

DALALBYTES RESEARCH

Bosch Ltd

Bosch Limited

India's defining auto technology supplier: powertrain, braking and electronics content in almost every vehicle, a debt-free fortress, buying its electric future

NSE: BOSCHLTD · BSE: 500530

October 22, 2026

Reference: Rs 44,500, NSE close of October 21, 2026, after the Dussehra holiday.
Founding story, mobility and tools businesses, the 2026 transition deals, financials, competition, management, valuation vs peers, risks, FY2029 scenarios.

■ VERDICT

67 / 100 : Selective Positive

The blunt version. Bosch Ltd is India's defining automotive technology supplier: the listed arm of Robert Bosch GmbH, in India since 1922 and incorporated as MICO in 1951, with about 90 percent of sales from mobility, a debt-free balance sheet, borrowings of Rs 7 crore against cash and investments of about Rs 8,700 crore, and adjusted profit that compounded at about 18 percent from FY22 to FY26.

Why it is not a straight Positive. The price pays for the transition before it is delivered. At Rs 44,500 the stock trades at about 56 times adjusted FY26 earnings of about Rs 796 a share (reported EPS of Rs 940 is flattered by a Rs 556 crore gain on the Building Technologies divestment). EBITDA margin is only 13.2 percent, return on equity about 15 percent, and the core diesel and gasoline franchise must be swapped for electric, hydrogen and software content while it is still earning.

What the buyer gets today. A fortress balance sheet, a final FY26 dividend of Rs 270 a share (no interim was declared for FY26, a yield of about 0.6 percent), two new joint ventures in e-mobility and commercial vehicle air systems, and a Q1 FY27 print of Rs 5,842 crore of revenue, up 22 percent, helped by consolidation of the chassis business. FY2029 targets: bear Rs 38,100, base Rs 55,200, bull Rs 75,800.

Reference price. Rs 44,500, NSE close of Wednesday, October 21, 2026, the last completed close before this report. The exchange was closed on October 20 for Dussehra.

■ 1. SNAPSHOT

Item	Detail
Company	Bosch Ltd
Ticker	NSE: BOSCHLTD, BSE: 500530
Sector	Auto components and mobility technology, power tools, India
Reference price	Rs 44,500 (NSE close, October 21, 2026)
Market cap	About Rs 1,31,300 crore
Shares outstanding	2.949 crore (face value Rs 10)
52-week range	Rs 28,610 to Rs 50,000
FY26 reported EPS	Rs 940.27 (includes divestment gain)
FY26 adjusted EPS	About Rs 796
P/E on adjusted FY26 EPS	About 56x

Item	Detail
Book value per share	About Rs 5,036
Dividend yield	About 0.6 percent (FY26 dividend Rs 270, no interim declared)
Promoter holding	70.54 percent, Robert Bosch GmbH, Germany
Score	67/100, Selective Positive

Position in the market. Bosch is the largest listed auto component supplier in India by technology depth: fuel injection, powertrain, braking, steering, vehicle electronics and software-defined vehicle components, plus the Bosch power tools and aftermarket franchises.

The one-line business. Sell the highest-value technology content inside Indian vehicles, designed with the German parent, made in India, and defend that content per vehicle as the powertrain changes underneath it.

■ 2. FOUNDING STORY: A CENTURY IN INDIA, FROM ILLIES TO MICO TO BOSCH

Entry in 1922. Bosch first sold in India through a sales office of Illies and Co in Calcutta in 1922. The modern company dates to November 12, 1951, when Motor Industries Company Ltd, MICO, was incorporated with Bosch taking 49 percent at the start.

Make in India, early. The Aduadi plant in Bengaluru began in 1953 making spark plugs and diesel injection equipment under licence. Nashik followed in 1969 to 1971, Naganathapura in 1988, and later Jaipur, Bidadi, Gangaikondan and Oragadam. Local manufacture under technology licence, decades before it was policy fashion, is the founding pattern of this company.

The name caught up in 2008. The company was renamed Bosch Ltd in 2008 as the parent's stake and the Bosch brand became the whole identity. The MICO name survives where it still earns: in the aftermarket, where mechanics ask for MICO by habit.

What the listed company is, and is not. Bosch Ltd is the group's listed manufacturing and mobility arm in India. It is not the whole of Bosch India: the group reports about Rs 37,346 crore of India revenue across 14 companies, and the celebrated software arm, Bosch Global Software Technologies, the largest Bosch development centre outside Germany, is a separate unlisted company. An investor in BOSCHLTD owns the hardware, powertrain and tools franchise, not the software centre. That distinction matters for valuation, and it is priced into the score.

■ 3. THE BUSINESSES: MOBILITY FIRST, TOOLS SECOND, THE REST SMALL

The model in one paragraph. Bosch Ltd designs and makes high-technology components with parent intellectual property (royalty of roughly 2 to 2.5 percent of sales), sells to vehicle makers at the platform stage, and then earns again in the aftermarket for the life of the vehicle parc. Content per vehicle, not vehicle volume alone, is the growth lever.

Segment	What it sells	Scale signal
Automotive products (Mobility)	Powertrain (diesel and gasoline injection, common rail), two-wheeler systems, braking, steering, electronics, sensors	Q1 FY27 segment revenue Rs 5,234 crore, 89.6 percent of the quarter
Consumer goods	Power tools for professionals and DIY, accessories	Q1 FY27 segment revenue Rs 521 crore
Others (residual Building Technologies and services)	What remains after the May 2025 divestment of video, access, intrusion and communication systems	Q1 FY27 segment revenue Rs 88 crore, down from Rs 216 crore in Q4 FY25

FY26 inside mobility. Mobility product sales rose 16.9 percent in FY26. Power Solutions grew 17.6 percent on sustained demand. The two-wheeler business grew 69.1 percent, driven by exhaust gas sensors after OBD-II norms took effect in April 2025: a regulation created a component category, and Bosch owned it from day one.

Technical side: where the content sits. In diesel, high-pressure common rail systems (made at Bidadi) meter fuel at pressures a replacement supplier cannot casually match, and engine control units pair the hardware to calibration software. In gasoline, direct injection and engine management ride the same architecture. In two-wheelers, OBD-II exhaust sensors, electronic fuel injection and ABS modules raise content per bike as norms tighten. In chassis, braking and steering systems are moving from mechanical parts to electronically controlled, software-driven modules, which is exactly where the two 2026 joint ventures aim.

The aftermarket annuity. Every Bosch component in the parc is a future sale of spares, diagnostics and workshop equipment through the Bosch Car Service and MICO aftermarket networks. The annuity is slower than original equipment sales and far steadier.

■ 4. THE FLYWHEEL: QUALIFY ONCE, SUPPLY A PLATFORM, HARVEST A PARC

Step one: design-in is the sale. A Bosch system is qualified into a vehicle platform years before production. Once the tooling, calibration and validation are done, switching supplier mid-platform is expensive and risky for the vehicle maker.

Step two: regulation raises content. Each norm step, emission, safety or diagnostics, adds sensors, control units and software. OBD-II in two-wheelers is the latest proof: a rule added a Bosch category at 69 percent growth.

Step three: localisation defends margin and share. Plants at Adugodi, Naganathapura, Bidadi, Nashik, Jaipur, Gangaikondan and Oragadam, plus a vocal-for-local supply chain, keep Bosch cost-competitive against imports and close to customer plants.

Step four: the parc pays again. Aftermarket, spares and workshop services monetise the installed base for a decade or more after the original sale, smoothing the vehicle cycle.

5. DEALS AND EXPANSION: SELLING THE NON-CORE, BUYING THE ELECTRIC FUTURE

Deal one: the Building Technologies exit. Effective May 1, 2025, the video solutions, access, intrusion and communication systems business was hived off as part of the global sale of that product business to Triton (now KEENFINITY Group). Bosch Ltd booked an exceptional gain of Rs 556 crore in Q1 FY26. The deal aspect matters: it simplified the listed company into a mobility and tools business, and it flatters every reported FY26 profit comparison. Adjusted numbers, not reported ones, carry this report's valuation.

Deal two: Tata AutoComp joint venture. Filed on March 18, 2026 and announced on March 23, 2026, a 50:50 joint venture with Tata AutoComp Systems for e-axes and traction motors, based in Pune, operations from mid-2026, with investment of up to Rs 94 crore. Terms read plainly: Bosch brings power electronics and motor technology, Tata AutoComp brings manufacturing scale and Indian customer access, and both share the capital risk of a category whose volumes are promising and not yet certain.

Deal three: the TSF joint venture. Announced on May 21, 2026, Bosch Ltd will hold 50 percent of a joint venture with Brakes India and Wheels India (TSF Group) for electronically controlled, software-driven modules for air compression, air processing, air suspension and air parking brakes for commercial vehicles, based in Chennai, operations targeted for end-2026. Same pattern: Bosch electronics and software on top of a partner's pneumatic and mechanical depth.

Deal four: chassis consolidation. Bosch completed the acquisition of Bosch Chassis Systems India on July 1, 2026 and consolidated it from Q1 FY27, which lifts the reported revenue base (broker estimates put FY27 revenue near Rs 27,100 crore). Part of Q1 FY27's 22 percent growth is this consolidation, not organic demand, and this report treats it as such.

Capability signal. A CharCon charge controller assembly line was inaugurated at Naganathapura in December 2025, with Mahindra showcased as a customer: small in rupees, large as evidence that EV power electronics are being localised, not just announced.

6. FINANCIALS: GOOD GROWTH, THIN MARGIN, ONE FLATTERING GAIN

Fiscal year	Revenue (Rs cr)	EBITDA (Rs cr)	EBITDA margin	Reported PAT (Rs cr)	Adjusted PAT (Rs cr)	Adjusted EPS (Rs)
FY22	11,782	1,462	12.4%	1,217	1,217	413
FY23	14,929	1,807	12.1%	1,425	1,425	483
FY24	16,727	2,095	12.5%	2,491	1,830	621
FY25	18,087	2,310	12.8%	2,013	2,012	682
FY26	20,035	2,650	13.2%	2,770	2,347	796

Fiscal year	Revenue (Rs cr)	EBITDA (Rs cr)	EBITDA margin	Reported PAT (Rs cr)	Adjusted PAT (Rs cr)	Adjusted EPS (Rs)
Q1 FY27	5,842	821 (operating profit)	14%	706	706	239

Screener.in, company results and broker results reviews (Motilal Oswal, May 21, 2026). FY24 reported PAT includes an exceptional gain of about Rs 844 crore and FY26 reported PAT includes the Rs 556 crore divestment gain: adjusted PAT strips both. Q1 FY27 operating profit is the Screener operating profit line, and Q1 growth includes chassis consolidation.

Read the table in two halves. Revenue compounded at about 14 percent from FY22 to FY26, accelerating to 10.8 percent growth in FY26 on passenger car and tractor volumes. Adjusted profit compounded at about 18 percent, faster than revenue, but from a thin base: EBITDA margin has moved only from 12.4 to 13.2 percent in four years.

Margin is the constraint, not the story. Raw material is about 64 percent of revenue. Bosch sells technology, but it sells it to Indian vehicle makers who negotiate like Indian vehicle makers. Until software, electronics and EV content lift the mix, margin expansion of about 0.2 to 0.4 points a year is the demonstrated pace, and Q1 FY27's 14 percent operating margin is encouraging, not yet a trend.

The warning inside the reported numbers. Reported FY26 PAT of Rs 2,770 crore and EPS of Rs 940 make the stock look like it trades at about 47 times earnings. On adjusted EPS of about Rs 796 it trades at about 56 times. Anyone screening on the reported number is underpricing the risk by nine turns of the multiple.

7. CASH FLOW AND CAPITAL ALLOCATION: FORTRESS FUNDED, PAYOUT MODEST

Balance sheet. Net worth was about Rs 14,847 crore at FY26 end. Borrowings were Rs 7 crore. Cash and bank balances were about Rs 1,355 crore and investments about Rs 7,361 crore, a liquid book of about Rs 8,700 crore earning other income that has run at Rs 800 crore plus a year. Return on capital employed was about 22 percent in FY26 and return on equity about 15 percent (Screener).

Cash conversion. Operating cash flow was about Rs 2,232 crore in FY26. Capital expenditure is cyclical and rising with the EV and chassis programmes: reported free cash flow was negative in FY24 and FY26 on expansion and consolidation spending, positive in between. The fortress funds the expansion; the expansion consumes the year's free cash flow. Both halves are true.

The dividend. The FY26 dividend was Rs 270 a share, final only, with no interim declared: about Rs 796 crore, a payout of about 29 percent of reported profit, down from 75 percent in FY25 (Rs 512 a share), for a yield of about 0.6 percent. The history is generous but uneven (Rs 480 in FY23, Rs 375 in FY24, Rs 512 in FY25), and the company ran buybacks in 2019 at Rs 21,000 a share. The FY26 cut, in a year when cash went into the chassis acquisition and transition investment, is disciplined German capital allocation, but the direction matters for minority holders: cash is retained for the group's India plan first and returned second. A large investment book earning treasury returns also sits inside a 56 times earnings stock.

■ 8. STRENGTHS

What to watch

Q1 FY27 printed 22 percent growth with chassis consolidation inside it, the two transition joint ventures ship on their stated 2026 dates, and whether EBITDA margin can break above 14 percent decide whether a 56x adjusted multiple has anywhere to go.

Technology depth no Indian rival matches in breadth. Injection, braking, steering, electronics, sensors and tools, all from one supplier, all backed by the world's largest automotive supplier's research budget.

Regulation is a tailwind, repeatedly. OBD-II delivered 69 percent two-wheeler growth in FY26. Emission, safety and diagnostics norms keep adding Bosch content per vehicle across two-wheelers, cars, tractors and trucks.

A fortress balance sheet. Borrowings of Rs 7 crore, about Rs 8,700 crore of cash and investments, promoters at 70.54 percent with zero pledging.

The transition is being bought, not denied. Two joint ventures in 2026 (Tata AutoComp for e-axles, TSF for electronic air systems), chassis consolidation, localised charge controllers, and a hydrogen combustion programme with a demonstrator truck and pilot partners including Tata Motors.

■ 9. WEAKNESSES AND RISKS

Valuation risk is the first risk. At about 56 times adjusted earnings and about 8.8 times book, with return on equity of about 15 percent, the stock needs a decade of clean compounding to justify itself. Motilal Oswal was Neutral in August 2026 with a target of Rs 43,728, below the then price.

Powertrain transition risk. Diesel and gasoline content is the profit pool. Electric vehicles delete injection and exhaust content and add different content, power electronics, motors and thermal systems, where Bosch competes with everyone from Bharat Forge group companies to global Tier 1s and in-house vehicle maker programmes. Every year of faster EV adoption in cars is content lost before content regained.

The software centre is not yours. The group's most valuable India growth asset, Bosch Global Software Technologies, sits outside the listed company. Listed holders get royalty-paying hardware economics (royalty about 2 to 2.5 percent of sales to the parent) while the software story compounds elsewhere in the group.

Margin and mix risk. A 13.2 percent EBITDA margin leaves little buffer against commodity costs (materials about 64 percent of sales), customer price-downs, or a vehicle downcycle in passenger cars, tractors or commercial vehicles.

Hydrogen is an option, not a business. Management guides to 10 to 15 percent of Indian heavy commercial vehicles on hydrogen by 2030 and concedes progress has been slower than hoped. Treat it as a

free option, never as base case revenue.

10. MANAGEMENT AND GOVERNANCE

Structure. Guruprasad Mudlapur is President of the Bosch Group in India and Managing Director of Bosch Ltd since July 1, 2023. He joined Bosch in 2008 from NXP Semiconductors, served as joint managing director from February 2022, and succeeded Soumitra Bhattacharya, who moved to Chairman. Sandeep Nelamangala is joint managing director. This is a professional, parent-appointed management, graded on delivery, not on founder charisma.

Delivery record. On the plain test, did they do what they said: revenue growth accelerated to 10.8 percent in FY26, the non-core Building Technologies business was exited cleanly at a gain, two transition joint ventures were signed and dated, chassis was acquired with effect from July 1, 2026, and results delivery held, though the FY26 dividend was cut to Rs 270 a share (payout about 29 percent, from 75 percent). The recorded misses are pace items: hydrogen slower than hoped, and EV content still small against the combustion base it must replace.

Ownership. Promoters hold 70.54 percent, flat from March 2020 through September 2026, with zero pledging. Domestic institutions hold about 15.2 percent and foreign investors about 7.2 percent (September 2026 pattern). A stable, parent-controlled register: governance risk is the standard MNC one of strategy, royalty and transfer terms set in Stuttgart, benign and lucrative to date.

11. COMPETITION

Company	Position vs Bosch	Approx. P/E, Oct 2026	Read
UNO Minda	Lighting, switches, EV components, fast grower	About 51x	The market pays growth multiples for the challenger too
Minda Corp	Wiring, locks, EV and electronics push	About 29 to 30x	Similar multiple, smaller technology base
Schaeffler India	Bearings, clutches, e-mobility, high ROCE	About 44 to 45x	The closest quality and valuation peer
Motherson (Samvardhana)	Global scale, wiring and modules, acquisitive	About 37 to 38x	Scale without Bosch's technology premium
Bharat Forge	Forgings, defence, EV components via group	Elevated on depressed EPS, about 62x LTM	Competing for the same EV content pool
Endurance Technologies	Two-wheeler braking, suspension, EV parts	About 34x	Overlaps in two-wheeler content

Company	Position vs Bosch	Approx. P/E, Oct 2026	Read
Bosch Ltd	Broadest technology stack, parent IP, fortress balance sheet	About 56x adjusted	Premium is for breadth and the parent, both real

Peer multiples are approximate October 2026 market prints from public market data pages, directionally checked, not audited.

The honest comparison. Schaeffler India is the sharpest single comparison: about 44 to 45 times earnings with an operating margin near 18 percent and ROCE near 28 percent, cheaper than Bosch on better current returns. Bosch's moat is breadth plus parent research: no Indian rival can quote on injection, braking, steering, electronics and software for the same platform. The competitive threat is not one rival. It is unbundling: vehicle makers sourcing EV motors, electronics and software from specialists, startups and their own subsidiaries, platform by platform, while Bosch defends a bundle priced for the combustion era.

12. VALUATION VS PEERS

At the reference price. Rs 44,500 is about 56 times adjusted FY26 EPS of about Rs 796, about 47 times reported EPS of Rs 940, and about 8.8 times book value of about Rs 5,036. Market cap is about Rs 1,31,300 crore on 2.949 crore shares. The price sits about 11 percent below its 52-week high of Rs 50,000 and about 55 percent above its low of Rs 28,610, up about 12 to 20 percent over one year depending on the print.

Peer frame. UNO Minda trades near 51 times and ZF Commercial near 50 times, but Schaeffler India, the closest quality peer, trades at about 44 to 45 times with better margins and returns, and Motherson at about 37 to 38 times. Bosch's premium sits at the top of the Indian quality component band, not in the middle of it. What the premium must survive is arithmetic: at about 15 percent return on equity and a 0.6 percent yield, almost all of the return has to come from earnings growth and the multiple merely holding.

What has changed. A year of delivery, FY26 growth of 10.8 percent, a strong Q1 FY27, two joint ventures, has been met by a price that rose into the Rs 50,000 high and corrected about 11 percent. That moves the rating off Neutral, but at 56 times adjusted earnings it cannot carry a full Positive. Selective Positive is the honest grade.

13. WHY THE SCORE IS 67, NOT HIGHER OR LOWER

Additions. Business quality in the high 70s on technology breadth, balance sheet and regulatory tailwinds. A century-long India record, a clean non-core exit, and transition deals signed with dates and partners named.

Deductions. About 56 times adjusted earnings for a 13.2 percent EBITDA margin and about 15 percent return on equity. Reported profit flattered by exceptional gains in two of the last three years. The group's software crown jewel outside the listed perimeter. A combustion profit pool that must be swapped while it earns. That arithmetic lands at 67: Selective Positive.

14. FY2029 SCENARIOS (INR)

Scenario	Adjusted EPS CAGR FY26 to FY29	FY29 EPS (Rs)	Exit P/E	FY2029 target (Rs)
Bear	8 percent	About 1,003	38x	38,100
Base	13 percent	About 1,149	48x	55,200
Bull	18 percent	About 1,307	58x	75,800

DalalBytes modelling on adjusted FY26 EPS of about Rs 796 and 2.949 crore shares. Bear assumes vehicle growth stalls, EV content is won slowly and the multiple de-rates toward global Tier 1 levels. Base assumes mid-teens profit compounding on chassis consolidation, joint venture ramp and modest margin gain. Bull assumes EV and electronics content scales fast enough to re-accelerate growth and the premium multiple holds. These are estimates, not verified facts.

Reading the scenarios. The bear case sits about 14 percent below the reference price: at this multiple, disappointment is not cushioned. The base case is about 24 percent above, before dividends of about 0.6 percent a year. The distribution rewards patience and punishes hype: a compounder's profile at a momentum price.

15. WHY IT MATTERS

Bosch Ltd is the cleanest listed instrument on India's vehicle technology stack. Whatever wins, diesel in trucks and tractors, gasoline hybrids in cars, sensors and safety in two-wheelers, or electric power electronics next, Bosch sells content into it, from plants it has run for decades, with a balance sheet that cannot be forced.

The test for the next two years is narrow and knowable. EV and electronics revenue must become visible in segment prints, the two joint ventures must ship from mid and end 2026 as dated, and EBITDA margin must break above 14 percent and hold. Q2 FY27 results are due on November 6, 2026, the next checkpoint.

SOURCES

- Screener.in company page for BOSCHLTD, accessed October 22, 2026: profit and loss, balance sheet (net worth about Rs 14,847 crore, borrowings Rs 7 crore, cash about Rs 1,355 crore, investments about Rs 7,361 crore), shareholding (promoters 70.54 percent, zero pledging; September 2026: DII about 15.2 percent, FII about 7.2 percent)
- Company results and press release, FY26 (May 2026): revenue from operations Rs 20,035 crore, up 10.8 percent; PBT Rs 3,642 crore including divestment gain; PAT Rs 2,770 crore; Mobility product sales up 16.9 percent, Power Solutions up 17.6 percent, two-wheeler up 69.1 percent; final dividend Rs 270 declared May 20, 2026, no interim for FY26, total payout about 29 percent

- Broker results review (Motilal Oswal, May 21, 2026): FY22 to FY26 revenue (Rs 11,782 crore to Rs 20,035 crore), EBITDA (Rs 1,462 crore to Rs 2,650 crore), reported and adjusted PAT (FY26 adjusted Rs 2,347 crore), FY24 exceptional gain about Rs 844 crore, FY27 estimates; Motilal Oswal Neutral, target Rs 43,728, August 11, 2026 (Moneycontrol)
- Q1 FY27 results summaries (Screener and press, August 2026): revenue Rs 5,842 crore, up 22 percent; operating profit Rs 821 crore, margin 14 percent; PAT Rs 706 crore; segment revenue: automotive Rs 5,234 crore, consumer Rs 521 crore, others Rs 88 crore; board meeting for Q2 FY27 results on November 6, 2026
- Finnhub market data, October 22, 2026: close of October 21, 2026 Rs 44,500 (previous close field), current session Rs 44,070, EPS (TTM, reported) Rs 940.27, market cap about Rs 1.33 lakh crore, 52-week range Rs 28,610 to Rs 50,000, one-year return about 12.4 percent; Dhan and ICICI Direct market pages: P/E about 55.3, book value about Rs 5,036
- Company history and annual report material: India entry 1922 via Illies and Co, MICO incorporated November 12, 1951, Aduvodi plant 1953, Nashik 1969 to 1971, Naganathapura 1988, renamed Bosch Ltd in 2008; exports about Rs 1,405 crore in FY25; royalty about 2 to 2.5 percent of sales; Bosch Global Software Technologies is a separate unlisted group company
- Deal disclosures: Building Technologies product business hive-off effective May 1, 2025 (global Triton sale, KEENFINITY), exceptional gain Rs 556 crore in Q1 FY26; Tata AutoComp 50:50 joint venture filed March 18, 2026, investment up to Rs 94 crore, Pune, operations mid-2026; Brakes India and Wheels India (TSF) joint venture announced May 21, 2026, Bosch Ltd 50 percent, Chennai, operations targeted end-2026; Bosch Chassis Systems India acquisition completed July 1, 2026; CharCon line at Naganathapura, December 2025

DalalBytes Research. Estimates labelled as such are DalalBytes modelling. Verified facts are drawn from the sources above as at October 22, 2026.