18 November 2025

Gabriel India

Sunroof set-back little over large thesis; Expansions & group consolidation; strong value driver; retain BUY

Rating: **BUY**
Target Price: Rs.1,260
Share Price: Rs.1,023

Broadly in-line with ARe of Rs1.128bn, Gabriel's consolidated EBITDA grew 14% y/y to Rs1.129bn in Q2. We expect its consolidated revenue/EBITDA/EPS to clock 16/18/34% CAGR over FY25-28, driven by: (1) suspensions, as greater wallet-share is likely to drive 13% revenue growth; (2) M&As: new product-line expansion leveraging the Anand Group to drive further growth like its recent foray into fasteners and lubricants biz; and (3) group consolidation announcements. ~Rs40bn Anand group consolidated *(refer pg 5)*. Further ~60% of Anand Group's (~Rs120bn revenue) could boost earnings (currently i.e. Rs70bn sales ex-HL Mando Anand or ~35% of Anand group factored). We maintain BUY rating on the stock with a lower SOTP-based TP of Rs1,260 (from Rs1,440 earlier), valuing it at 32x on consolidated Sep'27e EPS of Rs31.9 (Rs1,020), future group consolidation (Rs140) and M&A potential (Rs100).

EBITDA in-line. Consolidated revenue grew 15% y/y to Rs11.8bn in Q2 FY26 in-line with our estimate of Rs11.9bn. Standalone (suspensions) revenue/EBITDA grew 15/17% y/y, slightly lower than our estimate, mainly due to lower-than-expected gross margin (MMAS margin hit). Sunroof revenue/EBITDA grew 11%/5% y/y, above our estimate due to improved margin (16.5%). Other income grew 26% y/y to Rs61m. Overall, PAT grew 10% y/y to Rs690m (vs. ARe of Rs667m), due to higher-than-expected other income.

Management commentary. Foray into **lubricants biz (via JV)** is likely to add ~Rs5bn revenue in next 5-6 years. In **sunroof,** it could not retain Creta platform (ICE variant) coming in H2 FY28, albeit working on few RFQs to fill the gap.

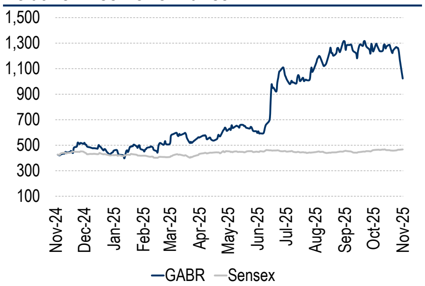
Valuation. Our FY26/27e EPS broadly unchanged, while trim FY28e EPS by 8%, mainly due to lower sunroof sales (~Rs4bn loss of Creta next-gen order) and slightly lower standalone margins. We maintain BUY rating with an SOTP-based TP of Rs1,260. **Key risks:** Delay in group consolidation, lower-than-expected growth in underlying segments, slower traction in M&As and new product lines, and adverse movement in commodity prices.

Key Data	GABR IN / GABR.BO
52-week high / low	Rs1388 / 387
Sensex / Nifty	84951 / 26013
Market cap	Rs181bn
Shares outstanding (adj)	177.2m

Shareholding Pattern (%)	Post-merger	Sep'25	Jun'25
Promoters	63.5	55.0	55.0
- of which, Pledged	-	-	-
Free float	36.5	45.0	45.0
- Foreign institutions	-	6.5	6.0
- Domestic institutions	-	15.7	15.0
- Public	-	22.8	24.0

Estimates Revision % (C)	FY26e	FY27e	FY28e
Sales	-0.2	2.7	-3.7
EBITDA	-3.3	-0.1	-8.5
EPS	-4.2	-2.2	-7.9

Relative Price Performance



Source: Bloomberg

Key Financials (Y/E Mar) – Consolidated	FY24	FY25	FY26e	FY27e	FY28e
Sales (Rs m)	34,026	40,634	45,891	60,448	64,109
Net profit (Rs m)	1,787	2,450	2,647	5,446	5,896
EPS (Rs)	12.4	17.1	18.4	30.7	33.3
P/E (x)	82.2	60.0	55.5	33.3	30.8
EV / EBITDA (x)	50.1	37.9	33.5	29.7	28.2
P/BV (x)	14.7	12.4	10.5	4.3	3.9
RoE (%)	17.8	22.4	20.5	19.5	13.3
RoCE (%) (excl. Dana/Henkel inv)	18.0	22.6	21.1	21.7	20.0
Dividend yield (%)	0.3	0.3	0.4	0.6	0.6
Net debt / equity (x)	-0.2	-0.0	-0.1	-0.1	-0.0

Source: Company, Anand Rathi Research

Mumuksh Mandlesha
Research Analyst

Shagun Beria
Research Associate

Dishant Jain
Research Associate

Quick Glance – Financials and Valuations (Consolidated)

Fig 1 – Income statement (Rs m)

Y/E Mar	FY24	FY25	FY26e	FY27e	FY28e
Net revenue	**34,026**	**40,634**	**45,891**	**60,448**	**64,109**
Growth (%)		***19.4***	***12.9***	***31.7***	***6.1***
Raw material cost	25,518	30,109	33,813	43,854	46,518
Other direct cost	5,583	6,628	7,704	10,545	11,149
EBITDA	**2,926**	**3,897**	**4,373**	**6,049**	**6,443**
EBITDA margin (%)	***8.6***	***9.6***	***9.5***	***10.0***	***10.0***
- Depreciation	599	813	1,052	1,504	1,635
Other income	194	260	366	402	443
Interest expenses	82	102	156	177	177
PBT	**2,438**	**3,242**	**3,531**	**4,770**	**5,073**
Effective tax rates (%)	27	24	25	25	25
+ Associates / (Minorities)			-	1,883	1,997
Adjusted income	**1,787**	**2,450**	**2,647**	**5,446**	**5,896**
Extraordinary items	-	-	-	-	-
Net income	**1,787**	**2,450**	**2,647**	**5,446**	**5,896**
WANS	144	144	144	177	177
FDEPS (Rs)	12.4	17.1	18.4	30.7	33.3
Growth (%)		*37.1*	*8.1*	*66.7*	*8.3*

Fig 2 – Balance sheet (Rs m)

Y/E Mar	FY24	FY25	FY26e	FY27e	FY28e
Share capital	144	144	144	177	177
Net worth	10,022	11,833	13,951	41,817	46,536
Debt	252	239	339	339	339
Minority interest					
DTL / (Assets)	133	86	86	86	86
Capital employed	**10,406**	**12,157**	**14,375**	**42,282**	**47,110**
Net tangible assets	5,363	6,349	7,747	8,185	8,340
Net intangible assets	-	-	-	-	-
Goodwill	-	-	-	-	-
CWIP (tang. & intang.)	392	418	418	418	418
Investments (strategic)	73	78	78	25,588	31,588
Investments (financial)	1,016	369	369	369	369
Current assets (excl. cash)	10,186	12,615	13,129	15,402	17,496
Cash	765	394	1,793	3,062	1,102
Current liabilities	7,388	8,066	9,159	10,741	12,203
Working capital	2,798	4,549	3,970	4,661	5,293
Capital deployed	**10,406**	**12,157**	**14,375**	**42,282**	**47,110**
Contingent liabilities		-	-	-	-

Fig 3 – Cash-flow statement (Rs m)

Y/E Mar	FY24	FY25	FY26e	FY27e	FY28e
PBT	**2,438**	**3,242**	**3,531**	**6,694**	**7,279**
+ Non-cash items	682	915	1,208	1,681	1,813
Oper. prof. before WC	3,120	4,156	4,739	8,375	9,091
- Incr. / (decr.) in WC	498	1,319	-579	691	632
Others incl. taxes	857	799	884	1,207	1,273
Operating cash-flow	**1,766**	**2,038**	**4,435**	**6,476**	**7,186**
- Capex (tang. + intang.)	1,610	2,039	2,450	1,942	1,791
Free cash-flow	**156**	**-1**	**1,985**	**4,534**	**5,395**
Acquisitions	-	-	-	-	-
- Div. (incl. buyback & taxes)	453	610	529	1,089	1,178
+ Equity raised	-	-	-	23,510	-
+ Debt raised	252	-52	100	-	-
- Fin investments	-385	303	-	25,510	6,000
- Misc. (CFI + CFF)	138	-596	156	177	177
Net cash-flow	**201**	**-370**	**1,399**	**1,268**	**-1,960**

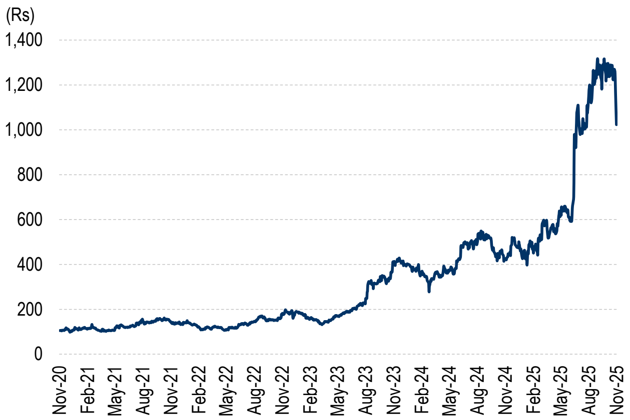
*Source: Company, Anand Rathi Research; *Note: P&L captures 4 group cos acquisitions. B/S and C/F numbers adjustments are routed through investments*

Fig 4 – Ratio analysis

Y/E Mar	FY24	FY25	FY26e	FY27e	FY28e
P/E (x)	82.2	60.0	55.5	33.3	30.8
EV / EBITDA (x)	50.1	37.9	33.5	29.7	28.2
EV / Sales (x)	4.3	3.6	3.2	3.0	2.8
P/B (x)	14.7	12.4	10.5	4.3	3.9
RoE (%)	17.8	22.4	20.5	19.5	13.3
RoCE (%) - after tax (excl. the Dana/Henkel investemnt)	18.0	22.6	21.1	21.7	20.0
RoIC (%) - after tax (excl. the Dana/Henkel investemnt)	21.9	25.7	23.9	29.5	29.3
DPS (Rs)	3.2	3.0	3.7	6.1	6.6
Dividend yield (%)	0.3	0.3	0.4	0.6	0.6
Dividend payout (%)	25.3	17.3	20.0	20.0	20.0
Net debt / equity (x)	-0.2	-0.0	-0.1	-0.1	-0.0
Receivables (days)	53	54	54	54	54
Inventory (days)	43	44	43	43	43
Payables (days)	84	76	84	84	84

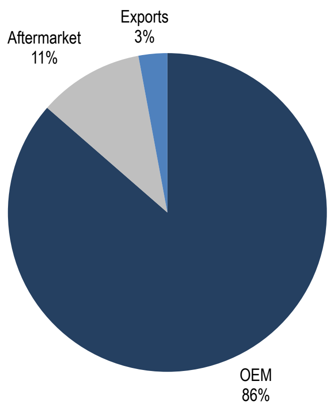
Source: Company, Anand Rathi Research

Fig 5 – Price movement



Source: Bloomberg

Fig 6 – Segment-wise break-up, Q2 FY26, standalone



Source: Company

Results Highlights

Fig 7 – Quarterly Performance – Consolidated

(Rs m)	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	y/y (%)	q/q (%)
Revenue	**10,271**	**10,166**	**10,732**	**10,984**	**11,803**	**14.9**	**7.5**
Expenditure	**9,284**	**9,251**	**9,644**	**9,931**	**10,675**	**15.0**	**7.5**
as % of sales	*90.4*	*91.0*	*89.9*	*90.4*	*90.4*		
Consumption of RM	7,603	7,557	7,925	8,033	8,705	14.5	8.4
as % of sales	*74.0*	*74.3*	*73.8*	*73.1*	*73.8*		
Employee cost	644	652	630	733	765	18.7	4.2
as % of sales	*6.3*	*6.4*	*5.9*	*6.7*	*6.5*		
Other expenditure	1,036	1,042	1,089	1,164	1,205	16.3	3.5
as % of sales	*10.1*	*10.2*	*10.1*	*10.6*	*10.2*		
EBITDA	**987**	**915**	**1,088**	**1,053**	**1,128**	**14.3**	**7.2**
Depreciation	194	194	237	250	251	29.4	0.2
EBIT	**793**	**721**	**850**	**803**	**878**	**10.6**	**9.3**
Other income	48	95	54	40	61	25.8	52.0
Interest	20	30	30	29	28	43.8	(0.6)
PBT	**822**	**785**	**874**	**814**	**910**	**10.7**	**11.8**
Tax	193	184	231	195	220	14.1	13.0
Adj. PAT	**629**	**601**	**644**	**620**	**690**	**9.7**	**11.4**
Extraordinary items Loss / (Gain)	0	0	0	0	0		
Rep. PAT	**629**	**601**	**644**	**620**	**690**	**9.7**	**11.4**
Adj. EPS	**4.4**	**4.2**	**4.5**	**4.3**	**4.8**	**9.7**	**11.4**
Margins (%)						**(bps)**	**(bps)**
Gross	26.0	25.7	26.2	26.9	26.2	46	(62)
EBIDTA	9.6	9.0	10.1	9.6	9.6	(3)	(3)
EBIT	7.7	7.1	7.9	7.3	7.4	(17)	13
PAT	6.1	5.9	6.0	5.6	5.8	(24)	21
Effective Tax rate	23.4	23.5	26.4	23.9	24.2	(10)	26

Source: Company

Fig 8 – Change in Estimates

	Old			New			Change (%)		
(Rs m)	FY26e	FY27e	FY28e	FY26e	FY27e	FY28e	FY26	FY27	FY28
Revenue	45,977	58,870	66,599	45,891	60,448	64,109	-0.2	2.7	-3.7
EBITDA	4,525	6,058	7,044	4,373	6,049	6,443	-3.3	-0.1	-8.5
% of revenue	9.8	10.3	10.6	9.5	10.0	10.0			
Adj. PAT	2,762	5,571	6,399	2,647	5,446	5,896	-4.2	-2.2	-7.9
EPS (Rs)	19.2	31.4	36.1	18.4	30.7	33.3	-4.2	-2.2	-7.9

Source: Anand Rathi Research

Earnings Call Takeaways

- **49:51 JV with SK Enmove.** Aims Rs5bn revenue in the next 5-6 years (replacement + OEM business). Revenue booking is expected to start from FY27, but reasonable numbers are likely to reflect in FY28.
- **Suspension.**
  - 2W/3W grew 15%, PV 13%, CV 35%.
  - Weak MMAS margin impacted Q2 FY26 standalone margin.
  - Secured 3 platforms from Maruti in Q2 FY26 and started supply to Victoris model recently.
  - Bagged inverter front fork order from Yamaha; production to start from end of the next year.
  - Exports growth was driven by demand in Africa, LatAm and Middle East.
  - In EVs, it won order from River (Yamaha), supplying to latest launches of Ultraviolette model and TVS Orbiter.
- **Sunroof.**
  - Revised the JV agreement for change in shareholding pattern from previous 51% stake of Inalfa to 35% subject to PN3 approval.
  - It was not able to retain Creta platform (ICE variant), whose new platform is coming in H2 FY28.
  - Working on few RFQs with local and Japanese customers to fill in the gaps.
- **Dana JV.** Supplies 100% of Dana's driveshaft business for PV, CV, tractors and other segments, while for axles, the JV supplies for SCV. No tariff impact, as it is being supplied to Dana Global.
- **Fastener Jinhap JV.** Production to commercialise from H2 FY27 with new manufacturing facility.
- **Capex.** H1 FY26 capex of Rs1.08bn had MMAS asset acquisition; FY26 capex is expected at Rs1.5-1.8bn.

Valuation

Non-listed Anand Group companies consolidated with Gabriel

The company announced a scheme of arrangement to acquire 25.1% stake in Dana Anand, 49% in Henkel Anand, 76% in Anand CY Myutec Automotive and 100% in Anchemco India from the promoter in Jun'25 (expected to be completed in ~10-12 months).

This is meaningful step toward realising the G**roup's strategic vision**. It simplifies the group structure and re-aligns the corporate structure to unlock synergies and sharpen its competitive edge. **Gabriel India will play a pivotal role** in transformation, serving as the group's vehicle for growth and a platform for long-term value creation.

Rationale for promoters. Driven by a change in the family guard and a more forceful outlook on business in India.

Purpose. An ambitious **group target of Rs500bn revenue** by 2030, with Gabriel India leading the charge.

Benefits. More customers, strengthen the aftermarket through various products, supply-chain synergies and levering its global relationship.

Addressing **investor expectations** through diversification and M&As.

Scheme to **accelerate profitable growth with higher margin**. Creating sustainable long-term value for shareholders.

In 2023, the first step in the transformation by partnering with Inalfa Roof for sunroof systems and to make it a **multi-product company**. New product segments are expected to mitigate concentration risk, forge direct alliance with global partners, co-develop advance technology and lever synergies through scale and shared resources.

Management is looking at **organic and inorganic opportunities to** cater to **EV and tech-agnostic spaces** and it is open to **opportunities** in **India and globally**.

Group consolidation opportunity. Anand Group revenue is ~Rs200bn (Rs40bn acquired companies, Gabriel Rs40bn), so it now covers 40% of value. Consolidation of the rest of group would be decided by the board. The Group targets Rs500bn revenue by FY30, with Gabriel as the growth engine.

Now, it has enhanced ability to **raise funds** for organic and inorganic growth.

Fig 9 – Dana Anand Financials

(Rs m)	FY23	FY24	FY25	FY26e	FY27e	FY28e
Revenue from operations	23,120	25,900	26,700			
EBITDA	3,260	4,020	4,280			
EBITDA margins (%)	14.1	15.5	16.0			
PAT	2,280	3,190	3,190			
PAT margin (%)	9.9	12.4	12.0			
Net worth	7,240	8,780	10,010			
Debt	1,110	860	90			
Cash and cash equivalents	1,490	2,390	2,790			
RoE (%)	34	40	34			
RoCE (%)	35	38	36			
PAT attributable to shareholders (25.1%)	**572**	**801**	**801**	**881**	**969**	**1,061**
Growth (%)		*40*	*0*	*10*	*10*	*10*

Source: Anand Rathi Research

Fig 10 – Henkel Anand Financials

(Rs m)	FY23	FY24	FY25	FY26e	FY27e	FY28e
Revenue from operations	6,480	8,050	8,900			
EBITDA	710	1,760	2,270			
EBITDA margins (%)	11.0	21.9	26.5			
PAT	400	1,210	1,610			
PAT margins (%)	6.2	15.1	18.2			
Net worth	1,470	2,540	2,250			
Debt	200	60	60			
Cash and cash equivalents	80	1,230	910			
RoE (%)	32	60	67			
RoCE (%)	34	75	84			
PAT attributable to shareholders (49%)	**196**	**593**	**789**	**868**	**955**	**1,045**
Growth (%)		*203*	*33*	*10*	*10*	*10*

Source: Anand Rathi Research

Fig 11 – Anand CY Myutec Automotive Financials

(Rs m)	FY23	FY24	FY25	FY26e	FY27e	FY28e
Revenue from operations	1,520	1,720	2,040	2,285	2,513	2,739
EBITDA	170	200	250	279	312	341
EBITDA margin (%)	11.4	11.4	12.0	12.2	12.4	12.5
PAT	90	110	120	137	156	171
PAT margin (%)	6.1	6.2	5.8	6.0	6.2	6.3
Net worth	480	560	670			
Debt	90	90	270			
Cash and cash equivalents	100	60	2			
RoE (%)	21	21	19			
RoCE (%)	23	23	22			
PAT attributable to shareholders (76%)	**68**	**84**	**91**	**104**	**118**	**130**
Growth (%)		*22*	*9*	*14*	*14*	*10*

Source: Anand Rathi Research

Fig 12 – Anchemco Financials

(Rs m)	FY23	FY24	FY25	FY26e	FY27e	FY28e
Revenue from operations	**2,070**	**3,110**	**3,290**	**3,553**	**3,837**	**4,144**
EBITDA	130	380	380	419	460	499
EBITDA margin (%)	6.1	12.1	11.6	11.8	12.0	12.1
PAT	**60**	**180**	**140**	**160**	**180**	**197**
PAT margin (%)	2.7	5.6	4.3	4.5	4.7	4.8
Net worth	**210**	**790**	**780**			
Debt	**180**	**730**	**1,260**			
Cash and cash equivalents	**10**	**70**	**10**			
PAT attributable to shareholders (100%)	**60**	**180**	**140**	**160**	**180**	**197**
Growth (%)		*200*	*-22*	*14*	*13*	*9*

Source: Anand Rathi Research

More group consolidation opportunity ahead

The Anand Group revenue is Rs200bn, out of which Rs40bn is consolidated, Gabriel Rs40bn, so it now cover 40% of the value. In terms of profit, >55% is still outside Gabriel. Consolidation of the rest of the group would be decided by the board. **EPS-accretive benefit of ~Rs4 for other unlisted entities.** Currently estimates exclude HL Mando Anand i.e. Rs70bn sales or ~35% of Anand group as HL Mando Anand consolidation may take time due to similar product lines (suspension).

Fig 13 – Coming consolidation can add a notable, Rs4.3, EPS benefit

Future group consolidation	FY24	FY25	FY26	FY27	FY24-27 CAGR
Revenues (ex HL Mando Anand)	51,338	55,445	59,881	64,671	*8%*
EBITDA	6,757	7,365	8,028	8,750	*9%*
%	*13.2*	*13.3*	*13.4*	*13.5*	
PAT	2,943	3,238	3,561	3,917	*10%*
%	*5.7*	*5.8*	*5.9*	*6.1*	
Attributable PAT share	1,028	1,131	1,244	1,369	*10%*
% of PAT	*34.9*	*34.9*	*34.9*	*34.9*	
Applied multiple P/E (x)				***13***	
Equity value				17,791	
CMP (Rs)				1,023	
New shares issued (m) @ CMP				17	
Total shares (m)				195	
Consolidated PAT (Rs m) - incl. above				6,814	
Current EPS (Rs)				30.7	
EPS – incl. above (Rs)				35.0	
Incremental EPS benefit (Rs)				**4.3**	

Source: Anand Rathi Research; Note: Excluding HL Mando Anand

Fig 14 – Diversified and multi-segment Anand Group profile of listed and unlisted entities

Companies (Rs m)	Year	Holding (%)	Revenue	EBITDA	%	PAT	Attrituble PAT share	Segments	Products	Key Customers
Gabriel (listed)	**FY25**	**100%**	**40,634**	**3,897**	**10%**	**2,450**	**2,450**	**2W, 3W, PV, CV, Railways**	**Suspension, Sunroof**	**Bajaj Auto, TVS Motors, Yamaha, Maruti Suzuki, Hyundai, Mahindra & Maindra, Kia, Volkswagen**
Dana Anand *(announced)* *(Axles & Drivetrain)*	FY25	25%	26,700	4,280	16%	3,190	**798**	PV, CV, Off Highway	Rear and front axles, Transmission for EV, Propellor Shaft, Drivetrain Components.	Tata Motors, Maruti Suzuki, Mahindra and Mahindra, Ashok Leyland, VE Commercial Vehicle
Henkel Anand *(announced)* *(Body In White BIV, NVH)*	FY25	49%	8,900	2,270	26%	1,610	**789**	PV	Anti Vibration Pad, Direct Glazing Adhesive, Sealant and coating, High Damping Foam, Pillar Filler, Reinforcment structural pad, Stiffening foam, Structural Adhesive	Tata Motors, Maruti Suzuki, Mahindra and Mahindra, Hyundai, Kia
ANAND CY Myutec Automotive *(announced)* (transmission & forging)	FY25	76%	2,040	250	12%	120	**91**	PV, CV	Brass Synchroniser Ring, Steel Synchroniser Ring, Aluminium Forging	Tata Motors, Maruti Suzuki, Mahindra and Mahindra, Hyundai, KIA
Anchemco *(announced)* *(Coolant & Fluids)*	FY25	63%	3,290	380	12%	140	**88**	PV, CV	Brake fluids, Radiator Coolants, Diesel exhaust fluids (DEF)/ad-blue, Polyurethane (PU) and Polyvinyl Chloride (PVC) adhesives	TATA Motors, Daimler Trucks, Mahindra and Mahindra
Total (listed)			**81,564**	**11,077**	14%	**7,510**	**4,215**			
HL Mando Anand *(Brakes, Steering, Suspension)*	FY24	29%	51,880	5,963	11%	3,377	**979**	PV	ABS/ESC, Master Cylinder & Booster, Caliper Brake, Drum Brake, Rack Electric Power Steering System, Column Electric Power Steering System, Manual Rack & Pinion (Steering Gear Box), Suspension Strut Assembly, Suspension Shock Absorber Assembly, Integrated Dynamic Brake (IDB), MOC (EPB - Electric Parking Brake)	FIAT, Ford, Hyundai, ISUZU, KIA, Mahindra and Mahindra, Maruti Suzuki, MG, Stellantis, Tata Motors.
Mahle Anand Filter Systems *(Compressors, Filters)*	FY24	46%	9,859	946	10%	581	**266**	2W, 3W, PV, CV, Off Highway	i-Condensors - e-Compressors, Climate Control Module (CCM), PTC Heater, Chiller Unit, Electronic Expansion Valve (eXV), Battery Cooling Box, Battery Cooling PlateAir intake systems/ Fuel Filter Modules/ Oil Filter Modules, Cylinder Head Covers, Air Intake Manifolds, Carbon Cansiters, Cabin Air Filters, Oil Cooler/ Hear Exchangers, Oil Mist Separator for ICE	SML, Ashok Leyland, BAJAJ, Escorts, FIAT, Force Motors, Ford, GM,Harley Davidson, Hero, Honda, Hyundai, ISUZU, JCB, KIA, Kirloskar, Mahindra and Mahindra, Maruti Suzuki, Nissan, Piaggio, Renault, Royal Enfield, Skoda, Tata Motors, Toyota, TVS, Volkwagen, Yamaha, Volvo.
Mahle Anand Thermal Systems *(Thermal)*	FY24	40%	15,124	1,197	8%	654	**262**	PV, CV, Off Highway	Liquid Management Module for Electric Vehicle (OGA), Water Jackets for Inverter Box, Lean Module Covers for Battery Packs, Active Oil Mist Separator for ICE (HPI), Humidifier for FCV, Exhaust System for FCV, HVAC System Exhaust Gas Re-circulation Valve (EGR), Integrated Charge Air Cooler (iCAC), Engine Cooling Module (Radiator with Fan Motor Shroud), Visco Clutch Blower System	Ashok Leyland , BMW, Cooper Corp, Cummins, Daimler, Escorst, Fiat, Force, GM, Greaves, Honda,, JCB, Mahindra, MAN, Maruti Suzuki, Renault Nissan, TATA Motors, Volkswagen, Volvo
Valeo Friction Materials *(Friction)*	FY24	40%	2,582	781	30%	581	**232**	Tractors	Clutch Friction Material, Brake Friction Material, Friction Washer, Tractor Dry Brake Facing, Tractor PTO Cardan Shaft Torque Limiter Facing	Valeo, Setco, AMREP, Schaffler, MSL, JAYA Hind, EATON, ZF Steering Gear India Ltd, EXEDY, RAICAM, Brakes India Limited, SecoKomos, Texspin, MACAS Automotive, LAS, EL-Chico, SACHS, RUEN, SEA, Valeo, SML, TAFE, APLS Clutch
Faurecia Emissions Control Technologies *(Exhaust)*	FY24	26%	9,765	2,976	30%	839	**218**	PV, CV	Catalytic Converters, Diesel & Gasoline Particulate Filters, Selective Catalytic Reduction (SCR), Silencers/Muffers- Ammonia Storage & Delivery System (ASDS), Exhaust Heat Power Generation (EHPG), Exhaust Heat Recovery System (EHRS), Acoustic Valves	Cummins, FIAT, Ford, Hyundai, Mahindra and Mahindra, Renault Nissan, Tata Motors, Toyota
Joyson Anand Abhishek Safety Systems *(Airbags, Seat belts)*	FY24	35%	8,778	438	5%	335	**117**	PV, CV, Off Highway	Seat Belts, Air Bags, Steering Wheel Integrated Safety Solutions	Ashok Leyland, Daimler, Honda, Hyundai, Isuzu, Kia, Maruti Suzuki, MOBIS, Renault Nissan, TATA Motors, Toyota, Volvo.
CY Myutec Anand *(Transmission)*	FY24	24%	1,571	416	27%	170	**41**	PV, CV	High Precision Single, Cone Synchroniser Rings, Multi-Cone Synchroniser Rings of Brass & Steel	AVTEC, Hyundai
ANAND I-Power *(Pistons)*	FY24	100%	1,798	86	5%	3	**3**	2W, 3W, PV, CV, Off Highway	Piston Rings, Clutch Pressure Plates, Slack Adjusters, Differential Housings, Wheel Hubs, SG and Grey Iron Castings	MG, ZF Steering Gear India Ltd, Ashok Leyland, Cummins Emerson Climate Technologies, Escorts, Exedy, Greaves, Kirloskar, Mahindra, MSL, Secokomos, Tata Motors, TAFE, Valeo, Volvo.
Anelvolve Mando Emobility *(EV motors)*	FY24	40%	1,858	39	2%	-103	**(41)**	2W, 3W	Hub Wheel Motor, Mid Drive Motor for 2W & 3W Motor Controller	Not Provided
Anevolve Powertronics *(Chargers)*	FY24	60%	2	-123	NM	-116	**(70)**	2W, PV	Offboard & Onboard DC, Chargers for EVs, AC Chargers for EVs DC-DC Converters, 3-in-1 for 4W	N/A
Total (unlisted)			**1,03,218**	**12,720**	12%	**6,320**	**2,008**			
Total			**1,84,782**	**23,797**	13%	**13,830**	**6,223**			

Source: Company, Ace Equity, MCA, Anand Rathi Research

Fastners JV with Jinhap (an affiliate of Jinos, South Korea). It a specialty fastener maker (mainly for PVs). Initial focus on localisation of imported fasteners (~Rs1-1.2bn/year) for anchor customers (Korean). Imported fastener market is ~Rs15bn in India. Revenue is seen at Rs1.8-2bn with double-digit EBITDA margin by 2030. Plant is likely to be operational next year.

Lubricants JV with SK Enmove. It is in business of engineering, manufacturing and marketing of range of automotive and industrial lubricants, including engine oils, e-fluids, shock absorber oils, greases and thermal management fluids for both replacement and OEM. Revenue is seen at ~Rs5bn in next 5-6 years (to start from FY27, but reasonable numbers expected from FY28).

M&A

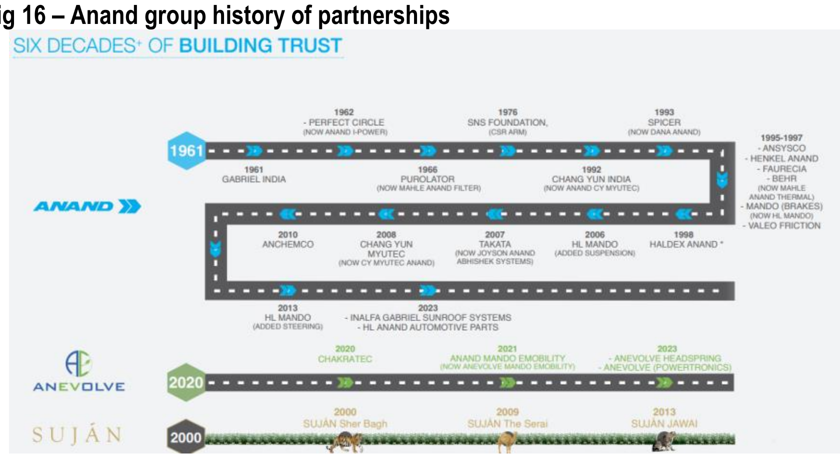
The Anand Group comprises of **23 companies, 8 JVs, 4 technical collaborators and 20k employees.** Its JVs **and tech collaborations** with global partners aid in diversifying product-line. The g**roup aims to add Rs150bn revenue by 2030 through M&As.** Gabriel is now the Group's automotive growth engine. **We expect growth to accelerate through M&As vs. the earlier plan of one a year.**

Fig 15 – M&As (JVs/acquisitions) to accelerate, as Gabriel will be the face of the Group's automotive growth

FY30 M&A revenue target (Rs bn)	**150**
Discount (%)	50
FY30 revenue target (Rs bn)	**75**
PAT margin (%)	4
PAT (Rs bn)	**3.0**
Attributable share (%)	40
Attributable PAT (Rs bn)	**1.5**
Cash flow discount rate (%) for shift to Sep'27	12
Attributable PAT (Rs bn)	**1.1**
Number of shares (m)	177
EPS (Rs)	**6.4**
Discount (%) as part of M&A already factored into the current stock multiple	50
EPS (Rs)	**3.2**

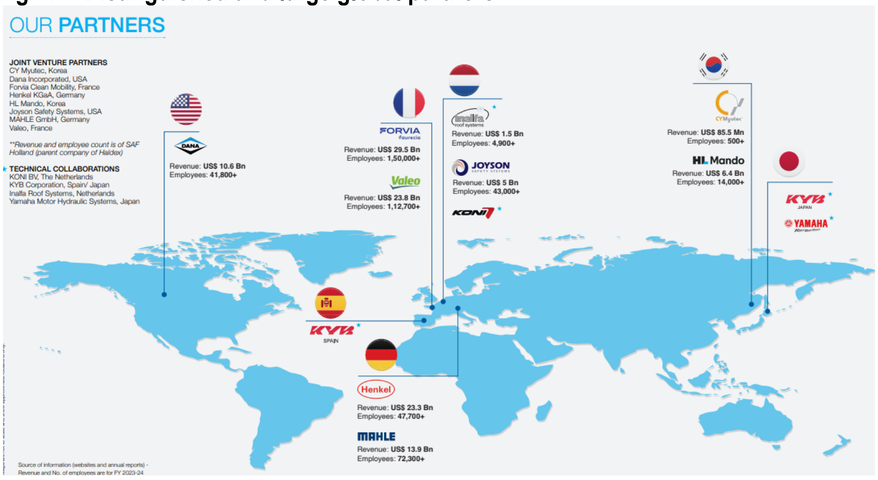
Source: Anand Rathi Research

Fig 16 – Anand group history of partnerships



Source: Company

Fig 17 – Distinguished and large global partners



Source: Company

Market share to aid outperformance in suspensions. We expect revenue to clock 13% CAGR over FY25-28, driven by OEM growth (12%), replacements (6%), exports (14%) and solar dampers (Rs2bn). The company is gaining 2W, PV and CV shares from the OEMs. Improvement in 2W market-share is driven by key customers (HMSI, TVS and Bajaj) and a strong >60% market share in EVs. Its PV market share is improving due to favourable share in UVs and more customers.

New order wins to offset setback of Creta sunroof order in 5 year period. The company entered a 65% JV with Inalfa (2nd largest globally) to manufacture sunroofs. New order wins are expected in the coming period, which would offset ~Rs4bn order of ICE Creta (effective from H2 FY28) in the 5 year period. We expect EBITDA margin at 10-14% in the medium-to-long-term.

Outlook and Valuation. We expect the company's revenue/EBITDA/EPS to clock robust CAGR of 16/18/34% over FY25-28. The company is our preferred pick in automotive universe. **We maintain BUY rating on the stock with an SOTP-based TP of Rs1,260, valuing it at 32x on consolidated Sep'27e EPS of Rs31.9 (Rs1,020), future group consolidation (Rs140) and M&A potential (Rs100).**

Fig 18 – Consolidated PAT and EPS breakup

EPS breakup (Rs)	PAT (Rs m)				Sep'27 EPS
	FY25	FY26	FY27	FY28	(177.23m shares)
Standalone (suspensions)	2,119	2,357	2,774	3,255	17.0
Sunroof	331	290	446	83	1.5
Fasteners			3	24	0.1
Dana Anand			969	1,061	5.7
Henkel Anand			955	1,045	5.6
Anand CY Myutec			118	130	0.7
Anchemco			180	197	1.1
M&As*			0	100	0.3
Total	**2,450**	**2,647**	**5,446**	**5,896**	**32.0**

*Source: Anand Rathi Research * Note: coming M&As, SK Enmove (Rs10bn revenues; 2% PAT margin; 50% PAT share)*

Fig 19 – SOTP Valuation

	EPS (Rs)	Multiple (x)	TP (Rs)
Consolidated FY27e (Fig. 17)	32.0		1,020
Future group consolidation (Fig. 12)	4.3	32	140
Future JVs/acquisition potential (Fig. 14)	3.2		100
Total	**39.5**		**1,260**
Implied P/E (x) based on Sep'27e consol. EPS (excl. future JV consolidation and M&As)			
Sep'27e EPS	32.0		39

Source: Anand Rathi Research

Fig 20 – 2030 roadmap for Gabriel (factoring upcoming group consolidation)

PAT (Rs m)	FY25	FY26	FY27	FY28	FY29	FY30	FY30 share (%)	FY25-30 CAGR (%)	FY27-30 CAGR (%)
Current	2,450	2,647	3,223	3,352	5,336	5,998	49	20	12
Group co.s transfer PAT (announced)			2,222	2,444	2,689	2,958	24		10
Group co.s transfer PAT (expected ahead)					1,656	1,821	15		10
New M&A				100	750	1,500	12		
PAT	**2,450**	**2,647**	**5,446**	**5,896**	**10,431**	**12,277**		**38**	
Shares (m)									
Current	144	144	144	144	144	144			
New shares issued for group co.s transfer			34	17					
Total shares	**144**	**144**	**177**	**195**	**195**	**195**			
EPS (Rs)	**17.1**	**18.4**	**30.7**	**30.3**	**53.6**	**63.1**		**30**	
Growth (%)		*8*	*67*	*-1*	*77*	*18*			
P/E multiple									
30	**500**	**550**	**900**	**900**	**1,600**	**1,900**			
35	**600**	**650**	**1,100**	**1,050**	**1,900**	**2,200**			
40	**700**	**750**	**1,250**	**1,200**	**2,150**	**2,500**			
45	**750**	**850**	**1,400**	**1,350**	**2,400**	**2,850**			

Source: Anand Rathi Research

Fig 21 – Key Assumptions – Standalone (Suspensions)

Standalone (Rs m)	FY24	FY25	FY26e	FY27e	FY28e	CAGR (%) FY25-28e
OEM	28,653	31,339	35,638	39,966	43,769	**12**
Y/Y change (%)	14	9	14	12	10	
Domestic aftermarket	3,754	3,988	4,227	4,481	4,745	**6**
Y/Y change (%)	6	6	6	6	6	
Exports (incl. aftermarket)	1,019	1,106	1,272	1,463	1,638	**14**
Y/Y change (%)	(2)	9	15	15	12	
Solar dampers	-	-	200	1,000	2,000	
Y/Y change (%)				400	100	
Total	**33,426**	**36,433**	**41,337**	**46,910**	**52,152**	**13**
Y/Y change (%)	12	9	13	13	11	

Source: Company, Anand Rathi Research

Fig 22 – Key Assumptions – Fasteners JV

Fasteners JV	FY27e	FY28e
Revenue	**800**	**1,200**
Y/Y change (%)		*50*
EBITDA	**48**	**120**
y/y change (%)		*150*
% of revenue	*6.0*	*10.0*
PAT	**6**	**48**
y/y change (%)		*650*
% of revenue	*0.8*	*4.0*
Attributable PAT (51% stake)	***3.3***	***24.5***

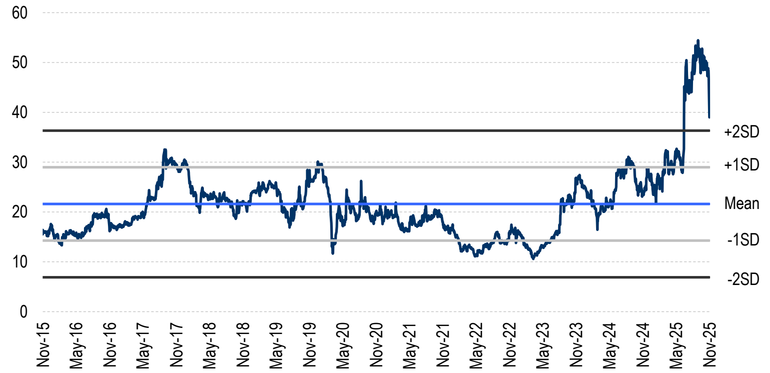
Source: Company, Anand Rathi Research

Fig 23 – Key Assumptions – Sunroof

(Rs m)	FY24	FY25	FY26e	FY27e	FY28e	FY29e	FY30e	CAGR (%) FY25-30e
Volumes	**23,000**	**1,61,560**	**1,75,139**	**2,76,021**	**1,83,925**	**1,79,964**	**2,14,424**	**6**
Y/Y change (%)		602	8	58	(33)	(2)	19	
Realizations	26,078	26,000	26,000	23,140	21,057	21,479	21,908	(3)
Y/Y change (%)		(0)	-	(11)	(9)	2	2	
Revenue	**600**	**4,201**	**4,554**	**6,387**	**3,873**	**3,865**	**4,698**	**2**
Y/Y change (%)		600	8	40	(39)	(0)	22	
EBITDA	**11**	**634**	**706**	**926**	**542**	**533**	**648**	**0**
Y/Y change (%)		5,884	11	31	(41)	(2)	22	
% of revenue	1.8	15.1	15.5	14.5	14.0	13.8	13.8	
PAT	**(55)**	**340**	**290**	**446**	**128**	**117**	**218**	**(8)**
Y/Y change (%)			(15)	54	(71)	(8)	86	
% of revenue	(9.2)	8.1	6.4	7.0	3.3	3.0	4.6	

Source: Company, Anand Rathi Research

Fig 24 – Standard deviation (1-yr fwd P/E) – stock seeing re-rating on group consolidation announcement



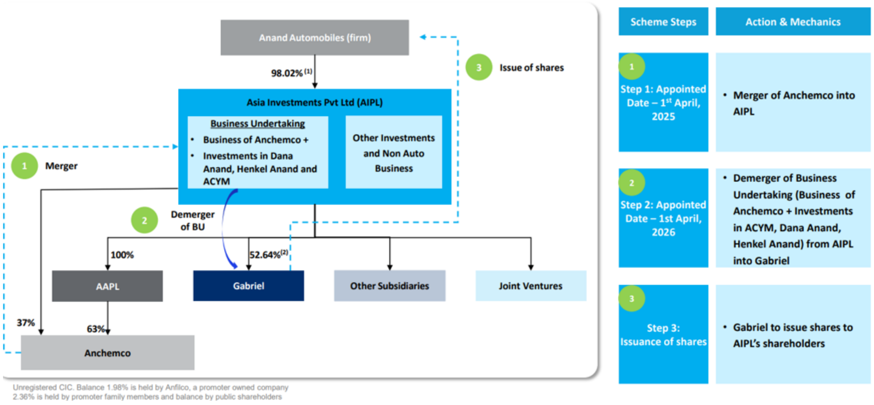
**Note: Based on Consolidated EPS. Source: Bloomberg, Anand Rathi Research*

Risks

- Delay in consolidation of other unlisted companies of Anand Group.
- Lower-than-expected growth in underlying segments.
- Slower traction in M&A and new product lines.
- Adverse movements in commodity prices.

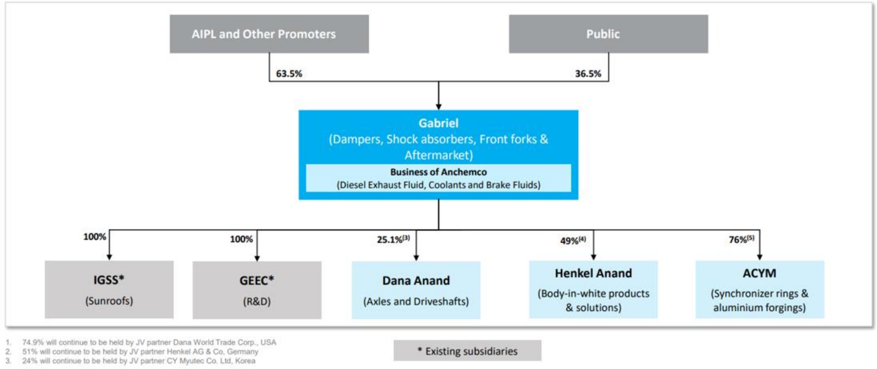
Annexures

Fig 26 – Transaction Mechanics



Source: Company

Fig 27 – Resultant Structure



Source: Company

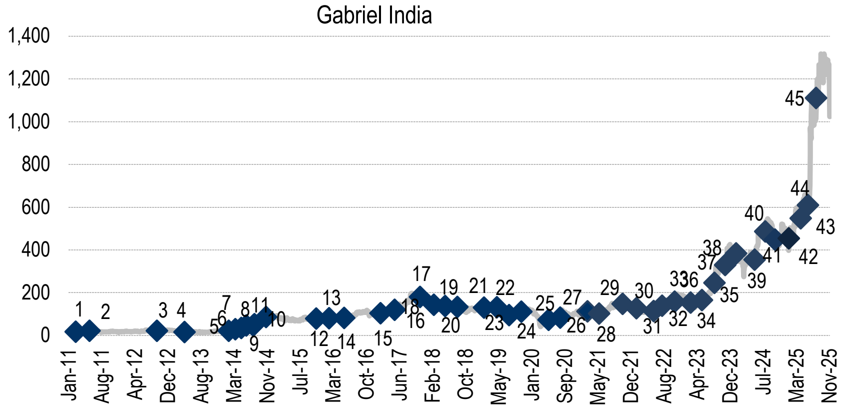
Appendix

Analyst Certification

The views expressed in this Research Report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this report. The research analysts are bound by stringent internal regulations and also legal and statutory requirements of the Securities and Exchange Board of India (hereinafter "SEBI") and the analysts' compensation are completely delinked from all the other companies and/or entities of Anand Rathi, and have no bearing whatsoever on any recommendation that they have given in the Research Report.

Important Disclosures on subject companies

Rating and Target Price History (as of 18 November 2025)



	Date	Rating	TP (Rs)	Share Price (Rs)
30	08-Feb-22	Hold	146	130
31	25-May-22	Buy	138	111
32	08-Aug-22	Buy	161	140
33	11-Nov-22	Buy	214	164
34	07-Feb-23	Buy	226	159
35	25-May-23	Buy	240	173
36	16-Aug-23	Buy	325	226
37	05-Nov-23	Buy	400	341
38	11-Feb-24	Buy	475	372
39	27-May-24	Buy	500	389
40	18-Aug-24	Buy	610	488
41	24-Oct-24	Buy	700	433
42	30-Jan-25	Buy	650	453
43	26-Apr-25	Buy	660	546
44	22-May-25	Buy	770	657
45	05-Aug-25	Buy	1440	1029

Anand Rathi Ratings Definitions

Analysts' ratings and the corresponding expected returns take into account our definitions of Large Caps, Mid Caps & Small Caps as described in the Ratings Table below:

Ratings Guide (12 months)	Buy	Hold	Sell
Large Caps (Top 100 companies)	>15%	0-15%	<0%
Mid Caps (101st-250th company)	>20%	0-20%	<0%
Small Caps (251st company onwards)	>25%	0-25%	<0%

Research Disclaimer and Disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014

Anand Rathi Share and Stock Brokers Ltd. (hereinafter refer as ARSSBL) (Research Entity, SEBI Regn No. INH000000834, Date of Regn. 29/06/2015, BSE Enlistment Number – 5048 date of Regn 25 July 2024) is a subsidiary of the Anand Rathi Financial Services Ltd. ARSSBL is a corporate trading and clearing member of Bombay Stock Exchange Ltd (BSE), National Stock Exchange of India Ltd. (NSEIL),Multi Commodity Exchange of India Limited (MCX),National Commodity & Derivatives Exchange Limited (NCDEX), and also depository participant with National Securities Depository Ltd (NSDL) and Central Depository Services Ltd. (CDSL), ARSSBL is engaged into the business of Stock Broking, Depository Participant, Mutual Fund distributor.

The research analysts, strategists, or research associates principally responsible for the preparation of Anand Rathi research have received compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors and firm revenues.

General Disclaimer: This Research Report (hereinafter called "Report") is meant solely for use by the recipient and is not for circulation. This Report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale of any security, derivatives or any other security through ARSSBL nor any solicitation or offering of any investment /trading opportunity on behalf of the issuer(s) of the respective security (ies) referred to herein. These information / opinions / views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein. Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by ARSSBL to be reliable. ARSSBL or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of ARSSBL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information / opinions / views contained in this Report. The price and value of the investments referred to in this Report and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. ARSSBL does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding taxation aspects of any potential investment.

Opinions expressed are our current opinions as of the date appearing on this Research only. We do not undertake to advise you as to any change of our views expressed in this Report. Research Report may differ between ARSSBL's RAs and/ or ARSSBL's associate companies on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold ARSSBL, its employees and associates responsible for any losses, damages of any type whatsoever.

ARSSBL and its associates or employees may; (a) from time to time, have long or short positions in, and buy or sell the investments in/ security of company (ies) mentioned herein or (b) be engaged in any other transaction involving such investments/ securities of company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) these and other activities of ARSSBL and its associates or employees may not be construed as potential conflict of interest with respect to any recommendation and related information and opinions. Without limiting any of the foregoing, in no event shall ARSSBL and its associates or employees or any third party involved in, or related to computing or compiling the information have any liability for any damages of any kind.

Details of Associates of ARSSBL and Brief History of Disciplinary action by regulatory authorities & its associates are available on our website i.e. www.rathionline.com

Disclaimers in respect of jurisdiction: This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject ARSSBL to any registration or licensing requirement within such jurisdiction(s). No action has been or will be taken by ARSSBL in any jurisdiction (other than India), where any action for such purpose(s) is required. Accordingly, this Report shall not be possessed, circulated and/or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. ARSSBL requires such recipient to inform himself about and to observe any restrictions at his own expense, without any liability to ARSSBL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

Statements on ownership and material conflicts of interest, compensation - ARSSBL and Associates

Answers to the Best of the knowledge and belief of ARSSBL/ its Associates/ Research Analyst who is preparing this report

Research analyst or research entity or his associate or his relative has any financial interest in the subject company and the nature of such financial interest.	No
ARSSBL/its Associates/ Research Analyst/ his Relative have actual/beneficial ownership of one per cent or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report?	No
ARSSBL/its Associates/ Research Analyst/ his Relative have actual/beneficial ownership of one per cent or more securities of the subject company	No
ARSSBL/its Associates/ Research Analyst/ his Relative have any other material conflict of interest at the time of publication of the research report?	No
ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation from the subject company in the past twelve months	No
ARSSBL/its Associates/ Research Analyst/ his Relative have managed or co-managed public offering of securities for the subject company in the past twelve months	No
ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation or other benefits from the subject company or third party in connection with the research report	No
ARSSBL/its Associates/ Research Analyst/ his Relative have served as an officer, director or employee of the subject company.	No
ARSSBL/its Associates/ Research Analyst/ his Relative has been engaged in market making activity for the subject company.	No

NOTICE TO US INVESTORS:

This research report is the product of Anand Rathi Share and Stock Brokers Limited, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated person(s) of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances, and trading securities held by a research analyst account.

Research reports are intended for distribution only to Major U.S. Institutional Investors as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act of 1934 (the Exchange Act) and interpretations thereof by the U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this research report is not a Major U.S. Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated, and/or transmitted onward to any U.S. person which is not a Major U.S. Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major U.S. Institutional Investors, Anand Rathi Share and Stock Brokers Limited has entered into a Strategic Partnership and chaperoning agreement with a U.S. registered broker-dealer: Banc Trust Securities USA. Transactions in securities discussed in this research report should be affected through Banc Trust Securities USA.

1. ARSSBL or its Affiliates may or may not have been beneficial owners of the securities mentioned in this report.

2. ARSSBL or its affiliates may have or not managed or co-managed a public offering of the securities mentioned in the report in the past 12 months.

3. ARSSBL or its affiliates may have or not received compensation for investment banking services from the issuer of these securities in the past 12 months and do not expect to receive compensation for investment banking services from the issuer of these securities within the next three months.

4. However, one or more of ARSSBL or its Affiliates may, from time to time, have a long or short position in any of the securities mentioned herein and may buy or sell those securities or options thereon, either on their own account or on behalf of their clients.

5. As of the publication of this report, ARSSBL does not make a market in the subject securities.

6. ARSSBL or its Affiliates may or may not, to the extent permitted by law, act upon or use the above material or the conclusions stated above, or the research or analysis on which they are based before the material is published to recipients and from time to time, provide investment banking, investment management or other services for or solicit to seek to obtain investment banking, or other securities business from, any entity referred to in this report.

As of the publication of this report, ARSSBL does not make a market in the subject securities.

Registration granted by SEBI, Enlistment as RA and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Additional information on recommended securities/instruments is available on request.

Compliance officer: Deepak Kedia, email id: deepakkedia@rathi.com, Contact no. +91 22 6281 7000
Grievance officer: Madhu Jain, email id: grievance@rathi.com, Contact no. +91 22 6281 7191

ARSSBL registered address: Express Zone, A Wing, 10th Floor, Western Express Highway, Diagonally Opposite Oberoi Mall, Malad (E), Mumbai – 400097.
Tel No: +91 22 6281 7000 | Fax No: +91 22 4001 3770 | CIN: U67120MH1991PLC064106.