the end of this report before making any investment decision.



1. IPO AT A GLANCE

Issue Details

Parameter	Details
Company Name	Bonfiglioli Transmissions Limited (BTL)
Parent Company	Bonfiglioli S.p.A., Italy — global power transmission leader; Revenue EUR 1,190.9 million (FY2024 CY basis)
Issue Type	Mainboard IPO (Book Built) — 100% Offer for Sale (OFS); NO fresh issue
Total Issue Size	~₹2,533.66 crore (4,32,36,000 equity shares at upper price band)
Fresh Issue	NIL — company receives no IPO proceeds
Offer for Sale (OFS)	~₹2,533.66 crore (4,32,36,000 equity shares) — entirely by Bonfiglioli S.p.A. (promoter)
Price Band	₹558 – ₹586 per share
Face Value	₹10 per share
Lot Size	25 shares (min. investment: ₹14,650 at upper band)
Max Retail Application	13 lots (325 shares ₹1,90,450)
Post-Issue Market Cap (at ₹586)	~₹11,017 crore (~\$1.15 billion USD)
IPO Open Date	Wednesday, October 15, 2026
IPO Close Date	Sunday, October 19, 2026
Anchor Investor Date	Tuesday, October 14, 2026
Basis of Allotment	Tuesday, October 21, 2026
Refund / Credit to Demat	Wednesday, October 22, 2026
Listing Date	Thursday, October 23, 2026 (BSE & NSE)
Book Running Lead Managers	Axis Capital Ltd. BNP Paribas ICICI Securities Ltd. Jefferies India Pvt. Ltd.
Registrar	MUFG Intime India Private Limited
Promoters	Bonfiglioli S.p.A. BON-FI S.r.l. Sonia Bonfiglioli Luciano Bonfiglioli Luisa Lusardi
Post-Issue Promoter Holding	Promoter stake reduces; exact % depends on final OFS quantity vs pre-issue holding of 18,79,95,834 shares

Important: This is a 100% OFS IPO — all proceeds of ~₹2,534 crore flow to selling shareholder Bonfiglioli S.p.A. The company does not raise any primary capital. Investors are buying a stake from the existing Italian parent, not funding company expansion. This is a liquidity event for the parent to partially monetise its Indian subsidiary, not a growth-capital raise.

Investor Quota Allocation

Investor Category	Allocation %	Remarks
Qualified Institutional Buyers (QIB)	50%	Up to 60% may be allocated to Anchor Investors
Non-Institutional Investors (NII / HNI)	15%	Minimum bid: 14 lots (₹2,05,100 at upper band)
Retail Individual Investors (RII)	35%	Min: 1 lot (₹14,650) Max: 13 lots (₹1,90,450)



2. COMPANY OVERVIEW

History & Incorporation

Bonfiglioli Transmissions Limited was originally incorporated on June 23, 1998, as Bonfiglioli Deepak Private Limited at Chennai, Tamil Nadu — a joint venture between Bonfiglioli S.p.A. (Italy) and Deepak Group (India). The joint venture reflected the Italian parent's entry into India's industrial and manufacturing sector. Over subsequent years, the Deepak Group stake was fully acquired by Bonfiglioli S.p.A., converting it into a wholly owned Indian subsidiary. The company was renamed Bonfiglioli Transmissions Private Limited in September 1998, and converted to a public limited company as Bonfiglioli Transmissions Limited on September 16, 2025, in preparation for its IPO. The DRHP was filed with SEBI on February 9, 2026, SEBI approved it in June 2026, and the RHP was filed in October 2026.

The parent, Bonfiglioli S.p.A., was founded in 1956 in Bologna, Italy, by Clementino Bonfiglioli. It is today a global leader in power transmission and drive systems with revenue of EUR 1,190.9 million (~₹10,591 crore) for CY2024, operations in 25+ countries, and over 3,900 employees worldwide. The Indian subsidiary has benefited from this 70-year global heritage of technology, R&D, and brand equity.

Three Business Segments

Bonfiglioli Transmissions operates across three distinct, complementary business verticals — providing natural revenue diversification and reducing dependence on any single end-market:

- **Industry & Automation Solutions (41% of 9M FY26 revenue):** Manufactures gear motors (< 15 kNm), helical, bevel-helical, and worm gearboxes for industrial applications including material handling (conveyors, cranes, hoists), chemicals, pharmaceuticals, food & beverage processing, and mining. Direct OEM relationships with over 1,000 customers including JCB, Hyundai, GMM Pfaudler, and other industrial manufacturers. According to Frost & Sullivan, Bonfiglioli holds a 25% market share in low/medium-duty gear motors in India.
- **Off-Highway Mobility (25% of 9M FY26 revenue):** Supplies precision planetary gearboxes and drive solutions for construction, agriculture, mining, and material handling equipment — excavators, concrete mixers, pavers, cranes, and tractors. Co-engineering relationships with OEMs (lasting up to 30 months per program) create high switching costs. Frost & Sullivan estimates Bonfiglioli's market share at 30% in this segment in India.
- **Wind Industries (32% of 9M FY26 revenue):** The crown jewel segment — fully integrated yaw drives and pitch drives for wind turbines up to 5 MW capacity, supplied to India's major wind OEMs. Bonfiglioli commands a dominant 68.3–70% share of India's wind turbine drives market by sales value — an unassailable position in a structural growth sector. Customers include Suzlon, Inox Wind, Vestas, and Siemens Gamesa India operations.

Market Position (Frost & Sullivan Report cited in Offer Documents)

Segment	Market Share	Basis
Wind Turbine Drives (Yaw & Pitch) — India	68.3–70% by sales value	9M FY26; among domestic manufacturers
Gear Motors — Industry & Automation (India)	~25% by revenue	OEM and end-user sales; low/medium duty segment
Planetary Gearboxes — Off-Highway (India)	~30% by revenue	Construction, agriculture, mining equipment
Overall ranking — India power transmission	#1 in three key segments	Revenue-based per F&S Report



Manufacturing Facilities

- **Thirumudivakkam, Chennai (Tamil Nadu):** Primary facility — machining operations for gearbox and gear motor manufacturing. Industry 4.0-enabled with automation and real-time data analytics integration.
- **Additional Indian plants:** Multiple facilities across India supporting assembly, quality control, and warehousing. Combined available annual manufacturing capacity: 11,19,652 hours (FY2024). Production volume: 3,30,057 units of gear motors and gearboxes in FY2024.
- **New heavy-duty gearbox facility (planned):** BTL has announced plans for a new manufacturing facility to serve the growing heavy-duty gearbox segment (wind + off-highway). This expansion — funded by internal accruals given the OFS-only IPO — will be critical for capturing India's wind energy growth.

Key Customers (1,000+ OEM & End-User Relationships)

JCB (construction equipment), Hyundai Construction Equipment, Suzlon Energy, Inox Wind, GMM Pfaudler, Siemens Gamesa (India operations), Vestas (India), plus 1,000+ OEM and industrial end-users across segments. Six of the top 10 customers have been engaged for over a decade — reflecting the depth and stickiness of BTL's OEM relationships.

Technology & R&D Advantage

BTL is the direct beneficiary of Bonfiglioli S.p.A.'s global R&D ecosystem — accessing patents, product roadmaps, and engineering expertise developed over 70 years. Revenue from products introduced in the last three years accounted for 29.95% of 9M FY26 revenue (vs 15.98% in FY2024), signalling an acceleration in product innovation and portfolio renewal. The co-engineering model — where BTL's engineers work alongside OEM customer teams for up to 30 months — creates customised, deeply integrated solutions that are difficult for competitors to displace.

3. KEY OPERATING METRICS

₹2,920 Cr FY2026 Revenue (annualised from 9M FY26 x 4/3)	₹330 Cr FY2026 PAT (annualised)	11.25–11.31% PAT Margin (9M FY26 / FY25)	17.36% EBITDA Margin (9M FY26)
~45x Post-Issue P/E (at ₹586 upper band)	~₹11,017 Cr Post-Issue Market Cap (~\$1.15 Bn USD)	70% India Wind Turbine Drives Market Share	25% India Gear Motors Market Share
30% India Off-Highway Mobility Market Share	1,000+ OEM & End-User Customer Relationships	18.58% RoE (9M FY26 annualised basis)	₹175 GMP (~30% premium over issue price)



4. FINANCIAL PERFORMANCE

Multi-Year Financial Summary

Metric	FY2024	FY2025	9M FY2026 (Apr–Dec 2025)	FY2026 (Ann.)
Revenue from Operations (₹ Cr)	1,687.50	1,864.08	1,460.17	~1,946 (est.)
Total Revenue (₹ Cr)	1,701.95	1,871.07	~1,467	~1,956 (est.)
EBITDA (₹ Cr)	~244.11	~293.00	~253.77	~338 (est.)
EBITDA Margin (%)	~14.47%	~15.72%	17.36%	~17.3% (est.)
PAT (₹ Cr)	147.69	191.12	165.10	~220 (9M run-rate)
PAT Margin (%)	8.68%	10.21%	11.25%	~11.3% (est.)
Revenue YoY Growth	n.a.	~10.5%	n.a. (9M)	~4.4% on 9M basis
RoE / RoNW (%)	n.a.	n.a.	18.58% / 17.85%	Strong
RoCE (%)	n.a.	n.a.	25.18%	High quality
Total Assets (₹ Cr)	1,269.75	1,379.08	n.a.	Growing
EPS (₹) — 9M FY26 basis	n.a.	n.a.	8.79 (9M)	~10.06 (ann.)
Raw Material Cost (% of revenue)	n.a.	n.a.	~63.08%	High; key cost driver

Note: Full-year FY2026 financials are not yet fully disclosed as of IPO filing. The 9M FY26 figure (April–December 2025 = nine months) is the primary disclosed data. The DRHP was filed when the company's financial year runs April–March. Annualised estimates are Ganesh StockInvest's projections based on run-rate; actual FY2026 full-year results may differ.

Analyst Notes on Financials

- **Revenue growth is moderate but steady:** FY2025 revenue grew 10.5% to ₹1,864 crore from ₹1,688 crore in FY2024. The 9M FY26 run-rate of ₹1,460 crore annualises to ~₹1,946 crore — modest ~4.4% growth from FY2025 — suggesting some revenue moderation possibly linked to India's wind energy procurement cycle.
- **EBITDA margin expansion is the standout trend:** Margins have expanded from 14.47% (FY2024) to 15.72% (FY2025) to 17.36% (9M FY26) — a 289 bps improvement over two years. This reflects scale, product mix improvement (higher wind segment contribution), and operating leverage. If sustained, 17%+ EBITDA margins position BTL among the most profitable Indian industrial manufacturers.
- **PAT nearly doubled from FY2024 to annualised FY26:** PAT grew from ₹147.69 crore (FY2024) to ₹191.12 crore (FY2025) — a 29.4% jump — and 9M FY26 PAT of ₹165.10 crore vs ₹140.61 crore (9M FY25) shows continued momentum. PAT margins expanded from 8.68% to 11.25% in this period — meaningful and structural, not cyclical.
- **RoCE of 25.18% signals excellent capital deployment:** A 25.18% return on capital employed is exceptional for a manufacturing company. This reflects Bonfiglioli's asset-light elements (leveraging parent's R&D without duplicating costs), high-value products (gearboxes are precision-engineered, not commodity), and strong pricing power.
- **Raw material cost is the key vulnerability:** At 63.08% of revenue, raw materials (steel, castings, bearings) dominate the cost structure. Any commodity price spike — especially for speciality steel grades used in precision gearboxes — would directly compress margins. This is the most important cost watch factor going forward.

5. VALUATION ANALYSIS

Issue Valuation at ₹586 (Upper Price Band)



Metric	Value
Post-Issue Market Cap	~₹11,017 crore (~\$1.15 billion)
EPS (9M FY26 annualised — RHP basis)	~₹10.06 per share
Post-Issue P/E (on annualised 9M FY26 EPS)	~45x–46x
P/E vs floor price band (₹558)	~44.1x
Price-to-Book Value	~5x–6x (at upper band vs net worth of ~₹1,850 crore est.)
EBITDA Margin	17.36% (9M FY26) — expanding
PAT Margin	11.25% (9M FY26) — expanding
RoE	18.58% (annualised, 9M FY26)
RoCE	25.18%
EV/EBITDA (approximate)	~32–35x
Revenue CAGR (FY2024–FY2026 est.)	~7–8% CAGR

Peer Comparison

Company	Segment	P/E (approx.)	PAT Margin	RoNW	Remarks
Bonfiglioli Transmissions (IPO)	Gearboxes / drives — industrial + wind + off-highway	~45x	~11.25%	~17.85%	#1 market pos segments; MNC
Elecon Engineering Company	Gearboxes / material handling	~89x	Higher	~18.50%	Listed; smaller valuation
Greaves Cotton	Engines + mobility + industrial	~30–40x	Moderate	Moderate	Broader; differ
SKF India	Bearings / industrial components	~50–60x	Good	Strong	Higher-quality
Timken India	Bearings / gearboxes	~45–55x	Strong	Strong	Close compar valuation

Valuation Verdict: At ~45x P/E, Bonfiglioli is priced in line with quality Indian industrial manufacturers (Timken at 45–55x, SKF at 50–60x) and at a meaningful discount to the gearbox pure-play Elecon Engineering (~89x). The valuation reflects: (1) genuine #1 market positions in all three segments; (2) expanding margins (17.36% EBITDA, improving); (3) MNC parent pedigree with global R&D access; and (4) a 70% wind drives market share that is uniquely valuable as India accelerates toward its 500 GW renewable energy target. The 100% OFS nature reduces the margin of safety somewhat — investors are paying at current valuations without balance sheet strengthening — but the quality of the business justifies the multiple. GMP of ~30% (₹175) is the market's own assessment that the IPO is attractively priced.

6. USE OF IPO PROCEEDS

Bonfiglioli Transmissions' IPO is a 100% Offer for Sale — all proceeds of approximately ₹2,534 crore flow entirely to Bonfiglioli S.p.A. (the Italian parent and promoter). The company (BTL India) receives no primary capital from this IPO.

Item	Detail
Proceeds recipient	Bonfiglioli S.p.A. (Italy) — selling promoter; NOT Bonfiglioli Transmissions Limited (India)
Approximate amount	~₹2,533.66 crore at upper price band



Item	Detail
Company balance sheet impact	No change — company raises no funds
Promoter's rationale	Partial liquidity monetisation of 25+ year Indian investment; listing provides market price discovery and liquidity for the parent
Future capital needs	To be funded by operating cash flows, internal accruals, and bank borrowings — consistent with past practice
Listed currency	Post-IPO, BTL India will have a publicly listed currency enabling future potential: ESOP grants, potential secondary OFS, M&A using listed shares

Investor Takeaway: The absence of a fresh issue is a double-edged signal. On one hand, it confirms the company is cash-generative and does not need capital — a mark of quality. On the other, it means none of the ₹2,534 crore raised goes toward BTL's India expansion, the planned heavy-duty gearbox facility, or working capital. Growth will be self-funded from operations. For the parent, this IPO is a legitimate partial exit after 25+ years of investment in India — at a valuation that reflects genuine business quality.



7. INDUSTRY OVERVIEW & TAILWINDS

India's Power Transmission & Industrial Drives Market

Parameter	Figure / Trend
India power transmission market size	Large and growing; BTL competes across gear motors, planetary gearboxes, and wind drives
India's wind energy capacity (FY2026)	~75 GW installed; target 500 GW by 2030 (all renewable sources); wind share ~100 GW by 2030
Wind turbine drive replacement cycle	Yaw and pitch drives require replacement every 8–12 years — creating aftermarket revenue alongside new turbine demand
India construction equipment market	Booming on infrastructure push (roads, highways, railways, ports) — direct driver of off-highway mobility gearboxes
India manufacturing sector (PLI push)	Production-linked incentives driving domestic manufacturing capacity — benefiting industrial gear motor demand
Industry 4.0 / automation adoption	Rising automation in Indian factories (pharma, food, chemicals, textiles) = structural demand for gear motors and drives

Key Tailwinds by Segment

- **Wind Energy — the most powerful tailwind:** India has committed to 500 GW of renewable energy capacity by 2030. Wind is targeted at ~100 GW. Every new wind turbine (typical 2–5 MW) requires one yaw drive and two pitch drives. BTL's 70% market share in this segment means it is structurally positioned to capture the lion's share of this growth. India is also exporting wind turbines — extending BTL's co-engineering relationships to global supply chains.
- **Infrastructure construction boom:** India's ₹11+ lakh crore annual infrastructure budget, PM Gati Shakti, and PMAY are driving unprecedented demand for construction equipment (excavators, cranes, pavers, mixers) — every one of which uses planetary gearboxes. BTL's 30% market share in off-highway mobility is directly leveraged to this capex cycle.
- **Make in India + PLI for manufacturing:** PLI schemes for manufacturing, electronics, textiles, food processing, and chemicals are all creating new plant and machinery demand — translating to gear motor orders for BTL's Industry & Automation segment.
- **Mining sector growth:** India's coal and mineral mining capacity expansion, particularly in Odisha, Jharkhand, and Chhattisgarh, requires both heavy construction equipment (BTL's off-highway segment) and fixed industrial drives (BTL's automation segment).
- **Aftermarket and services:** BTL's 25+ year installed base of gearboxes across Indian industry creates a growing aftermarket (spare parts, servicing, replacement) that provides revenue resilience independent of new equipment cycles.

8. KEY STRENGTHS

- **#1 market position in all three segments:** 70% wind drives share, 25% gear motors share, 30% off-highway share — a trifecta of dominance that is extraordinarily rare for any industrial company in India. These positions have been built over 25 years and are reinforced by co-engineering relationships, product breadth, and MNC technology credibility.
- **MNC parent pedigree — 70 years of global expertise:** Bonfiglioli S.p.A.'s global R&D (25+ countries, EUR 1.19 billion revenue) is the engine behind BTL's product quality and innovation. BTL's India teams access global IP, testing data, and engineering programs that domestic competitors cannot replicate. 29.95% of 9M FY26 revenue came from products introduced in the last 3 years — confirming active product renewal.
- **Co-engineering model creates unbreakable customer relationships:** The 30-month co-engineering programs in Off-Highway and Wind segments make BTL a de facto engineering partner, not just a supplier. Changing supplier would require re-engineering the OEM's entire product — an enormous cost that effectively locks in BTL for the life of the OEM's product cycle (typically 5–10 years).



- **EBITDA margin expanding to 17.36%:** Industry-best margins for a precision manufacturer of this scale, driven by premium product mix (especially Wind segment's high-value drives), operating leverage, and the parent's shared R&D cost structure.
- **RoCE of 25.18% — exceptional capital efficiency:** One in four rupees of capital employed generates profit — a marker of pricing power, product quality, and operational excellence that very few Indian industrials achieve.
- **Strong GMP of ~30% (₹175):** The highest GMP among all IPOs Ganesh StockInvest has covered in this batch (Moneyview: 21%, Varmora: 10%, Runwal: 6%, Vishal Nirmiti: 3%, AceVector: 0%). A 30% grey market premium on a ₹11,000 crore market cap industrial IPO reflects genuine institutional and retail enthusiasm — a rare and compelling signal.
- **1,000+ OEM and customer relationships:** Deep penetration across Indian industry — marquee names (JCB, Hyundai, Suzlon, Inox, GMM Pfaudler) alongside hundreds of SME manufacturers — provides revenue diversification and brand depth that is impossible to replicate quickly.
- **25+ year India operating history:** Established in 1998, BTL has navigated India's multiple economic cycles — the 2008 crisis, 2011 NPA crisis, GST transition, COVID-19 — and emerged with strengthening financials. This institutional resilience is a differentiating quality.
- **Wind energy secular growth:** India's renewable energy target means India needs to install 25+ GW of wind capacity annually for the next 4 years. At 70% market share, BTL is the primary beneficiary of this capex. The wind segment's 32% revenue share (growing) provides high-value, long-cycle, recurring demand.



9. KEY RISKS & CONCERNS

Risk Factor	Description	Severity
100% OFS — Company Gets No Proceeds	All ₹2,534 crore raised goes to the Italian parent (Bonfiglioli S.p.A.). BTL's India expansion, the planned heavy-duty gearbox facility, and working capital must be funded from internal accruals alone. No balance sheet strengthening from the IPO. Growth investments may compete with cash needs if the company hits a down-cycle.	HIGH
Promoter Partial Exit Signal	Bonfiglioli S.p.A. is selling shares to raise ~₹2,534 crore. While this is a common MNC subsidiary listing practice (ABB India, Siemens India, SKF India all have MNC parents listing), any future additional OFS by the parent would be a market overhang. Investors must be comfortable that the parent is not fully exiting but only partially monetising.	HIGH
Raw Material Cost Concentration (63.08% of revenue)	Speciality steel grades, castings, bearings, and electronic components constitute the dominant cost base. Any global commodity price spike — or supply chain disruption (geopolitical, tariff) — would directly compress margins. BTL has limited ability to pass through cost increases quickly on government/wind OEM contracts.	HIGH
Customer Concentration — Top 10 = ~47% of revenue	Revenue concentration from top 10 customers at nearly 47% means that loss of any one or two large OEM relationships (JCB, Suzlon, Inox Wind, etc.) would materially impact revenue and profit. Wind segment dependence on a handful of wind OEMs is particularly concentrated.	HIGH
Wind Segment Cyclical	Wind energy is subject to policy cycles (government auctions), financing conditions (interest rates), and grid integration progress. Any slowdown in India's wind energy auction pipeline — as seen in 2018–2020 when auctions dried up — would directly impact BTL's highest-margin, fastest-growing segment.	MEDIUM
Supplier Concentration (Top 10 = 41.92% of purchases)	Without definitive long-term contracts with key suppliers, BTL is exposed to potential supply disruptions, price increases, or quality issues from its top suppliers. This is an under-appreciated risk in the precision manufacturing supply chain.	MEDIUM
Competition from Global Entrants	As India's industrial market grows, global gearbox manufacturers (SEW-Eurodrive, Siemens/Flender, Sumitomo Drive Technologies, Brevini) are increasing their India presence. BTL's incumbency and OEM relationships are strong defences, but pricing pressure from well-capitalised global players is a real risk.	MEDIUM
Valuation at ~45x P/E	At 45x P/E, the IPO is fairly priced for the quality — but not cheap. Any earnings disappointment (lower wind auctions, commodity cost spike, margin compression) could cause a significant de-rating. Investors are paying for quality and growth; execution must deliver both.	MEDIUM
Technology Disruption Risk in Wind Drives	Wind turbine technology is evolving — towards direct-drive permanent magnet generators that eliminate the gearbox entirely (as in Siemens Gamesa's direct-drive turbines). If direct-drive adoption accelerates in India, BTL's wind segment faces structural demand risk over the medium-to-long term.	LOW
Foreign Exchange Risk	As a subsidiary of an Italian parent, some royalties, technical service fees, and component imports may be denominated in foreign currencies. USD/EUR fluctuations could affect cost structure and dividend repatriation to the parent.	LOW



Risk Factor	Description	Severity
Regulatory Dependency — Wind Energy Auctions	Wind turbine procurement in India is driven by SECI (Solar Energy Corporation of India) and state DISCOMS. Any policy slowdown, tariff revision, or regulatory change affecting renewable energy procurement timelines directly impacts BTL's Wind segment.	LOW

10. IPO TIMELINE & HOW TO APPLY

Event	Date
Anchor Investor Bidding	Tuesday, October 14, 2026
IPO Opens	Wednesday, October 15, 2026
IPO Closes	Sunday, October 19, 2026
Basis of Allotment	Tuesday, October 21, 2026
Refund / Credit to Demat	Wednesday, October 22, 2026
Listing Date (BSE & NSE)	Thursday, October 23, 2026

How to Apply

- **Via ASBA (bank net-banking):** Log in to your bank's net banking > IPO / Investments section > Search 'Bonfiglioli Transmissions IPO' > Enter minimum 1 lot (25 shares) at ₹586 (cut-off price recommended for maximum allotment probability) > Submit. Funds blocked until allotment.
- **Via UPI (broker app):** Log in to your broker app (Zerodha, Upstox, Groww, Angel One, etc.) > IPO tab > Select Bonfiglioli Transmissions > Enter lots and bid at ₹586 > Approve UPI mandate.
- **Minimum investment (retail):** 25 shares × ₹586 = ₹14,650 at upper band
- **Maximum retail application:** 13 lots = 325 shares = ₹1,90,450
- **Allotment check:** From October 21, 2026 — MUFG Intime India website (mufgintime.com) or BSE/NSE IPO allotment status with PAN / application number.



11. GMP & INVESTOR SENTIMENT

GMP Trend (Informal Pre-Listing Market)

Observation Period	GMP (₹ per share)	Indicative Listing Price	Premium Over Issue
Pre-announcement (early Oct)	Not tracked	n.a.	n.a.
October 12, 2026	~₹173	~₹759	~29.5%
October 13, 2026 (latest)	~₹175	~₹761	~29.9%

GMP Disclaimer: Grey Market Premium (GMP) is an informal, unregulated price indicator traded outside recognised stock exchanges. It is not endorsed by SEBI, BSE, or NSE and can change rapidly before or after listing. A GMP of ₹175 (~30%) is among the highest recorded for a large-cap industrial IPO in this market environment. However, GMP is not a reliable guarantee of actual listing performance.

Investor Sentiment Assessment

Bonfiglioli Transmissions carries the strongest grey-market signal of any IPO Ganesh StockInvest has covered in this September–October 2026 batch. A GMP of ₹175 (~30% premium over the ₹586 upper price band, implying an estimated listing of ₹761) is exceptional for a ₹11,000 crore market cap industrial IPO. This places it above Moneyview's 21% GMP, which had the second-highest GMP in our batch.

The market's enthusiasm is understandable. Industrial automation, wind energy, and off-highway machinery are among India's most active capex themes in 2026. Bonfiglioli is the dominant domestic player across all three simultaneously — a combination that no other listed company offers. The company's MNC pedigree (Bonfiglioli S.p.A., 70 years, EUR 1.19 billion global revenue), expanding margins, and genuine #1 market positions create a unique quality narrative that resonates strongly with both institutional and retail investors.

- **Bull signals:** GMP ~30% (highest in batch), dominant market shares (70% / 25% / 30%), expanding EBITDA margins (14.5% to 17.4%), RoCE 25.18%, strong industrial + wind + infrastructure tailwinds, MNC governance, 1,000+ OEM relationships, 4 strong BRLMs.
- **Cautious signals:** 100% OFS (no company proceeds), promoter partial exit, raw material cost at 63%, customer concentration (top 10 = 47%), wind policy cycle risk, 45x P/E not cheap.

12. GANESH STOCKINVEST RECOMMENDATION

GANESH STOCKINVEST RECOMMENDATION: SUBSCRIBE

Strong GMP of ~30%, dominant market positions (70% wind drives, 25% gear motors, 30% off-highway), healthy margins, and pure MNC pedigree; 45x P/E is fair for quality

Investment Rationale

Bonfiglioli Transmissions is the standout quality IPO of October 2026. The investment thesis is built on three pillars that rarely coexist in a single listing: (1) genuine #1 market dominance across three segments with 70% / 25% / 30% shares that have been built over 25 years; (2) exceptional financial quality — 25.18% RoCE, 17.36% EBITDA margins, 11.25% PAT margins — expanding over each reporting period; and (3) structural exposure to India's most durable capex themes — wind energy, infrastructure construction, and industrial automation.

The 100% OFS structure is the one notable caveat — investors are buying from the Italian parent, not funding company growth. But this is consistent with how most MNC Indian subsidiaries list (ABB India, Siemens India, SKF India are analogues),



and does not diminish the underlying business quality. The company has demonstrated the ability to fund its own growth from operations — a sign of cash generation strength.

At 45x P/E, Bonfiglioli is priced at a premium to basic industrials but at a discount to pure-play gearbox peer Elecon Engineering (~89x). The GMP of ~30% suggests the institutional market has priced it as genuinely undervalued even at the IPO price — an unusual signal at this issue size. For context, this is an ~₹11,000 crore market cap business where grey market is bidding at ₹14,000+ crore implied value. The market is saying the IPO is offered at a discount to fair value.

Bonfiglioli's 70% dominance in India's wind turbine drives segment alone provides a compelling multi-year growth story, given India's need to install 25+ GW of wind capacity annually through 2030. Every new wind farm installation is a Bonfiglioli order. This is as close to a structural monopoly as exists in Indian industrial manufacturing.

Suitability by Investor Type

Investor Profile	Recommendation	Rationale
Long-term quality investor (3–5 years)	STRONG SUBSCRIBE	Dominant market positions, MNC pedigree, wind energy tailwind — one of the best quality industrials to list in recent years
Conservative investor	SUBSCRIBE (1–2 lots)	Good quality, expanding margins, low leverage, stable earnings — suitable for conservative equity allocation
Listing-gains trader	SUBSCRIBE (apply max retail)	GMP of ~30% is exceptional for this size; highest listing premium expectation in Oct 2026 batch
HNI / high-allocation investor	STRONG SUBSCRIBE (max allocation)	Premium quality at fair valuation; 45x P/E justified for 25% RoCE + #1 market positions
SIP / accumulate investor	SUBSCRIBE now; accumulate post-listing if 5–10% correction occurs	Quality merits entry at IPO; if GMP materialises, some may choose to sell on listing and re-accumulate on dip

Synthesis: Bonfiglioli Transmissions is Ganesh StockInvest's top-rated IPO in this batch — our only outright SUBSCRIBE (no asterisk, no caveat) recommendation in the October 2026 IPO calendar. The combination of #1 market positions, expanding margins, MNC pedigree, India's wind energy boom, and a ~30% GMP make this the most compelling quality industrial IPO we have seen in several quarters. Apply at full retail allocation for maximum listing benefit and hold for 3–5 years for the structural wind energy value to compound.



13. DISCLAIMER

This report has been prepared by Ganesh StockInvest for informational and educational purposes only. Information is sourced from Bonfiglioli Transmissions Limited's Red Herring Prospectus (RHP, October 2026), DRHP (February 9, 2026), Frost & Sullivan industry report cited in offer documents, Business Standard, BusinessToday, Gear Technology India, and independent research. Ganesh StockInvest does not warrant the accuracy, completeness, or timeliness of the information.

This document does not constitute an offer, solicitation, or recommendation to buy or sell any securities. This IPO is entirely an Offer for Sale — no proceeds accrue to Bonfiglioli Transmissions Limited (BTL India). All proceeds flow to the selling promoter, Bonfiglioli S.p.A. (Italy). Investors should note that the company's future expansion, the planned heavy-duty gearbox manufacturing facility, and working capital requirements will be funded through internal accruals and bank borrowings, not through this IPO.

Market share data cited (70% wind drives, 25% gear motors, 30% off-highway) is from the Frost & Sullivan report commissioned by the company and reproduced in offer documents. These market positions reflect the period as of September 30, 2025, and may change. Grey Market Premium (GMP) data of ~₹175 (~30%) is sourced from informal grey market participants as of October 13, 2026, and is not endorsed by SEBI, BSE, or NSE. GMP is not a reliable indicator of actual listing performance.

Investing in IPOs involves risk. Raw material costs at 63.08% of revenue and customer concentration (top 10 customers = ~47% of revenue) are material risks investors must independently evaluate before investing. Investors are advised to read the complete RHP before applying. Ganesh StockInvest, its directors, employees, and associates may or may not hold positions in the securities mentioned. This report is for private circulation only. SEBI Registration: Registered Research Analyst as per SEBI (Research Analyst) Regulations, 2014.