

Sundram Fasteners Ltd.

01-12-2025

Sector: Auto Ancillaries

Security Not Under ASM:

LTP	Recommendation	Target	Stop Loss	Return
Rs.936	Buy between Rs.950-980	Rs.1,190	Rs.842	+27%
SENSEX	Market Cap	NSE Code	BSE Code	Time Frame
85,707	Rs.20,044cr	SUNDRMFAST	500403	3-6 Months

Data as of: 28-11-2025

52W H/L	Group	F&O Listed	Div. Yield	D/E
Rs.1,199/832	A	No	0.8%	0.2
Consolidated (Rs.cr)	FY25A	FY26E	FY27E	
Revenue	5,955	6,341	6,987	
Growth (%)	8	6	10	
EBITDA	944	1,053	1,181	
EBITDA Margin(%)	15.9	16.6	16.9	
Adj. PAT	539	635	735	
Growth (%)	3	10	16	
EPS	26	30	35	
Growth (%)	3	10	16	
RoE (%)	14.9	15.3	15.7	
Valuation	FY25A	FY26E	FY27E	
P/E (x)	37	32	28	
Price/Book Value	4.7	4.7	4.2	
EV/EBITDA	21	20	18	
Price Performance	3 Month	6 Month	1 Year	
Absolute Return (%)	-5.8	-6.5	-16.7	
Absolute Sensex (%)	7.0	5.5	7.7	
Shareholding (%)	Q4FY25	Q1FY26	Q2FY26	
Promoters	46.9	46.9	46.9	
FII's	12.9	11.1	10.6	
MFs/Institutions	20.9	22.7	23.3	
Public	19.1	19.3	19.2	
Total	100.0	100.0	100.0	
Promoter pledge	Nil	Nil	Nil	

Fundamental View

Sundram Fasteners Ltd (SFL), a TVS Group flagship founded in 1962, is a leading global automotive component manufacturer. Specializing in high-tensile fasteners (40% revenue), powertrain, and precision-engineered products, it serves automotive and industrial sectors. With exports contributing 30%, SFL has a strong presence in the U.S., Europe, and China, reinforcing its position as a trusted global supplier.

- Sundram Fasteners delivered a healthy Q2FY26 performance despite macro headwinds, supported by cost discipline and diversified revenue streams. It posted revenue of ₹1,521cr, up 2.3% YoY, with EBITDA at ₹252cr and margins at 17%. PAT stood at ₹153cr, marking a 6.2% YoY growth, aided by softer commodity prices.
- SFL has completed its ₹100cr wind energy expansion and is investing another ₹80cr to support volume growth from FY27. It is also developing stainless steel and railway fasteners, with contributions to revenue expected within the next 12 months.
- Robust domestic PV and CV demand, supported by GST reductions and expected export recovery from Q1FY27, positions the company favorably. Management is aiming for a double-digit CAGR over the next three years.
- SFL's medium-term growth outlook remains robust, driven by structural tailwinds in EV components and wind energy, alongside steady domestic demand recovery. Despite near-term export weakness, the company is expected to deliver strong growth supported by new product introductions and capacity additions in high-margin segments. As per market consensus, the stock currently trades at 29x 1-year forward P/E, near its 5-year average.

Technical View

- The stock continues to trade within a sideways consolidation zone, reflecting indecision among market participants. The price action remains range-bound, oscillating between converging trendlines, suggesting an accumulation phase.
- The RSI hovers near the 50 mark, indicating a balanced momentum without clear directional bias. Meanwhile, the MACD shows a neutral crossover, aligning with the consolidation setup and hinting that a decisive breakout on either side could determine the next directional move.
- The stock remains in a sideways consolidation phase, with price action exhibiting limited directional bias. The overall setup suggests a period of base formation, and traders may continue to hold existing positions as long as the stock sustains above ₹900. A decisive breakout from the consolidation range could trigger renewed momentum toward the profit objective of ₹1,190 in the near to medium term.

Price Chart



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