GKN Driveline (India) Ltd

Industrials - Automotive driveline systems (constant-velocity joints & sideshafts) - Delisted - ISIN INE527A01014

India's largest maker of CV-joint sideshafts, 97.03% owned by GKN Driveline International (now part of Dauch Corporation, formerly American Axle, which bought Dowlais in Feb 2026). FY26 audited: revenue Rs 1,155 Cr (+5.8%), EBITDA Rs 209 Cr (18.1%), PAT Rs 123 Cr (+26%), EPS Rs 96, zero debt, Rs 90 Cr cash, dividend Rs 35. At Rs 1,725 the share is 17.9x FY26 earnings and 5.3x book.

INDICATIVE PRICE	MARKET CAP	P/E	P/B
Rs 1,725.00 (+0.00% today)	**Rs 2,203 Cr**	**17.95**	**5.34**
BOOK VALUE / SHARE	**EPS**	**52-WEEK RANGE**	**LOT / SETTLEMENT**
Rs 323.08	**Rs 96.12**	**Rs 1,725 - Rs 1,850**	**25 shares - T+1 working day**

About the company

GKN Driveline (India) Limited (CIN U74999HR1985PLC034079, incorporated 25 July 1985) manufactures and sells driveshafts - constant-velocity joints, sideshafts and related driveline parts - to passenger-car, SUV and LCV makers from five plants at Faridabad and Dharuhera (Haryana), Pune (Maharashtra), Kadi (Gujarat) and Oragadam near Chennai. It reports a single business segment. GKN Driveline International GmbH, Germany holds 1,23,93,808 of the 1,27,73,061 equity shares of Rs 10 (97.03%); the other 2.97% (3,79,253 shares) is with legacy public shareholders and trades only off-market. On 3 February 2026 Dauch Corporation (formerly American Axle & Manufacturing Holdings, Inc.) completed its acquisition of Dowlais Group plc, so the ultimate parent changed from Dowlais to Dauch; the report now describes technology coming from 'Dauch Group' under the technical collaboration agreement and engineering work done 'as one Dauch team (legacy GKN & AAM)'.

Audited FY26 (41st annual report, approved 14 August 2026, Deloitte Haskins & Sells LLP, unmodified opinion): revenue from operations Rs 1,155.24 Cr (+5.8%, 'mainly due to increase in market demand'), other income Rs 12.22 Cr, EBITDA as reported by the board Rs 208.99 Cr (+19.4%; 18.1% of revenue vs 16.0%) helped by volume and lower commodity prices, depreciation Rs 43.88 Cr, finance costs Rs 6.68 Cr (of which Rs 6.12 Cr is interest provided on disputed tax matters, not borrowings), PBT Rs 158.43 Cr, tax Rs 35.65 Cr (22.5%) and PAT Rs 122.78 Cr (+26.3%; EPS Rs 96.12 vs Rs 76.08). Domestic sale of goods was flat at Rs 1,017.35 Cr while overseas sales more than doubled to Rs 114.91 Cr (from Rs 53.47 Cr), mostly to GKN Driveline Japan (Rs 30.6 Cr) and Thailand; one customer still gave 53.4% of revenue (56.9% in FY25). Employee cost rose 10.5% to Rs 157.96 Cr, including gratuity expense of Rs 11.36 Cr (Rs 2.85 Cr in FY25) and Rs 0.86 Cr of past-service cost under the new Labour Codes; material cost fell to 51.4% of revenue from 52.8%.

Balance sheet at 31 March 2026: equity Rs 412.67 Cr (share capital Rs 12.77 Cr, other equity Rs 399.90 Cr; book value Rs 323 a share, up from Rs 260), no bank borrowings (lease liabilities Rs 3.43 Cr), cash and bank balances Rs 90.05 Cr, trade receivables Rs 162.09 Cr (+19%), inventories Rs 110.23 Cr, trade payables Rs 184.02 Cr, provisions Rs 40.33 Cr. Current ratio 1.51 (1.15), return on equity 33% as computed in the ratio note. Operating cash flow was Rs 97.86 Cr after Rs 41.50 Cr of tax, capex Rs 46.21 Cr (Rs 28.48 Cr in FY25; capital commitments Rs 12.28 Cr at year end), Rs 10 Cr of the inter-corporate loan to fellow subsidiary GKN Automotive Bengaluru was repaid, and Rs 39.19 Cr of dividend went out. The board declared an interim dividend of Rs 35 a share (350%, Rs 44.71 Cr, 36% payout) on 15 December 2025, to be confirmed as final at the 41st AGM on 23 September 2026 - down from Rs 50 for FY25 and Rs 64 for FY24, so the parent is letting cash build (cash rose Rs 23 Cr in the year).

Financials (Rs Cr)

	FY24	FY25	FY26
Revenue	1,051.83	1,091.75	1,155.24
EBITDA	159.40	175.09	208.99
Profit after tax	85.86	97.17	122.78
EPS (Rs)	67.22	76.07	96.12
Net worth	300.55	332.62	412.67
Debt / equity	0.00	0.00	0.00
OPM %	15.2%	16.0%	18.1%
ROE %	28.6%	29.2%	29.8%

Revenue CAGR +4.8% - Profit CAGR +19.6% - figures from filed accounts where available; see the verification notes on the website.

Shareholding

Holder	Category	Shares (Cr)	%
GKN Driveline International GmbH, Germany (promoter)	Foreign	1.24	97.0%
Public / legacy shareholders	Public	0.04	3.0%

Board and management

Name	Designation	Since
Anthony Bell	Chairman & Non-Executive Director	01 Jun 2020
Sanjay Katyal	Managing Director	01 Feb 2019
Madan Singh Sisodia	Executive Director	08 May 2018
Rajeev Dogra	Executive Director	15 May 2019
Bharat Dev Singh Kanwar	Independent Director	01 Apr 2022
Rajni Sekhri Sibal	Independent Director	01 Apr 2022
Tushar Jain	Chief Financial Officer	01 Apr 2023
Aditya Kumar	Company Secretary	14 Aug 2026

MCA registry snapshot

CIN
U74999HR1985PLC034079

STATUS
Active

AUTHORISED CAPITAL
Rs 15.1 Cr

PAID-UP CAPITAL
Rs 12.77 Cr

LAST AGM
23 Sept 2026

LAST BALANCE SHEET
31 Mar 2026

Date	Form	Description	Status
23 Oct 2026	AOC-4	Audited financial statements FY 2025-26 (revenue Rs 1,155.24 Cr, PAT Rs 12	Pending
22 Nov 2026	MGT-7	Annual return FY 2025-26; date indicative	Pending
08 Oct 2026	ADT-1	Appointment of B S R & Co. LLP as statutory auditor (41st to 46th AGM)	Pending
28 Aug 2026	DIR-12	Aditya Kumar appointed Company Secretary w.e.f. 14 Aug 2026; Richa Por	Approved
22 Dec 2025	MGT-14	Interim dividend of Rs 35 per share declared 15 Dec 2025; Sanjay Katyal	Approved
20 Oct 2025	AOC-4	Audited financial statements FY 2024-25 (revenue Rs 1,091.75 Cr, PAT Rs 97	Approved
20 Nov 2025	MGT-7	Annual return FY 2024-25; date indicative	Approved

Original filings (AOC-4 accounts, MGT-7 returns, charges) can be downloaded from the MCA21 portal under this CIN for a nominal fee; offer documents are on SEBI's site.

Reports and documents

Document	Type	Period	Where
GKN Driveline (India) Limited - Annual Report 2025-26 (41st	Annual Report	FY26	Download on the website
GKN Driveline (India) Limited - Annual Report 2024-25	Annual Report	FY25	Download on the website

Strengths

- Market leader in CVJ sideshafts with five plants and a single customer worth 53% of sales (Maruti-type entrenchment): Oragadam won Toyota's Zero PPM award for the 10th time and held Renault-Nissan Level-1 for 11 years; Pune/Kadi won GKN Quality Olympics platinum and Maruti's Zero Defect award in FY26.
- Profit growth outpacing revenue: FY26 EBITDA +19.4% to Rs 208.99 Cr (18.1% margin vs 16.0%) and PAT +26.3% to Rs 122.78 Cr on 5.8% revenue growth, helped by lower commodity prices and group charges falling from Rs 40.8 Cr to Rs 27.4 Cr.
- Fortress balance sheet: no borrowings, Rs 90 Cr cash and bank balances, equity Rs 413 Cr (book value Rs 323 a share), current ratio 1.51 and ROE of 33% per the ratio note.
- Consistent cash returns: Rs 64 (FY24), Rs 50 (FY25) and Rs 35 (FY26) a share paid as interim dividends; Rs 97.9 Cr operating cash flow in FY26 covered Rs 46.2 Cr capex and the Rs 44.7 Cr dividend with room to spare.
- Export engine starting to work: overseas sales up 115% to Rs 114.9 Cr (10% of revenue), mainly to GKN Japan and Thailand, with foreign-currency inflows of Rs 113.5 Cr; engineering in India now does CAD work for Japan, Thailand, Poland and France sites.
- Technology access under the Dauch/GKN technical collaboration agreement: third-generation plunging and fixed joints, hollow and tubular shafts, AWD and e-powertrain programmes; R&D spend Rs 13.78 Cr in FY26 and new ICE and EV business won from local and global OEMs.
- Clean audit (Deloitte, no qualification), secretarial audit clean, no regulatory orders, no defaults, and a profitable tax-paying history (Rs 41.5 Cr tax paid in FY26).

Risks

- Float of only 2.97% (3,79,253 shares) and no listing plan: the parent has 97.03% and could squeeze out minorities; price discovery depends on a handful of dealers (lot 25) and the report mentions no exit offer or buyback.
- Customer concentration: one OEM is 53.4% of revenue (56.9% in FY25); domestic sale of goods was flat at Rs 1,017 Cr in a year when industry PV volumes grew 13%, and the Maruti YHB launch (100,000 sets) slipped to December 2026.
- Group charges and transfer pricing: trademark, consultancy and strategic charges to GKN/Dauch entities were Rs 27.4 Cr (2.4% of revenue) in FY26 after Rs 40.8 Cr in FY25; these are set by the parent and can swing the margin, and the company has litigated transfer pricing on royalty and recharges before.
- Ownership change: Dauch Corporation (ex-American Axle) now controls the group after buying Dowlais in February 2026; the India unit's capex, export role and dividend policy are decided abroad and minorities have no say.
- Tax disputes: contingent liabilities Rs 47.5 Cr (customs Rs 41.7 Cr before CESTAT after a DRI search, Rs 4.3 Cr deposited under protest) plus Rs 26.1 Cr already provided for entry tax and other matters; Rs 6.1 Cr of FY26 'finance cost' is interest provided on these.
- Dividend cut: Rs 35 a share for FY26 against Rs 50 and Rs 64 earlier, so the yield at Rs 1,725 is only 2.0%; payout is at the parent's discretion.
- Cost pressures: employee cost up 10.5% to Rs 158 Cr (gratuity Rs 11.4 Cr vs Rs 2.9 Cr, Labour Code impact Rs 0.86 Cr), power and fuel up 7%, and receivables up 19% to Rs 162 Cr, slowing cash conversion (CFO Rs 97.9 Cr vs Rs 107.7 Cr).
- Control environment: the accounting software lacks an audit-trail feature and the payroll vendor's SOC-2 report was unavailable (auditor's Rule 11(g) remark); the statutory auditor is changing after Deloitte's tenure, and the company secretary post was vacant from February to August 2026.

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