

# Jindal Steel (JINDALST IN)

**Q2FY27 Result Update**

October 24, 2026

☒ Estimate Change | ☒ Target | ☐ Reco.

## Change in Estimates

|                 | Current |       | Previous |       |
|-----------------|---------|-------|----------|-------|
|                 | FY28E   | FY29E | FY28E    | FY29E |
| Rating          | BUY     |       | BUY      |       |
| Target Price    | 1,245   |       | 1,265    |       |
| Sales (INR bn)  | 856     | 953   | 856      | 953   |
| % Chng.         | -       | -     |          |       |
| EBITDA (INR bn) | 173     | 177   | 175      | 179   |
| % Chng.         | (1.1)   | (1.1) |          |       |
| EPS (INR)       | 88.4    | 92.2  | 92.8     | 96.5  |
| % Chng.         | (4.7)   | (4.5) |          |       |

## Key Data JNSP.BO | JINDALST IN

|                     |                             |
|---------------------|-----------------------------|
| BSE Code            | 532286                      |
| NSE Code            | JINDALSTEL                  |
| 52-W High / Low     | INR 1,306 / INR 977         |
| Face Value          | 1                           |
| Sensex / Nifty      | 73,124 / 22,600             |
| Market Cap          | INR 1,036 bn / \$ 10,915 mn |
| Shares Outstanding  | 1020.09 mn                  |
| 3M Avg. Daily Value | INR 1,132.34 mn             |

## Shareholding Pattern (%)

|                            |       |
|----------------------------|-------|
| Promoters                  | 62.69 |
| FIs                        | 8.75  |
| Mutual Funds               | 15.57 |
| Domestic Institutions      | 4.13  |
| Public & Others            | 8.87  |
| Promoter's Pledge (INR bn) | -     |

## Stock Performance (%)

|          | 1M     | 3M    | 6M     | 12M  |
|----------|--------|-------|--------|------|
| Absolute | (13.6) | (2.5) | (19.0) | 0.7  |
| Relative | (11.5) | 1.9   | (14.0) | 16.4 |

## Key Financials - Consolidated

| Y/e Mar             | FY26  | FY27E | FY28E | FY29E |
|---------------------|-------|-------|-------|-------|
| Sales (INR bn)      | 527   | 699   | 856   | 953   |
| EBITDA (INR bn)     | 91    | 127   | 173   | 177   |
| Margin (%)          | 17.3  | 18.2  | 20.3  | 18.6  |
| PAT (INR bn)        | 37    | 51    | 90    | 94    |
| EV (INR bn)         | 1,201 | 1,164 | 1,099 | 1,035 |
| Total Debt (INR bn) | 220   | 180   | 140   | 100   |
| C&C Eq. (INR bn)    | 41    | 38    | 63    | 87    |
| EPS (INR)           | 36.1  | 50.0  | 88.4  | 92.2  |
| Gr. (%)             | (5.9) | 38.4  | 76.7  | 4.3   |
| DPS (INR)           | 2.0   | 2.0   | 2.2   | 2.4   |
| Yield (%)           | 0.2   | 0.2   | 0.2   | 0.2   |
| RoE (%)             | 7.5   | 9.5   | 14.9  | 13.6  |
| RoCE (%)            | 9.1   | 12.4  | 18.2  | 17.2  |
| EV/Sales (x)        | 2.3   | 1.7   | 1.3   | 1.1   |
| EV/EBITDA (x)       | 13.2  | 9.1   | 6.3   | 5.8   |
| PE (x)              | 28.1  | 20.3  | 11.5  | 11.0  |
| P/BV (x)            | 2.0   | 1.9   | 1.6   | 1.4   |

## Capacity ramp-up to support sustained EBITDA growth

### Quick Pointers

- Production/sales guidance maintained at ~11mt/10.5-11mt.
- Coking coal costs increased by US\$12-15/t in Q2FY27, with a further US\$20-25/t increase expected in Q3.

Jindal Steel (JINDALST) delivered strong operational performance in Q2FY27, supported by strong volume growth and better product mix. Sales volumes increased 27% YoY, driven by strong ramp-up of blast furnaces at Angul and inventory liquidation on back of resilient domestic demand. Cons NSR remained flat QoQ, as higher flat product realizations offset weakness in longs along with better performance from global subs. Adjusted EBITDA/t stood at INR10,522, despite higher raw material costs and ocean freight costs. Timely switch over to methane from coal gasification plants avoided loss of productivity during LPG crisis. Mgmt. expects production to ramp up further in H2FY27 with the recent commissioning of the slurry pipeline and ramp-up of other Angul facilities.

Mgmt. maintained its FY27 sales volume guidance as Angul ramp-up is expected to drive volumes in H2FY27. Focus remains on improving capacity utilisation, increasing VASP share and reducing costs through captive raw materials, coal gas substitution and slurry pipeline-led savings (INR700/t). Higher coking coal costs in Q3FY27 should be partly offset by higher volumes, better realisations and cost-saving initiatives. We remain positive on Jindal Steel's growth prospects and near-term profitability, supported by capacity ramp-up and improving operating leverage. We tweak our FY28/29E EBITDA estimates by 1% each on higher coking coal and expect EBITDA CAGR of 25% over FY26-29E. At CMP, the stock is trading at 6.3x/5.8x EV of FY28/29E EBITDA. Maintain 'BUY' with revised TP of Rs1,245 (earlier INR1,265) valuing at same 7.5x EV of Sep'28E EBITDA.

### Other important points:

- TMT prices have risen from ~INR52,000/t to INR59,000-60,000/t, while HRC prices increased from INR51,000-53,000/t to ~INR60,000/t
- Angul blast furnace output has reached ~10,000t/day, with a target of 12,000t/day by Dec'26.
- FY27 growth capex is guided at INR75-100bn, largely funded through internal accruals. Management aims to keep net debt/EBITDA below 1.5x.

### Quarter Summary

| Y/e Mar            | Q2'27E | Q2'27A | % Var.  | Q2'26A | YoY gr. (%) |
|--------------------|--------|--------|---------|--------|-------------|
| Net Sales (INR bn) | 156    | 166    | 6.3     | 115    | 44.7        |
| EBITDA (INR bn)    | 22     | 25     | 13.9    | 19     | 33.6        |
| Margin (%)         | 14.1   | 15.1   | 101 bps | 16.3   | -126 bps    |
| PAT (INR bn)       | 6      | 8      | 23.4    | 6      | 21.3        |

Source: Company, PL

**Tushar Chaudhari**  
 tusharchaudhari@plindia.com | +91-22-663222391

**Satyam Kesarwani**  
 satyamkesarwani@plindia.com | +91-22-66322218

**Pranav Iyer**  
 pranaviyer@plindia.com | +91-22-66322539

**Strong operational performance driven by higher volume:** Strong consolidated Q2FY27 operating performance led by higher volumes and better product mix. Sales volumes grew 27% YoY to 2.38mt (PLe 2.3mt) led by strong ramp up at Angul which was absent in base. Exports' contribution to the volume was 8% (0.19mt) vs 9% in Q1FY27. Average NSR was flat QoQ at INR70,078 (PLe INR 67,942) inline with lower rebar prices which declined 3% QoQ, while HRC increased 3% QoQ. Cons revenue increased 45% YoY to INR166.8bn (8% QoQ; PLe Rs156.3bn). Production increased 20% YoY to 2.4mt. Share of value-added steel at 57% in Q2FY27 (66% in Q1FY27).

**EBITDA aided by strong ramp up Angul:** Cons Adj. EBITDA was up 34% YoY to INR 25bn (-6% QoQ; PLe INR 22bn) adjusting for the one-off forex gain of INR 0.68bn. Adj. EBITDA/t was up 5% YoY to INR 10,522 (-12% QoQ; PLe INR 9,557). Raw material costs increased due to higher coking coal costs, while other expenses were higher both annually and sequentially. Resultant, cons. PAT declined 8% QoQ to Rs7.74bn (PLe Rs 6.3bn).

## Q2FY27 Conference Call Highlights:

### Operational Highlights

- FY27 gross steel production guidance remains at ~11mt, including 6mt in H2FY27. Angul blast furnace output has reached ~10,000t/day, with a target of 12,000t/day by Dec'26.
- The 192km Barbil-Angul slurry pipeline has completed successful trials and is expected to commence commercial operations shortly. At ~20,000t/day, it could save ~INR700/t in freight and replace ~500 trucks daily.
- Kasia mine production stands at ~22,000t/day, with a target of 30,000t/day. Roida mine remains non-operational pending road and forest clearances, expected by Dec'26-Jan'27.
- Captive coal meets 50-55% of requirements, with a target of 65-70%. Captive coal availability at Raigarh and Angul is ~15mt, providing an estimated 2% benefit to steel-making costs.
- Coking coal, iron ore and pellet availability remains comfortable. OMC and NMDC iron ore supplies have normalised following earlier railway and waterlogging disruptions.
- Industry steel demand grew ~10% YoY, compared with company production growth of ~22%. Demand from defence, merchant vessels, shipbuilding and windmills remains supportive, while construction demand is expected to improve in H2FY27.

### Realisations and Costs

- Coking coal costs increased by US\$12-15/t in Q2FY27, with a further US\$20-25/t increase expected in Q3. Management expects costs to ease by Dec'26; the Mozambique mine continues to operate well, shipping ~2 vessels monthly.
- The company has replaced propane and natural gas with coal gas for reheating furnaces, galvanising and colour-coating. Coal gas costs ~INR30/kg versus ~INR100/kg for propane, offering savings of ~INR70/kg. Three additional coal gasification plants of 35,000Nm<sup>3</sup>/hour each are planned.
- TMT prices have risen from ~INR52,000/t to INR59,000-60,000/t, while HRC prices increased from INR51,000-53,000/t to ~INR60,000/t. Management expects better realisations in H2FY27 as construction demand recovers.

- The company targets a 65:35 flats-to-longs mix versus ~60:40 currently. TMT production has reduced to 120,000t/month from 220,000t/month, with volumes redirected towards plates and HRC. VASP accounted for 57% of Q2FY27 sales, rising to over 65% on an adjusted product-mix basis, as indicated by management.

### Capex and Leverage

- FY27 growth capex is guided at INR75-100bn, largely funded through internal accruals. Of the INR470bn capex programme, INR80-90bn remains, including performance-linked payments & DRI-2.
- The DRI plant is targeted for commissioning in Jun'27. Most work is in place, although imported equipment and shipping could cause delays.
- Management aims to keep net debt/EBITDA below 1.5x.

### Others

- Exports are ~0.1mt/month, mainly HRC and plates, alongside rails and structures. European opportunities will depend on trade agreements and quotas.
- Net debt declined to INR147.9bn from INR159.3bn at Q1FY27-end. Net debt/EBITDA improved to 1.51x from 1.71x, with cash and cash equivalents at INR72.4bn.

### Exhibit 1: Quarterly Estimates

| (INR bn)                | Q1FY27A | YoY gr. (%) | Q2FY27A | YoY gr. (%) | Q3FY27E | YoY gr. (%) | Q4FY27E | YoY gr. (%) |
|-------------------------|---------|-------------|---------|-------------|---------|-------------|---------|-------------|
| Revenue from Operations | 154.88  | 34.9%       | 166.11  | 44.7%       | 193.40  | 48.9%       | 184.82  | 16.0%       |
| EBITDA                  | 26.66   | 42.2%       | 25.04   | 33.6%       | 31.49   | 97.7%       | 44.14   | 66.8%       |
| Margin (%)              | 17.2%   | -           | 15.1%   | -           | 16.3%   | -           | 23.9%   | -           |
| Adjusted PAT            | 8.51    | 96.8%       | 7.06    | 63.4%       | 13.57   | 565.1%      | 21.81   | 38.9%       |

Source: Company, PL

**Exhibit 2: Q2FY27 Result Overview - Consolidated**

| Y/e March (INR bn)                             | 2QFY27 | 2QFY26 | YoY gr. (%) | 2QFY27E | % Var. | 1QFY27 | QoQ gr. (%) | H1FY27 | H1FY26 | YoY gr. (%) |
|------------------------------------------------|--------|--------|-------------|---------|--------|--------|-------------|--------|--------|-------------|
| <b>Net Sales</b>                               | 166.1  | 114.8  | 44.7        | 156.3   | 6.3    | 154.9  | 7.2         | 321.0  | 237.5  | 35.1        |
| Raw Material                                   | 77.1   | 48.8   | 57.9        | 72.0    | 7.2    | 71.3   | 8.2         | 148.4  | 95.5   | 55.4        |
| % of Net Sales                                 | 46.4   | 42.5   |             | 46.0    | 0.9    | 46.0   |             | 46.2   | 40.2   |             |
| Purchase of traded goods                       | 5.3    | 4.1    | 28.8        | 5.1     | 3.0    | 5.1    | 4.0         | 10.3   | 8.6    | 19.6        |
| % of Net Sales                                 | 3.2    | 3.6    |             | 3.3     | (3.1)  | 3.3    |             | 3.2    | 3.6    |             |
| Staff costs                                    | 3.9    | 3.2    | 20.1        | 3.7     | 4.0    | 3.7    | 5.0         | 7.5    | 6.3    | 20.3        |
| % of Net Sales                                 | 2.3    | 2.8    |             | 2.4     | (2.2)  | 2.4    |             | 2.3    | 2.6    |             |
| Other Expenses                                 | 54.8   | 39.9   | 37.3        | 53.5    | 2.4    | 48.2   | 13.7        | 103.0  | 78.5   | 31.2        |
| % of Net Sales                                 | 33.0   | 34.8   |             | 34.2    | (3.6)  | 31.1   |             | 32.1   | 33.1   |             |
| <b>Total Expenditure</b>                       | 141.1  | 96.0   | 46.9        | 134.3   | 5.0    | 128.2  | 10.0        | 269.3  | 188.9  | 42.5        |
| <b>EBITDA</b>                                  | 25.0   | 18.8   | 33.6        | 22.0    | 13.9   | 26.7   | (6.1)       | 51.7   | 48.6   | 6.4         |
| Margin (%)                                     | 15.1   | 16.3   |             | 14.1    | 7.2    | 17.2   |             | 16.1   | 20.5   |             |
| Depreciation                                   | 9.5    | 7.5    | 26.3        | 9.4     | 1.2    | 9.3    | 2.2         | 18.7   | 14.7   | 27.3        |
| Other income                                   | 0.3    | 0.2    | 14          | 0.2     | 42     | 0.2    | 30.3        | 0.4    | 0.5    | (15.6)      |
| <b>EBIT</b>                                    | 15.8   | 11.5   | 37.9        | 12.8    | 23.6   | 17.6   | (10.0)      | 33.4   | 34.4   | (2.9)       |
| Interest                                       | 5.7    | 3.7    | 52.5        | 5.5     | 2.3    | 5.5    | 3.3         | 11.1   | 6.7    | 66.9        |
| <b>PBT</b>                                     | 10.2   | 7.8    | 30.9        | 7.3     | 39.9   | 12.1   | (16.1)      | 22.3   | 27.7   | (19.7)      |
| Extraordinary income/(expense)                 | 0.7    | 2.1    | (67.0)      | -       | NA     | (0)    | NA          | 0.6    | 2.3    | (72.7)      |
| <b>PBT (After EO)</b>                          | 10.8   | 9.8    | 10.4        | 7.3     | 49.3   | 12.0   | (10.0)      | 22.9   | 30.0   | (23.7)      |
| Tax                                            | 3.1    | 3.5    | (9.9)       | 1.0     | 213.8  | 3.6    | (13.3)      | 6.7    | 8.7    | (22.5)      |
| % PBT                                          | 28.9   | 35.3   |             | 13.7    | 110.2  | 29.9   |             | 29.4   | 29.0   |             |
| <b>Reported PAT</b>                            | 7.7    | 6.4    | 21.5        | 6.3     | 23.1   | 8.4    | (8.6)       | 16.2   | 21.3   | (24.2)      |
| Minority interest                              | (0.0)  | (0.0)  | NA          | (0.0)   | NA     | (0.0)  | NA          | (0.0)  | (0.0)  | NA          |
| Share of profit/(losses) in associates         | (0.0)  | (0.0)  | NA          | (0.0)   | NA     | (0.0)  | NA          | (0.0)  | (0.0)  | NA          |
| <b>Net Profit attributable to shareholders</b> | 7.7    | 6.4    | 21.3        | 6.3     | 23.4   | 8.4    | (8.3)       | 16.2   | 21.3   | (24.1)      |
| <b>Adjusted PAT</b>                            | 7.1    | 4.3    | 63.4        | 6.1     | 15.8   | 8.5    | (17.0)      | 15.6   | 19.1   | (18.3)      |

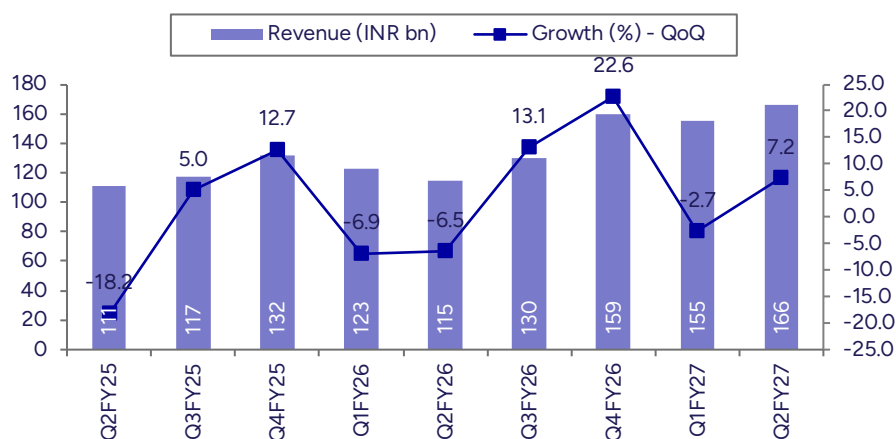
Source: Company, PL

**Exhibit 3: Operating Parameters**

| Y/e March           | 2QFY27 | 2QFY26 | YoY gr. (%) | 2QFY27E | % Var. | 1QFY27 | QoQ gr. (%) | H1FY27 | H1FY26 | YoY gr. (%) |
|---------------------|--------|--------|-------------|---------|--------|--------|-------------|--------|--------|-------------|
| Volume (mt)         | 2.38   | 1.87   | 27.3        | 2.30    | 3.5    | 2.23   | 6.7         | 4.61   | 3.77   | 22.3        |
| Realization/t (INR) | 69,792 | 61,390 | 13.7        | 67,942  | 2.7    | 69,453 | 0.5         | 69,628 | 63,006 | 10.5        |
| EBITDA/t (INR)      | 10,522 | 10,027 | 4.9         | 9,557   | 10.1   | 11,957 | (12.0)      | 11,216 | 12,891 | (13.0)      |

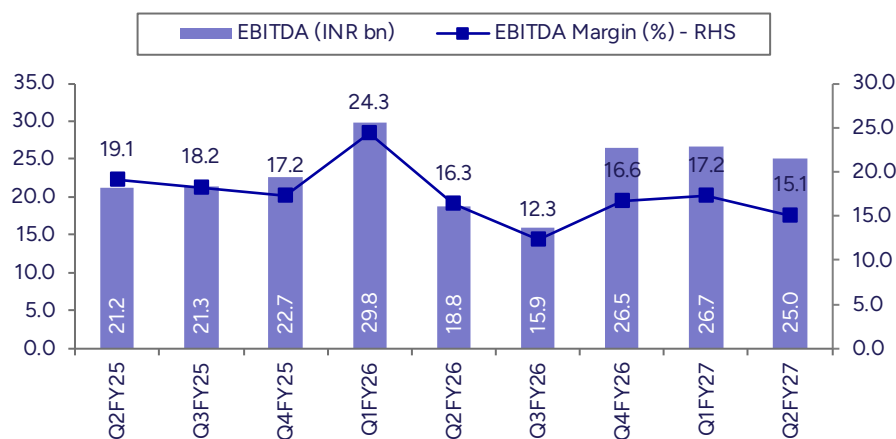
Source: Company, PL

**Exhibit 4: Cons revenue increased 45% YoY led by higher volumes from Angul**



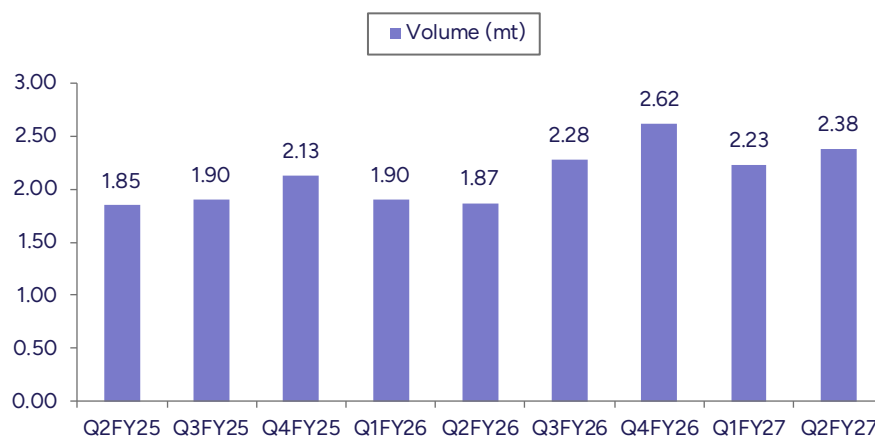
Source: Company, PL

**Exhibit 5: Cons Adj. EBITDA increased 34% YoY on ramp up of Angul**



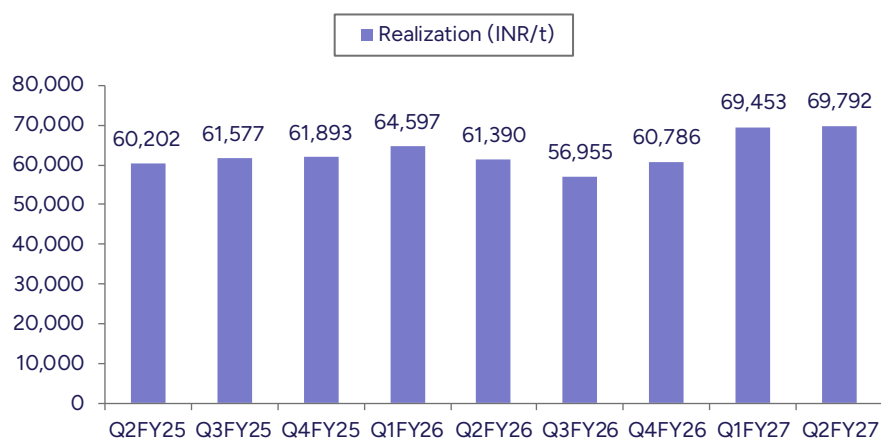
Source: Company, PL

**Exhibit 6: Volumes grew 27% YoY led by resilient domestic demand & inventory liquidation**



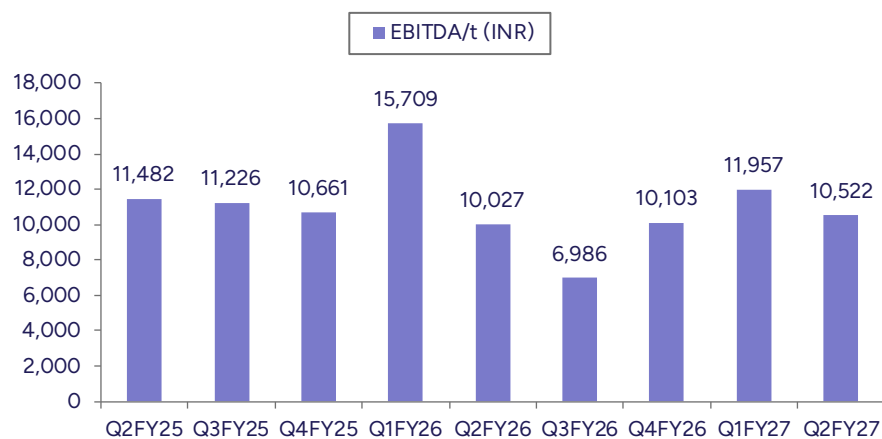
Source: Company, PL

**Exhibit 7: NSR remained flat QoQ, as higher HRC realisations offset weakness in longs**



Source: Company, PL

**Exhibit 8: Adj. EBITDA/t improved 5% YoY despite higher operating costs**



Source: Company, PL

**Exhibit 1: Target Price Calculation**

| Particulars                  | Sep'28 basis |
|------------------------------|--------------|
| EBITDA (INR mn)              | 1,75,320     |
| Target EBITDA multiple (x)   | 7.5          |
| Target EV (INR mn)           | 13,14,901    |
| Net Debt (INR mn)            | 45,364       |
| Residual Market Cap (INR mn) | 12,69,538    |
| Target price per share (INR) | 1,245        |

Source: PL

## Financials

### Income Statement (INR bn)

| Y/e Mar                       | FY26        | FY27E       | FY28E       | FY29E       |
|-------------------------------|-------------|-------------|-------------|-------------|
| Net Revenues                  | 527         | 699         | 856         | 953         |
| YoY gr. (%)                   | 6.2         | 32.8        | 22.4        | 11.3        |
| Cost of Goods Sold            | 255         | 389         | 476         | 530         |
| Gross Profit                  | 272         | 310         | 380         | 423         |
| Margin (%)                    | 51.6        | 44.4        | 44.4        | 44.4        |
| Employee Cost                 | 13          | 14          | 16          | 18          |
| Other Expenses                | 168         | 169         | 191         | 228         |
| <b>EBITDA</b>                 | <b>91</b>   | <b>127</b>  | <b>173</b>  | <b>177</b>  |
| YoY gr. (%)                   | (2.6)       | 39.9        | 36.2        | 2.1         |
| Margin (%)                    | 17.3        | 18.2        | 20.3        | 18.6        |
| Depreciation and Amortization | 32          | 38          | 37          | 41          |
| <b>EBIT</b>                   | <b>59</b>   | <b>89</b>   | <b>136</b>  | <b>137</b>  |
| Margin (%)                    | 11.3        | 12.8        | 15.9        | 14.3        |
| Net Interest                  | 15          | 21          | 17          | 13          |
| Other Income                  | 3           | 2           | 2           | 3           |
| <b>Profit Before Tax</b>      | <b>44</b>   | <b>70</b>   | <b>122</b>  | <b>127</b>  |
| Margin (%)                    | 8.4         | 10.0        | 14.2        | 13.3        |
| Total Tax                     | 11          | 19          | 32          | 33          |
| Effective Tax Rate (%)        | 23.8        | 27.2        | 26.0        | 25.8        |
| <b>Profit After Tax</b>       | <b>34</b>   | <b>51</b>   | <b>90</b>   | <b>94</b>   |
| Minority Interest             | -           | -           | -           | -           |
| Share Profit from Associate   | -           | -           | -           | -           |
| <b>Adjusted PAT</b>           | <b>37</b>   | <b>51</b>   | <b>90</b>   | <b>94</b>   |
| YoY gr. (%)                   | (5.4)       | 38.4        | 76.7        | 4.3         |
| Margin (%)                    | 7.0         | 7.3         | 10.5        | 9.8         |
| Extra Ord. Income / (Exp)     | (3)         | -           | -           | -           |
| <b>Reported PAT</b>           | <b>34</b>   | <b>51</b>   | <b>90</b>   | <b>94</b>   |
| YoY gr. (%)                   | 19.7        | 51.2        | 76.7        | 4.3         |
| Margin (%)                    | 6.4         | 7.3         | 10.5        | 9.8         |
| Other Comprehensive Income    | -           | -           | -           | -           |
| Total Comprehensive Income    | 34          | 51          | 90          | 94          |
| <b>Equity Shares O/s (bn)</b> | <b>1</b>    | <b>1</b>    | <b>1</b>    | <b>1</b>    |
| <b>EPS (INR)</b>              | <b>36.1</b> | <b>50.0</b> | <b>88.4</b> | <b>92.2</b> |

Source: Company, PL

### Balance Sheet (INR bn)

| Y/e Mar                               | FY26       | FY27E        | FY28E        | FY29E        |
|---------------------------------------|------------|--------------|--------------|--------------|
| <b>Non-Current Assets</b>             |            |              |              |              |
| <b>Gross Block</b>                    | <b>981</b> | <b>1,081</b> | <b>1,181</b> | <b>1,281</b> |
| Tangibles                             | 895        | 995          | 1,095        | 1,195        |
| Intangibles                           | 86         | 86           | 86           | 86           |
| <b>Acc: Dep / Amortization</b>        | <b>341</b> | <b>379</b>   | <b>416</b>   | <b>457</b>   |
| Tangibles                             | 270        | 308          | 345          | 386          |
| Intangibles                           | 70         | 70           | 70           | 70           |
| <b>Net Fixed Assets</b>               | <b>640</b> | <b>702</b>   | <b>765</b>   | <b>824</b>   |
| Tangibles                             | 625        | 687          | 750          | 809          |
| Intangibles                           | 15         | 15           | 15           | 15           |
| Capital Work In Progress              | 84         | 64           | 44           | 24           |
| Goodwill                              | 1          | 1            | 1            | 1            |
| Non-Current Investments               | 14         | 14           | 14           | 14           |
| Net Deferred Tax Assets               | (63)       | (63)         | (63)         | (63)         |
| Other Non-Current Assets              | 12         | 12           | 12           | 12           |
| <b>Current Assets</b>                 |            |              |              |              |
| Investments                           | 21         | 21           | 21           | 21           |
| Inventories                           | 80         | 96           | 117          | 131          |
| Trade Receivables                     | 17         | 23           | 28           | 31           |
| Cash & Bank Balance                   | 41         | 38           | 63           | 87           |
| Other Current Assets                  | 59         | 59           | 59           | 59           |
| <b>Total Assets</b>                   | <b>978</b> | <b>1,038</b> | <b>1,132</b> | <b>1,212</b> |
| <b>Equity</b>                         |            |              |              |              |
| Equity Share Capital                  | 1          | 1            | 1            | 1            |
| Other Equity                          | 508        | 557          | 645          | 736          |
| <b>Total Network</b>                  | <b>509</b> | <b>558</b>   | <b>646</b>   | <b>737</b>   |
| <b>Non-Current Liabilities</b>        |            |              |              |              |
| Long Term Borrowings                  | 196        | 156          | 116          | 76           |
| Provisions                            | 6          | 6            | 6            | 6            |
| Other Non Current Liabilities         | 13         | 13           | 13           | 13           |
| <b>Current Liabilities</b>            |            |              |              |              |
| ST Debt / Current of LT Debt          | 24         | 24           | 24           | 24           |
| Trade Payables                        | 88         | 117          | 143          | 159          |
| Other Current Liabilities             | 69         | 91           | 112          | 124          |
| <b>Total Equity &amp; Liabilities</b> | <b>978</b> | <b>1,038</b> | <b>1,132</b> | <b>1,212</b> |

Source: Company, PL

**Cash Flow (INR bn)**

| Y/e Mar                              | FY26         | FY27E       | FY28E       | FY29E       |
|--------------------------------------|--------------|-------------|-------------|-------------|
| PBT                                  | 44           | 70          | 122         | 127         |
| Add. Depreciation                    | 32           | 38          | 37          | 41          |
| Add. Interest                        | 15           | 21          | 17          | 13          |
| Less Financial Other Income          | 3            | 2           | 2           | 3           |
| Add. Other                           | 2            | -           | -           | -           |
| Op. Profit before WC Changes         | 93           | 129         | 176         | 180         |
| Net Changes-WC                       | (7)          | 30          | 20          | 12          |
| Direct Tax                           | (13)         | (19)        | (32)        | (33)        |
| <b>Net Cash from Op. Activities</b>  | <b>72</b>    | <b>140</b>  | <b>164</b>  | <b>159</b>  |
| Capital Expenditures                 | (98)         | (80)        | (80)        | (80)        |
| Interest / Dividend Income           | 1            | -           | -           | -           |
| Others                               | (11)         | -           | -           | -           |
| <b>Net Cash from Inv. Activities</b> | <b>(107)</b> | <b>(80)</b> | <b>(80)</b> | <b>(80)</b> |
| Issue of Share Cap. / Premium        | 3            | -           | -           | -           |
| Debt Changes                         | 44           | (40)        | (40)        | (40)        |
| Dividend Paid                        | (2)          | (2)         | (2)         | -           |
| Interest Paid                        | (22)         | (21)        | (17)        | (13)        |
| Others                               | 4            | -           | -           | -           |
| <b>Net Cash from Fin. Activities</b> | <b>28</b>    | <b>(63)</b> | <b>(59)</b> | <b>(53)</b> |
| <b>Net Change in Cash</b>            | <b>(7)</b>   | <b>(3)</b>  | <b>25</b>   | <b>27</b>   |
| Free Cash Flow                       | (24)         | 60          | 84          | 79          |

Source: Company, PL

**Quarterly Financials (INR bn)**

| Y/e Mar                           | Q3FY26     | Q4FY26      | Q1FY27     | Q2FY27     |
|-----------------------------------|------------|-------------|------------|------------|
| <b>Net Revenues</b>               | <b>130</b> | <b>159</b>  | <b>155</b> | <b>166</b> |
| YoY gr. (%)                       | 11.0       | 20.8        | 26.2       | 44.7       |
| Raw Material Expenses             | 67         | 83          | 76         | 82         |
| Gross Profit                      | 62         | 76          | 79         | 84         |
| Margin (%)                        | 48.1       | 47.7        | 50.7       | 50.4       |
| <b>EBITDA</b>                     | <b>16</b>  | <b>26</b>   | <b>27</b>  | <b>25</b>  |
| YoY gr. (%)                       | (25.3)     | 16.6        | (10.7)     | 33.6       |
| Margin (%)                        | 12.3       | 16.6        | 17.2       | 15.1       |
| Depreciation / Depletion          | 8          | 9           | 9          | 9          |
| <b>EBIT</b>                       | <b>8</b>   | <b>18</b>   | <b>17</b>  | <b>16</b>  |
| Margin (%)                        | 5.8        | 11.2        | 11.2       | 9.4        |
| Net Interest                      | 4          | 4           | 5          | 6          |
| Other Income                      | -          | 3           | -          | -          |
| <b>Profit before Tax</b>          | <b>3</b>   | <b>11</b>   | <b>12</b>  | <b>11</b>  |
| Margin (%)                        | 2.6        | 6.8         | 7.8        | 6.5        |
| Total Tax                         | 2          | -           | 4          | 3          |
| Effective Tax Rate (%)            | 43.7       | 3.0         | 29.9       | 28.9       |
| <b>Profit After Tax</b>           | <b>2</b>   | <b>11</b>   | <b>8</b>   | <b>8</b>   |
| Minority Interest                 | -          | -           | -          | -          |
| Share Profit from Associate       | -          | -           | -          | -          |
| <b>Adjusted PAT</b>               | <b>2</b>   | <b>10</b>   | <b>8</b>   | <b>8</b>   |
| YoY gr. (%)                       | (80.0)     | (407.8)     | (43.5)     | 21.3       |
| Margin (%)                        | 1.5        | 6.6         | 5.5        | 4.7        |
| Extra Ord. Income / (Exp)         | -          | -           | -          | -          |
| <b>Reported PAT</b>               | <b>2</b>   | <b>10</b>   | <b>8</b>   | <b>8</b>   |
| YoY gr. (%)                       | (80.0)     | (407.8)     | (43.5)     | 21.3       |
| Margin (%)                        | 1.5        | 6.6         | 5.5        | 4.7        |
| Other Comprehensive Income        | -          | -           | -          | -          |
| <b>Total Comprehensive Income</b> | <b>2</b>   | <b>10</b>   | <b>8</b>   | <b>8</b>   |
| Avg. Shares O/s (bn)              | 1          | 1           | 1          | 1          |
| <b>EPS (INR)</b>                  | <b>1.9</b> | <b>10.3</b> | <b>8.3</b> | <b>7.6</b> |

Source: Company, PL

**Key Financial Metrics**

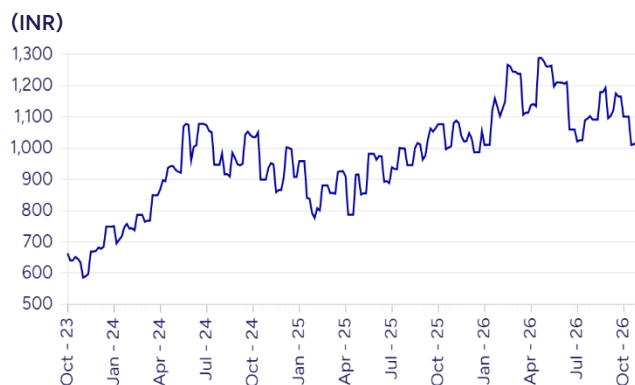
| Y/e Mar                    | FY26   | FY27E | FY28E | FY29E |
|----------------------------|--------|-------|-------|-------|
| <b>Per Share (INR)</b>     |        |       |       |       |
| EPS                        | 36.1   | 50.0  | 88.4  | 92.2  |
| CEPS                       | 67.3   | 87.4  | 125.1 | 132.1 |
| BVPS                       | 500.2  | 548.3 | 634.5 | 724.2 |
| FCF                        | (23.3) | 59.1  | 82.7  | 78.1  |
| DPS                        | 2.0    | 2.0   | 2.2   | 2.4   |
| <b>Return Ratio (%)</b>    |        |       |       |       |
| RoCE                       | 9.1    | 12.4  | 18.2  | 17.2  |
| ROIC                       | 7.2    | 9.6   | 14.9  | 14.4  |
| RoE                        | 7.5    | 9.5   | 14.9  | 13.6  |
| <b>Balance Sheet</b>       |        |       |       |       |
| Net Debt : Equity (x)      | 0.3    | 0.2   | 0.1   | -     |
| Net Working Capital (Days) | 7      | 1     | 1     | 1     |
| <b>Valuation (x)</b>       |        |       |       |       |
| PER                        | 28.1   | 20.3  | 11.5  | 11.0  |
| P/B                        | 2.0    | 1.9   | 1.6   | 1.4   |
| P/CEPS                     | 15.1   | 11.6  | 8.1   | 7.7   |
| EV/EBITDA                  | 13.2   | 9.1   | 6.3   | 5.8   |
| EV/Sales                   | 2.3    | 1.7   | 1.3   | 1.1   |
| Dividend Yield (%)         | 0.2    | 0.2   | 0.2   | 0.2   |
| FCFF Yield (%)             | (2.3)  | 5.8   | 8.1   | 7.7   |
| PEG Ratio                  | (4.8)  | 0.5   | 0.1   | 2.6   |

Source: Company, PL

**Key Operating Metrics**

| Y/e Mar                  | FY26   | FY27E  | FY28E  | FY29E  |
|--------------------------|--------|--------|--------|--------|
| Steel sales volumes (mt) | 9      | 11     | 12     | 13     |
| EBITDA/t (INR)           | 10,494 | 12,075 | 13,982 | 13,405 |
| Reasization/t (INR)      | 60,743 | 66,304 | 68,989 | 72,095 |

Source: Company, PL

**Price Chart**

**Recommendation History**

| No. | Date      | Rating     | TP (INR) | Share Price (INR) |
|-----|-----------|------------|----------|-------------------|
| 1   | 08-Oct-26 | BUY        | 1265     | 1061              |
| 2   | 27-Jul-26 | BUY        | 1298     | 1040              |
| 3   | 08-Jul-26 | Buy        | 1295     | 1022              |
| 4   | 02-May-26 | Accumulate | 1289     | 1223              |
| 5   | 09-Apr-26 | Accumulate | 1265     | 1200              |
| 6   | 01-Feb-26 | Accumulate | 1171     | 1102              |
| 7   | 09-Jan-26 | Accumulate | 1100     | 1010              |
| 8   | 30-Oct-25 | Accumulate | 1151     | 1071              |
| 9   | 08-Oct-25 | Accumulate | 1170     | 1034              |
| 10  | 13-Aug-25 | Accumulate | 1060     | 996               |

**Analyst Coverage Universe**

| Sr. No. | Company Name              | Rating     | TP (INR) | Share Price (INR) |
|---------|---------------------------|------------|----------|-------------------|
| 1       | ACC                       | BUY        | 2198     | 1384              |
| 2       | Adani Port & SEZ          | BUY        | 2243     | 1750              |
| 3       | Ambuja Cement             | BUY        | 498      | 357               |
| 4       | Dalmia Bharat             | BUY        | 2015     | 1640              |
| 5       | Hindalco Industries       | BUY        | 1113     | 911               |
| 6       | Jindal Stainless          | BUY        | 867      | 732               |
| 7       | Jindal Steel              | BUY        | 1265     | 1061              |
| 8       | JK Cement                 | BUY        | 6080     | 5050              |
| 9       | JK Lakshmi Cement         | BUY        | 699      | 472               |
| 10      | JSW Cement                | BUY        | 132      | 112               |
| 11      | JSW Infrastructure        | Accumulate | 384      | 354               |
| 12      | JSW Steel                 | Accumulate | 1412     | 1230              |
| 13      | National Aluminium Co.    | Accumulate | 392      | 321               |
| 14      | NMDC                      | HOLD       | 83       | 73                |
| 15      | Nuvoco Vistas Corporation | BUY        | 557      | 325               |
| 16      | Shree Cement              | BUY        | 27969    | 21780             |
| 17      | Steel Authority of India  | Accumulate | 193      | 174               |
| 18      | Tata Steel                | Accumulate | 209      | 176               |
| 19      | Ultratech Cement          | BUY        | 14623    | 10650             |
| 20      | Usha Martin               | BUY        | 596      | 518               |

**PL's Recommendation Nomenclature (Absolute Performance)**

|                          |                                   |
|--------------------------|-----------------------------------|
| <b>BUY</b>               | : > 15%                           |
| <b>Accumulate</b>        | : 5% to 15%                       |
| <b>Hold</b>              | : +5% to -5%                      |
| <b>Reduce</b>            | : -5% to -15%                     |
| <b>Sell</b>              | : < -15%                          |
| <b>Not Rated (NR)</b>    | : No specific call on the stock   |
| <b>Under Review (UR)</b> | : Rating likely to change shortly |

## ANALYST CERTIFICATION

### Indian Clients

We/I Mr. Tushar Chaudhari MMS-Finance, Mr. Satyam Kesarwani BFM, Passed CFA Level II, Mr. Pranav Iyer BBA Finance Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

### US Clients

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

### Prabhudas Lilladher Pvt. Ltd.

**Corporate Office:** 6th Floor, Tower 2B South Annex, One World Centre, 841, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

**Registered Office:** 3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018

Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

[www.plindia.com](http://www.plindia.com)

AMNISH  
AGGARWAL

Digitally signed by AMNISH AGGARWAL  
DN: c=IN, o=Personal, title=1443,  
2.5.4.20=21151ea12dd366d1ac370cb42343ee  
44b6e851c37bdbac5f86aa4ff3e6948487,  
postalCode=400015, st=Maharashtra,  
serialNumber=7a6f13691881d5a8af6353865a  
61b48b7040e72f4a1bf53182e368b3ca14a5e4  
, cn=AMNISH AGGARWAL  
Date: 2026.10.24 11:10:45 +05'30'

## DISCLAIMER

### Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd, which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at [www.plindia.com](http://www.plindia.com).

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipients particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its research analysts or its associates or his relatives do not 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.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might 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

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report.

PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report.

PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Tushar Chaudhari MMS-Finance, Mr. Satyam Kesarwani BFM, Passed CFA Level II, Mr. Pranav Iyer BBA Finance Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

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

### US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., 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 persons 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.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major 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 the Major 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 Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.