Q1FY27 Result Update

JSW Steel (JSTL IN)

July 18, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	Accumulate		Accumulate	
Target Price	1,351		1,371	
Sales (INR bn)	2,093	2,383	2,078	2,365
% Chng.	*0.7*	*0.8*		
EBITDA (INR bn)	382	438	375	423
% Chng.	*1.9*	*3.5*		
EPS (INR)	67.4	82.2	59.0	74.0
% Chng.	*14.2*	*11.1*		

Key Data	JSTL.BO | JSTL IN
BSE Code	500228
NSE Code	JSWSTEEL
52-W High / Low	INR 1,328 / INR 1,017
Face Value	1
Sensex / Nifty	78,151 / 24,334
Market Cap	INR 3,026 bn / $ 31,427 mn
Shares Outstanding	2445.45 mn
3M Avg. Daily Value	INR 2,291.93 mn

Shareholding Pattern (%)

Promoters	45.32
FIIs	25.38
Mutual Funds	5.33
Domestic Institutions	5.82
Public & Others	18.15
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(3.9)	(0.2)	4.2	19.6
Relative	(5.1)	0.2	11.4	25.9

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR bn)	1,688	1,855	2,093	2,383
EBITDA (INR bn)	229	298	382	438
Margin (%)	*13.6*	*16.1*	*18.3*	*18.4*
PAT (INR bn)	40	50	165	201
EV (INR bn)	3,830	3,656	3,672	3,651
Total Debt (INR bn)	974	993	914	914
C&C Eq. (INR bn)	117	394	300	322
EPS (INR)	16.3	20.3	67.4	82.3
Gr. (%)	*(52.0)*	*24.1*	*232.7*	*22.0*
DPS (INR)	3.0	8.0	7.8	8.6
Yield (%)	*0.2*	*0.6*	*0.6*	*0.7*
RoE (%)	*5.1*	*5.5*	*15.4*	*16.4*
RoCE (%)	*8.0*	*10.7*	*14.3*	*15.3*
EV/Sales (x)	2.3	2.0	1.8	1.5
EV/EBITDA (x)	16.7	12.3	9.6	8.3
PE (x)	75.8	61.0	18.3	15.0
P/BV (x)	3.8	3.0	2.7	2.3

Volumes to outrun cost headwinds

Quick Pointers

- Coking coal costs to increase by US$12-15/t in Q2, with easing expected from Q3
- FY27 production/sales guidance of 29.75mt/28.6mt and domestic demand growth of 7-9% maintained

JSW Steel reported a strong operating performance in Q1FY27, supported by higher steel prices and improved profitability from JVML. Consolidated volumes (ex-BPSL) grew 4% YoY to 6.25mt, aided by higher exports (46% YoY to 0.68mt) and robust demand from the automotive, renewable energy and appliances segments. Average cons. NSR improved 17% QoQ to INR 75,782/t, supported by a 9% QoQ increase in HRC prices, improved product mix led by higher sales of value-added special products (VASP) from JVML and higher byproduct revenue. On the cost front, higher coking coal costs (US$17/t QoQ), along with increased iron ore and elevated operating costs (ME crisis impact of US$20/t), weighed on EBITDA during the quarter. These headwinds were partly offset by inventory drawdown which was used in the downstream business and processing at Anjar, resulting in consolidated EBITDA/t of INR 15,013, (PLe INR 13,632). Looking ahead, management indicated that coking coal costs are likely to increase further in Q2 by US$12-15/t, which would partly offset by stronger volumes, supported by the ramp-up of 4.5mtpa BF#3. Mgmt. maintained FY27 consolidated sales and production guidance of 28.6mt and 29.75mt, respectively, while reiterating domestic steel demand growth estimate of 7-9%.

Near-term earnings should benefit from improving volumes led by BF#3 and higher steel prices (rebar volume share at just 12%). Higher coking coal costs and softening Chinese HRC prices may keep domestic realizations at check over the next few months. We expect cost pressures to moderate from H2FY27 as coking coal and iron ore costs normalize, while improving profitability across subsidiaries and a higher share of value-added products should support margins. Over the longer term, JSTL remains well positioned to outperform, supported by its strong brownfield expansion pipeline, increasing captive raw material security and sustained domestic steel demand growth. We raise our FY27/28E EBITDA by 2%/3.5% respectively on better profitability from JVML and expect 21% EBITDA CAGR over FY26-28E. At CMP, the stock is trading at 9.6x/8.3x EV of FY27/28E EBITDA. Maintain Accumulate with revised TP of INR1,351 (INR1,371 earlier) with same 8.5xFY28 EBITDA.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR bn)	477	474	-1.0	431	10.0
EBITDA (INR bn)	86	94	9.0	79	19.0
Margin (%)	*18.1*	*19.8*	*170 bps*	*18.4*	*140 bps*
PAT (INR bn)	36	47	31.0	24	96.0

Source: Company, PL

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Robust quarter led by strong pricing and improved mix from JVML: Consolidated revenue grew 10% YoY to INR 474bn (-7% QoQ; PLe INR 477bn) on higher steel pricing. Volumes grew 6% YoY (ex-BPSL) to 6.25mt on strong exports and higher domestic volumes from Autos, Appliances & RE sectors. Average cons realization was up 17% QoQ to INR 75,782/t (Ple INR 75,460/t) as average HRC was (+9%) during the quarter. JVML (JSW Vijayanagar) EBITDA grew 190% YoY to Rs18.2bn; while EBITDA/t improved 101% YoY to INR15,974/t on higher volumes post ramp up and better realization. JVML volumes grew 44% YoY to 1.14mt (-7% QoQ).

Higher NSR drives EBITDA: Consolidated EBITDA grew 18% YoY to INR 93.8bn (-3% QoQ; PLe INR 86.2bn) supported by lower other expenses and improved profitability across JVML, coated products and Ohio, driven by higher steel prices. Cons EBITDA/t increased 27% YoY to INR 15,013/t (+23% QoQ, PLe INR 13,632/t), as higher NSR more than offset elevated coking coal and other input costs. Standalone EBITDA grew 11% YoY to INR 66bn (+18% QoQ) lower than PLe of INR 77.2bn. Cons RM cost/t increased 27% YoY to INR 39,338 mainly on account of higher iron ore and coking coal costs; P&F cost/t too was up 7% YoY to INR 6,586. Mining premium increased 6% YoY to INR 2,936/t. Other expenses were up 4% YoY to INR 10,574/t.

Overseas operations return to growth: US subsidiary (Ohio) returned to profitability, reporting EBITDA of US$ 4.8mn following the completion of the vacuum tank degasser project. Italy EBITDA grew 67% QoQ to EUR 7.05mn, with EBITDA/t improving to EUR 88, driven by higher sales volumes and better realizations. Coated Products EBITDA/t increased 24% YoY (+5% QoQ) to INR 6,288, supported by higher sales realizations. JVML continued its strong performance, with EBITDA surging 190% YoY to INR 18.2bn, while EBITDA/t more than doubled (+101% YoY) to INR 15,974/t, aided by higher volumes following the ramp-up and improved realizations. JVML volumes increased 44% YoY to 1.14mt (-7% QoQ).

Long-term growth strategy: JSTL reiterated its long-term growth strategy, highlighting multiple brownfield and greenfield expansion opportunities. These include a 10mt expansion potential at Utkal, a brownfield green steel project at Salav, EAF expansion at Kadapa, and additional expansion opportunities at Keonjhar, Odisha and Gadchiroli Maharashtra. JSTL also has the potential to grow through its JVs, with 10.5mt of expansion capacity under JSW JFE Steel and a 6mt greenfield project under the POSCO JV, providing strong visibility on its long-term capex ambitions.

Q1FY27 Conference Call Highlights:

Demand and Outlook

- FY27 domestic steel demand growth estimate of 7-9% maintained, implying incremental demand of 12-13mt. Infrastructure, construction, renewables, manufacturing and automotive continue to remain the key demand drivers.
- Automotive demand remains robust with double-digit growth, while rural demand across two-wheelers, passenger vehicles and tractors continues to be healthy. However, management indicated monsoon remains a key monitorable.
- Institutional sales volumes grew 5% YoY in line with industrial demand, while retail volumes were impacted by channel destocking and uncertainty arising from the West Asia conflict.
- FY27 consolidated production guidance of 29.75mt and sales guidance of 28.6mt was reiterated, with sequential volume improvement expected from Q2 driven by BF#3 ramp-up and JVML operating at full capacity.

Pricing and Costs

- Q1 realizations benefited from the spillover of Q4 steel price hikes, with most automotive contract price revisions already reflected during the quarter.
- Flat steel prices have remained steady, while long product prices corrected sharply due to ME disruptions, labor shortages and local elections. Long steel pricing is expected to normalize during H2FY27.
- Coking coal costs increased by US$17/t QoQ during Q1 and are expected to rise by another US$12-15/t in Q2 before easing in Q3 following the recent correction in seaborne coal prices.
- Iron ore costs increased by INR200-230/t during Q1, while mgmt. expects lower iron ore prices to start reflecting towards the end of Q2 and into Q3.
- Higher freight, shipping and gas costs arising from the West Asia conflict impacted profitability by around US$20/t during the quarter. Gas costs are expected to soften in Q2.

Expansion

- BF#3 at Vijayanagar was lit up on at the end of last month and is currently operating at 80% CU, with higher volumes expected from Q2 onwards.
- Groundbreaking for the 1mtpa Kadapa EAF project was completed recently, with commercial operations targeted in FY29.
- All ongoing expansion projects remain on schedule, incl. 0.44mt downstream capacity additions, expansion of rail manufacturing capacity at Raigarh to 1mt, and VASP additions at Khopoli.

Capex and Balance Sheet

- Consolidated capex stood at INR49bn during Q1FY27, while FY27 capex guidance was maintained at INR220-240bn.
- Dolvi Ph-III project cost has increased due to design modifications in the raw material handling system and higher project costs arising from the West Asia conflict.

- BPSL's credit profile continues to improve, with recent upgrades from Fitch and CARE, which should gradually reduce borrowing costs.
- Consolidated net debt to EBITDA stands at 1.46x from 1.81x QoQ; JSTL aims to keep the ratio under 2.5. Cons. net debt as of Q1FY27 was INR 461.5bn.

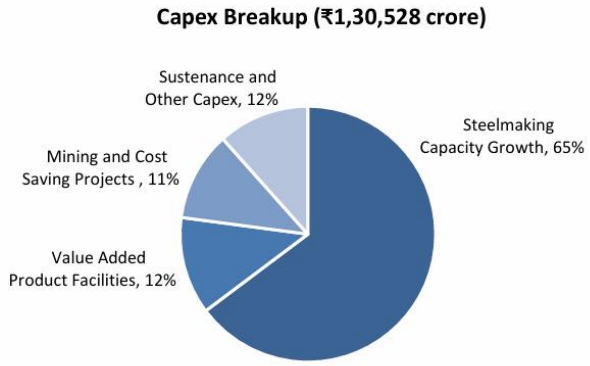
Raw Material / Mining

- Captive iron ore contribution has increased to ~30%, incl production from the Netrabandha mine.
- Out of 25 iron ore mines, 13 are currently operational, while the Goa mine secured in May'26 is expected to further improve captive ore availability.
- The Dugda coking coal washery was taken over in Jun'26. Full benefits from coal linkage are expected over the next two years.
- The Mozambique coking coal project remains on track, with EPC orders already placed. ~7mtpa production estimated at full ramp-up.
- 20mtpa slurry pipeline is expected to reduce iron ore logistics costs by INR 1,000/t.

Exhibit 1: Capex plan over next 4-5 years

JSW Steel Consolidated Capex Update

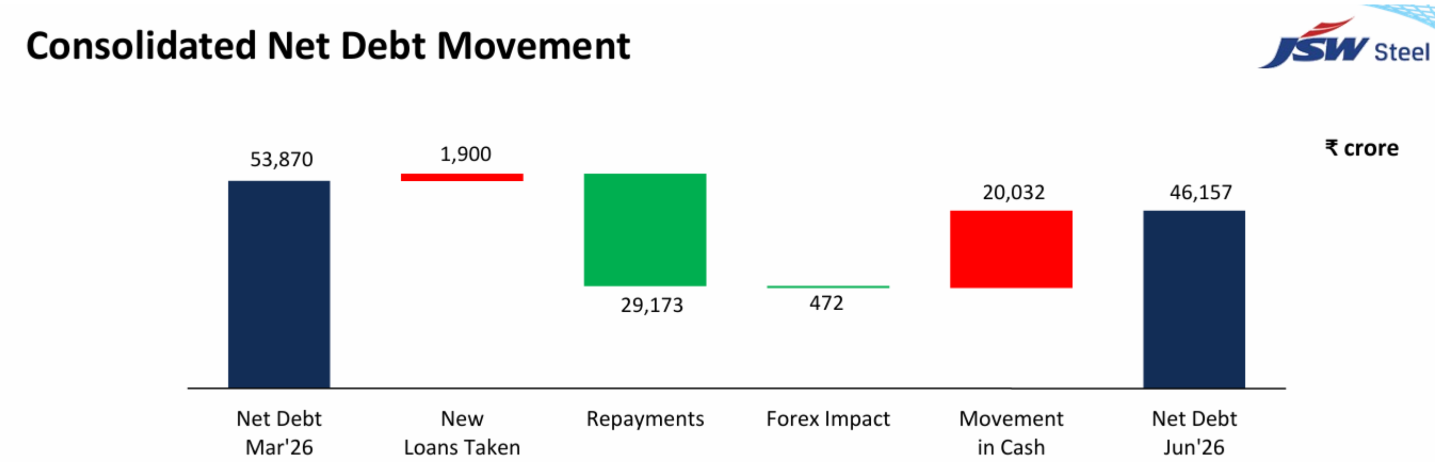
Particulars	₹ Cr
Capex carried forward as on 1st April 2026 (including Creditors and Acceptances)	96,888[1]
New Projects approved since 1st April 2026:	
Steelmaking:	
JVML Phase-2 capacity expansion of 5mtpa	26,000
Additional facilities at Dolvi Phase-III project	2,000
Value Added Downstream Facilities:	
Capacity enhancement at various locations	2,367
Sustenance Capex	3,272
Total	**1,30,528**



Note: The above capex will be spent over 4-5 years
Capex spend for FY27 expected at ₹22,000-24,000 crore
Q1 FY27 capex spend was ₹4,869 crore

Source: Company, PL

Exhibit 2: JSTL QoQ debt movement



Source: Company, PL

Exhibit 3: Quarterly Estimates

(INR bn)	Q1FY27A	*YoY gr.*	Q2FY27E	*YoY gr.*	Q3FY27E	*YoY gr.*	Q4FY27E	*YoY gr.*
Revenue from Operations	474	*8.1%*	538	*19.1%*	557	*21.2%*	559	*9.2%*
EBITDA	94	*18.5%*	98	*24.9%*	94	*41.7%*	96	*-0.7%*
Margin (%)	*20.1%*	-	*18.2%*	-	*16.8%*	-	*17.2%*	-
Adjusted PAT	48	*86.9%*	43	*90.3%*	40	*32.4%*	41	*-41.4%*

Source: Company, PL

Exhibit 4: Q1FY27 Result Overview

Y/e March (INR bn)	1QFY27	1QFY26	YoY gr. (%)	1QFY27E	% Var.	4QFY26	QoQ gr. (%)	FY26	FY25	YoY gr. (%)
Net Sales	**473.6**	**431.5**	***9.8***	**477.3**	***(0.8)***	**511.8**	***(7.5)***	**1,854.7**	**1,688.2**	***9.9***
Raw Material	223.0	205.8	*8.3*	241.4	*(7.6)*	256.0	*(12.9)*	935.6	891.5	*4.9*
% of Net Sales	*47.1*	*47.7*		*50.6*		*50.0*		*50.4*	*52.8*	
Purchase of traded goods	18.1	5.5	*227.4*	9.8	*84.6*	10.4	*74.1*	30.4	8.5	*259.3*
% of Net Sales	*3.8*	*1.3*		*2.1*		*2.0*		*1.6*	*0.5*	
Staff Costs	13.1	13.2	*(0.9)*	12.8	*2.2*	13.6	*(3.6)*	52.9	48.0	*10.2*
% of Net Sales	*2.8*	*3.1*		*2.7*		*2.6*		*2.8*	*2.8*	
Power & Fuel	41.2	41.3	*(0.2)*	38.5	*6.8*	40.9	*0.7*	161.5	161.6	*(0.1)*
% of Net Sales	*8.7*	*9.6*		*8.1*		*8.0*		*8.7*	*9.6*	
Mining premium and royalties	18.4	18.6	*(1.3)*	18.0	*1.9*	19.1	*(3.9)*	69.5	91.4	*(24.0)*
% of Net Sales	*3.9*	*4.3*		*3.8*		*3.7*		*3.7*	*5.4*	
Other Expenses	66.1	67.9	*(2.6)*	70.5	*(6.2)*	74.7	*(11.6)*	283.9	258.2	*9.9*
% of Net Sales	*14.0*	*15.7*		*14.8*		*14.6*		*15.3*	*15.3*	
Total Expenditure	380	352	*7.8*	391	*(2.9)*	415	*(8.4)*	1,534	1,459	*5.1*
EBITDA	**93.8**	**79.2**	***18.5***	**86.2**	***8.8***	**97.1**	***(3.4)***	**321.0**	**229.0**	***40.2***
Margin (%)	*19.8*	*18.4*		*18.1*		*19.0*		*17.3*	*13.6*	
Depreciation	21.4	25.4	*(15.8)*	19.5	*9.6*	21.5	*(0.5)*	96.0	93.1	*3.1*
Other income	7.2	3.5	*106.9*	3.0	*141.3*	3.4	*112.3*	12.5	6.9	*79.8*
EBIT	**80**	**57**	***39.0***	**70**	***14.3***	**79**	***0.8***	**237**	**143**	***66.2***
Interest	17.1	22.2	*(22.8)*	20.5	*(16.5)*	21.7	*(21.0)*	91.0	84.1	*8.2*
PBT	**62.6**	**35.2**	***78.0***	**49.2**	***27.2***	**57.4**	***9.1***	**146.5**	**58.8**	***149.2***
Extraordinary income/(expense)	-	(3.4)	*NA*	-	*NA*	168.1	*NA*	150.8	(4.9)	*NA*
PBT (After EO)	**63**	**32**	***97.3***	**49**	***27.2***	**225**	***(72.2)***	**297**	**54**	***451.7***
Tax	14.6	8.6	*69.6*	13.9	*NA*	31.3	*(53.3)*	37.4	15.9	*135.9*
% PBT	*23.4*	*27.2*		*28.3*		*13.9*		*12.6*	*29.4*	
Reported PAT	**47.9**	**23.1**	***107.6***	**35.3**	***35.8***	**194.1**	***(75.3)***	**259.8**	**38.0**	***583***
Minority interest	0.5	0.3	*80.0*	0.5	*(10.0)*	28.7	*(98.4)*	31.9	(0.1)	*NA*
Share of profit/(losses) in Associates	(1.0)	(1.0)	*NA*	1.0	*NA*	(1.7)	*NA*	(4.8)	(3.1)	*NA*
Net Profit attributable to shareholders	46.5	21.8	*113.0*	35.8	*30.0*	163.7	*(71.6)*	223.2	35.0	*537*
Adjusted PAT	**46.5**	**24.4**	***90.7***	**35.8**	***30.0***	**39.6**	***17.4***	**49.6**	**164.9**	***(70)***

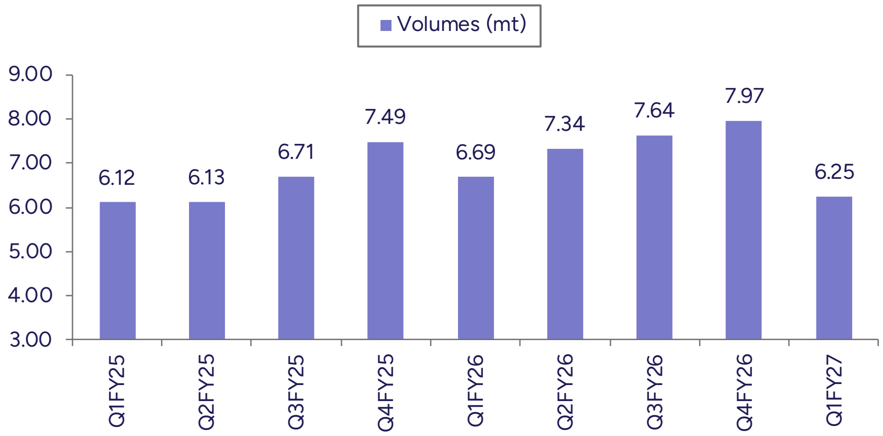
Source: Company, PL

Exhibit 5: Operating Parameters

Y/e March (INR)	1QFY27	1QFY26	YoY gr. (%)	1QFY27E	% Var	4QFY26	QoQ gr. (%)	FY26	FY25	YoY gr. (%)
Crude steel production (000 tonnes)	6,590	7,260	*(9.2)*	6,590	-	7,490	*(12.0)*	30,130	27,754	*8.6*
Sales (000 Tonnes)	6,250	6,690	*(6.6)*	6,325	*(1.2)*	7,970	*(21.6)*	29,640	26,450	*12.1*
Realisation per tonne (INR)	75,782	64,495	*17.5*	75,460	*0.4*	64,216	*18.0*	62,574	63,828	*(2.0)*
EBITDA per tonne (INR)	15,013	11,837	*26.8*	13,632	*10.1*	12,187	*23.2*	10,830	8,659	*25.1*

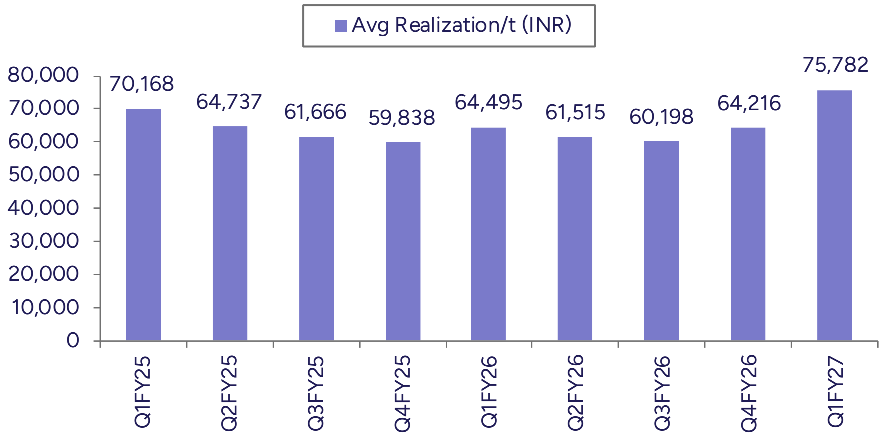
Source: Company, PL

Exhibit 6: Cons volume grew 6 % YoY on strong demand from Auto, RE and appliances



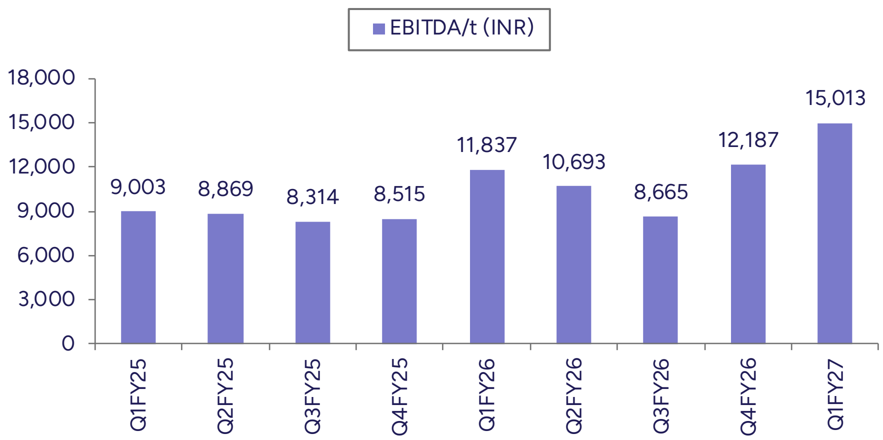
Source: Company, PL

Exhibit 7: Avg cons realization grew 17% QoQ aided by increase in steel prices and higher VASP



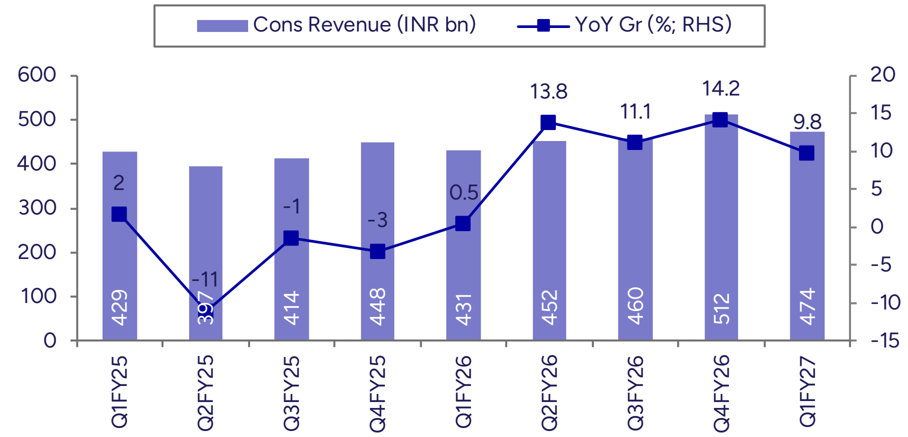
Source: Company, PL

Exhibit 8: Cons EBITDA/t grew 27% YoY on higher NSR, partly offset by higher input costs



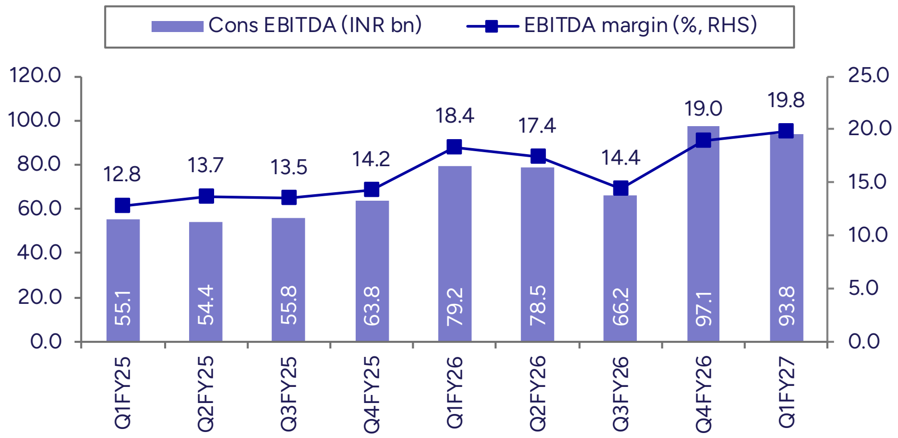
Source: Company, PL

Exhibit 9: Cons revenue grew mainly due to pricing and higher VASP from JVML



Source: Company, PL

Exhibit 10: Cons EBITDA grew 18% YoY on drawdown of inventory and improved profitability



Source: Company, PL

Exhibit 11: TP Calculation

	Mar'28 basis
EBITDA (INR mn)	4,37,898
Target EBITDA multiple (x)	8.5
Target EV (INR mn)	38,79,631
Net Debt (INR mn)	5,74,763
Residual Market Cap (INR mn)	33,04,868
Target price per share (INR)	**1,351**

Source: PL

Financials

Income Statement (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**1,688**	**1,855**	**2,093**	**2,383**
YoY gr. (%)	*(3.5)*	*9.9*	*12.8*	*13.8*
Cost of Goods Sold	900	966	1,202	1,383
Gross Profit	788	889	891	999
Margin (%)	*46.7*	*47.9*	*42.6*	*41.9*
Employee Cost	48	53	56	60
Other Expenses	511	538	453	502
EBITDA	**229**	**298**	**382**	**438**
YoY gr. (%)	*(18.9)*	*30.2*	*28.1*	*14.6*
Margin (%)	*13.6*	*16.1*	*18.3*	*18.4*
Depreciation and Amortization	93	96	93	110
EBIT	**136**	**202**	**289**	**328**
Margin (%)	*8.1*	*10.9*	*13.8*	*13.8*
Net Interest	84	91	86	82
Other Income	7	12	16	12
Profit Before Tax	**54**	**297**	**220**	**258**
Margin (%)	*3.2*	*16.0*	*10.5*	*10.8*
Total Tax	16	37	60	69
Effective Tax Rate (%)	*29.4*	*12.6*	*27.1*	*26.9*
Profit After Tax	**38**	**260**	**160**	**188**
Minority Interest	-	32	1	1
Share Profit from Associate	(3)	(5)	5	13
Adjusted PAT	**40**	**50**	**165**	**201**
YoY gr. (%)	*(51.4)*	*24.1*	*232.7*	*22.0*
Margin (%)	*2.4*	*2.7*	*7.9*	*8.4*
Extra Ord. Income / (Exp)	(5)	174	-	-
Reported PAT	**35**	**223**	**165**	**201**
YoY gr. (%)	*(60.2)*	*536.9*	*(26.1)*	*22.0*
Margin (%)	*2.1*	*12.0*	*7.9*	*8.4*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	35	223	165	201
Equity Shares O/s (bn)	**2**	**2**	**2**	**2**
EPS (INR)	**16.3**	**20.3**	**67.4**	**82.3**

Source: Company, PL

Balance Sheet (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**1,738**	**1,693**	**1,738**	**1,988**
Tangibles	1,738	1,693	1,738	1,988
Intangibles	-	-	-	-
Acc: Dep / Amortization	**499**	**528**	**621**	**731**
Tangibles	499	528	621	731
Intangibles	-	-	-	-
Net Fixed Assets	**1,238**	**1,165**	**1,117**	**1,257**
Tangibles	1,238	1,165	1,117	1,257
Intangibles	-	-	-	-
Capital Work In Progress	210	249	434	424
Goodwill	6	7	7	7
Non-Current Investments	163	174	174	174
Net Deferred Tax Assets	(84)	(79)	(79)	(79)
Other Non-Current Assets	52	50	50	50
Current Assets				
Investments	58	5	5	5
Inventories	350	328	373	424
Trade Receivables	84	113	132	150
Cash & Bank Balance	133	411	318	340
Other Current Assets	70	88	88	88
Total Assets	**2,394**	**2,697**	**2,805**	**3,026**
Equity				
Equity Share Capital	3	3	3	3
Other Equity	792	997	1,139	1,306
Total Networth	**795**	**1,001**	**1,142**	**1,309**
Non-Current Liabilities				
Long Term Borrowings	974	993	914	914
Provisions	14	19	19	19
Other Non Current Liabilities	-	19	19	19
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	326	345	390	444
Other Current Liabilities	137	145	145	145
Total Equity & Liabilities	**2,394**	**2,697**	**2,805**	**3,026**

Source: Company, PL

Cash Flow (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	51	293	220	258
Add. Depreciation	93	96	93	110
Add. Interest	81	85	86	82
Less Financial Other Income	7	12	16	12
Add. Other	10	(153)	(16)	(12)
Op. Profit before WC Changes	236	321	382	438
Net Changes-WC	(7)	(37)	(19)	(16)
Direct Tax	(20)	(32)	(60)	(69)
Net Cash from Op. Activities	**209**	**252**	**303**	**353**
Capital Expenditures	(145)	123	(225)	(227)
Interest / Dividend Income	7	7	16	12
Others	(31)	57	-	-
Net Cash from Invt. Activities	**(170)**	**187**	**(209)**	**(215)**
Issue of Share Cap. / Premium	-	(4)	-	-
Debt Changes	104	(61)	(79)	-
Dividend Paid	(18)	(7)	(17)	(19)
Interest Paid	(88)	(89)	(86)	(82)
Others	-	-	-	-
Net Cash from Fin. Activities	**(3)**	**(161)**	**(182)**	**(101)**
Net Change in Cash	**36**	**277**	**(87)**	**37**
Free Cash Flow	82	105	73	113

Source: Company, PL

Quarterly Financials (INR bn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**452**	**460**	**512**	**474**
YoY gr. (%)	*13.8*	*11.1*	*14.2*	*9.8*
Raw Material Expenses	233	255	266	241
Gross Profit	219	205	245	232
Margin (%)	*48.4*	*44.5*	*47.9*	*49.1*
EBITDA	**78**	**66**	**97**	**94**
YoY gr. (%)	*44.4*	*18.7*	*52.3*	*18.5*
Margin (%)	*17.4*	*14.4*	*19.0*	*19.8*
Depreciation / Depletion	26	24	21	21
EBIT	**53**	**43**	**76**	**72**
Margin (%)	*11.7*	*9.3*	*14.8*	*15.3*
Net Interest	24	23	22	17
Other Income	3	3	3	7
Profit before Tax	**24**	**16**	**225**	**63**
Margin (%)	*5.4*	*3.4*	*44.1*	*13.2*
Total Tax	7	(10)	31	15
Effective Tax Rate (%)	*28.7*	*(60.5)*	*13.9*	*23.4*
Profit After Tax	**17**	**25**	**194**	**48**
Minority Interest	-	3	29	-
Share Profit from Associate	(1)	(1)	(2)	(1)
Adjusted PAT	**22**	**26**	**40**	**47**
YoY gr. (%)	*201.0*	*228.3*	*154.7*	*90.7*
Margin (%)	*4.8*	*5.7*	*7.7*	*9.8*
Extra Ord. Income / (Exp)	(5)	(5)	124	-
Reported PAT	**16**	**21**	**164**	**47**
YoY gr. (%)	*269.7*	*198.3*	*989.2*	*113.0*
Margin (%)	*3.6*	*4.7*	*32.0*	*9.8*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**16**	**21**	**164**	**47**
Avg. Shares O/s (bn)	2	2	2	2
EPS (INR)	**8.9**	**10.7**	**16.2**	**19.0**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	16.3	20.3	67.4	82.3
CEPS	54.4	59.5	105.3	127.2
BVPS	325.1	409.1	466.8	535.2
FCF	33.6	42.9	30.0	46.1
DPS	3.0	8.0	7.8	8.6
Return Ratio (%)				
RoCE	8.0	10.7	14.3	15.3
ROIC	6.4	12.1	12.4	13.4
RoE	5.1	5.5	15.4	16.4
Balance Sheet				
Net Debt : Equity (x)	1.0	0.6	0.5	0.4
Net Working Capital (Days)	23	19	20	20
Valuation (x)				
PER	75.7	61.0	18.3	15.0
P/B	3.8	3.0	2.6	2.3
P/CEPS	22.7	20.7	11.7	9.7
EV/EBITDA	16.7	12.2	9.6	8.3
EV/Sales	2.2	1.9	1.7	1.5
Dividend Yield (%)	0.2	0.5	0.6	0.6
FCFF Yield (%)	2.7	3.4	2.4	3.7
PEG Ratio	(1.5)	2.5	-	0.6

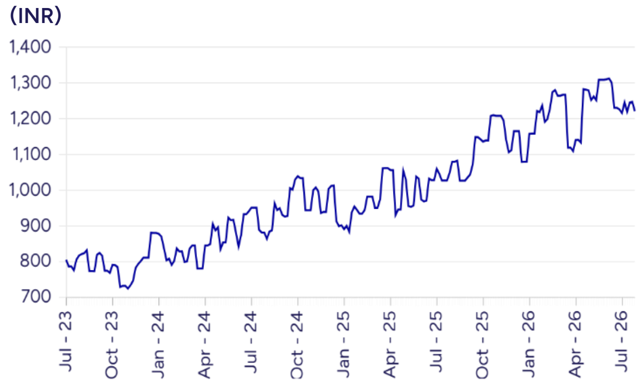
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Cons Crude Steel Production (mt)	28	30	30	33
Cons Sales Volume (mt)	26	30	29	32
Cons Realisation/t (Rs)	63,828	62,595	72,674	73,426
Cons EBITDA/t (Rs)	8,659	10,064	13,265	13,495

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Jul-26	Accumulate	1371	1220
2	15-May-26	Accumulate	1381	1297
3	09-Apr-26	Accumulate	1289	1210
4	25-Jan-26	Accumulate	1292	1170
5	09-Jan-26	Reduce	1084	1158
6	20-Oct-25	Hold	1118	1166
7	08-Oct-25	Hold	1151	1157
8	12-Sep-25	Hold	1064	1100
9	20-Jul-25	Hold	1068	1034
10	08-Jul-25	Hold	1068	1043

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ACC	BUY	2198	1384
2	Adani Port & SEZ	BUY	2122	1864
3	Ambuja Cement	BUY	520	436
4	Dalmia Bharat	BUY	2101	1789
5	Hindalco Industries	Accumulate	1050	972
6	Jindal Stainless	BUY	821	696
7	Jindal Steel	Buy	1295	1022
8	JK Cement	Accumulate	6227	5395
9	JK Lakshmi Cement	BUY	765	573
10	JSW Cement	Accumulate	141	136
11	JSW Infrastructure	Accumulate	354	324
12	JSW Steel	Accumulate	1371	1220
13	National Aluminium Co.	Accumulate	376	350
14	NMDC	Hold	86	84
15	Nuvoco Vistas Corporation	BUY	510	341
16	Shree Cement	Accumulate	28324	26710
17	Steel Authority of India	Accumulate	203	162
18	Tata Steel	Accumulate	226	188
19	Ultratech Cement	BUY	13832	11649

PL's Recommendation Nomenclature (Absolute Performance)

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

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