

JSW Steel (JSTL IN)

Q2FY27 Result Update

October 24, 2026

☒ Estimate Change | ☒ Target | ☒ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	BUY		Accumulate	
Target Price	1,377		1,412	
Sales (INR bn)	2,432	2,688	2,420	2,674
% Chng.	0.5	0.5		
EBITDA (INR bn)	431	487	442	499
% Chng.	(2.5)	(2.4)		
EPS (INR)	83.1	97.7	83.4	98.4
% Chng.	(0.4)	(0.7)		

Key Data

JSTL.BO | JSTL IN

BSE Code	500228
NSE Code	JSWSTEEL
52-W High / Low	INR 1,351 / INR 1,072
Face Value	1
Sensex / Nifty	73,124 / 22,600
Market Cap	INR 2,899 bn / \$ 30,535 mn
Shares Outstanding	2445.45 mn
3M Avg. Daily Value	INR 2,314.47 mn

Shareholding Pattern (%)

Promoters	44.30
FII's	26.23
Mutual Funds	5.89
Domestic Institutions	5.45
Public & Others	18.13
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(8.7)	(4.9)	(5.7)	4.2
Relative	(6.5)	(0.7)	0.2	20.4

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR bn)	1,855	2,189	2,432	2,688
EBITDA (INR bn)	298	383	431	487
Margin (%)	16.1	17.5	17.7	18.1
PAT (INR bn)	50	173	203	239
EV (INR bn)	3,530	3,543	3,517	3,453
Total Debt (INR bn)	993	914	914	914
C&C Eq. (INR bn)	411	320	346	411
EPS (INR)	20.3	70.8	83.1	97.7
Gr. (%)	24.1	249.3	17.4	17.5
DPS (INR)	7.1	7.8	8.6	9.5
Yield (%)	0.6	0.7	0.7	0.8
RoE (%)	5.5	16.1	16.5	16.9
RoCE (%)	10.7	14.3	15.0	15.6
EV/Sales (x)	1.9	1.6	1.4	1.3
EV/EBITDA (x)	11.8	9.3	8.2	7.1
PE (x)	58.5	16.7	14.3	12.1
P/BV (x)	2.9	2.5	2.2	1.9

On a strong growth trajectory, poised for the next leap

Quick Pointers

- Cons. capacity is expected to reach 64.8mtpa by FY31
- Management expects coking coal costs to increase by ~US\$25/t for Q3, with iron ore costs marginally higher.

JSW Steel delivered a strong operating performance in Q2FY27, driven by robust volumes following the ramp-up of BF#3 post debottlenecking and higher flat steel prices. Consolidated volumes (ex-BPSL) grew 15% YoY to 7.46mt, supported by a 35% YoY surge in exports to 0.98mt and healthy demand from domestic automotive (+36% YoY), renewable energy (+14%) and appliances (+28%) segments. Average consolidated NSR declined 3.6% QoQ to INR73,038/t, it, impacted by sharp fall in long product prices during the quarter. On the cost front, higher coking coal costs (+US\$10/t QoQ), marginally higher iron ore costs and elevated fuel costs kept consolidated EBITDA/t at INR13,566 (PL: INR13,247). Looking ahead, management expects coking coal costs to rise by a further US\$25/t, partly offset by stronger volumes and cost savings from the recently commissioned slurry pipeline. The JSTL board has approved an additional 5mtpa of crude steel capacity under Utkal Phase II, entailing incremental capex of INR162bn, along with INR70bn of efficiency projects under JVML Phase II. This takes planned capex over the next six years to INR1.48tn, supporting an additional 25mtpa of capacity by FY31E, including the 5mtpa expansion at the BPSL unit under the JFE JV. Management maintained its FY27 consolidated sales guidance of 28.6mt and reiterated its domestic steel demand growth estimate of 7-9%.

Near-term earnings are expected to benefit from improving volumes led by BF#3 and higher steel prices, although elevated coking coal costs are likely to constrain EBITDA/t expansion. As coking coal prices are receding from recent peak, domestic steel prices may also follow, as the safeguard duty regime ends in Apr'28. We expect JSTL to deliver EBITDA/t of INR13k in H2, assuming stable coking coal prices. Over the longer term, we believe JSTL is well positioned to outperform peers, supported by a strong brownfield and greenfield expansion pipeline, improving captive raw material security, sustained domestic steel demand growth and China's production curtailment. We tweak our FY27/28E EBITDA by ~2%/-2% respectively on better H1, better profitability from JVML and expect 18% EBITDA CAGR over FY26-29E. At CMP, the stock is trading at 8.2x/7.1x EV of FY28/29E EBITDA. As stock has corrected over 12% from recent peak, we upgrade the stock to 'BUY' from Accumulate earlier with revised TP of INR1,377 (INR1,412 earlier) valuing at same 8.5x Sep'28 EBITDA.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
Net Sales (INR bn)	556	545	(2.0)	452	20.6
EBITDA (INR bn)	97	101	4.1	78	29.5
Margin (%)	17.5	18.6	110 bps	17.4	120 bps
PAT (INR bn)	42	53	26.2	22	140.9

Source: Company, PL

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Strong volume growth offsets soft realizations: Consolidated revenue grew 21% YoY to INR 544.8bn (15% QoQ; PLe INR 556bn) on strong volumes and uptick in flat products pricing. Volumes grew 15% YoY (ex-BPSL) to 7.46mt on strong Autos, Appliances & RE. Average consolidated realization was however down 3.6% QoQ to INR 73,038/t (PLe INR 75,901/t) as average HRC (+3%) and longs product prices (-3%) during Q2. VASP sales was up 11% YoY; Domestic sales stood at a record 6.29mt, up 12% YoY and 18% QoQ.

Strong YoY profitability growth, partly offset by higher input costs: Consolidated EBITDA grew 29% YoY to INR 101.2bn (8% QoQ; PLe INR 97bn) on lower mining premium and royalties. Higher steel pricing led to better profitability across JVML and Ohio. Consolidated EBITDA/t grew 27% YoY to INR 13,566/t (-10% QoQ, PLe INR 13,247/t); on higher coking coal and other input costs on a QoQ basis in India. Standalone EBITDA grew 30% YoY to INR 73.6bn (11% QoQ) lower than PLe of INR 74.14bn. Consolidated RM cost/t increased 11% YoY to INR 36,082 mainly on account of higher coking coal and iron ore costs; P&F cost/t too was up 2% YoY at INR 5,704.

JVML ramp-up drives profitability, while coated products slightly under pressure: JVML- JSW Vijayanagar EBITDA grew 160% YoY to INR16.3bn; while EBITDA/t improved 78% YoY to INR13,252/t on 46% YoY higher volumes post ramp and utilization now at ~90%. JVML volumes grew 46% YoY to 1.23mt (8% QoQ). US subsidiary (Ohio) EBITDA posted EBITDA US\$5.9mn despite lower volumes, driven by higher realizations. Italy EBITDA grew was flat QoQ at EUR7mn with EBITDA/t of EUR90. Coated products EBITDA/t dragged YoY and QoQ to INR 5,710/t, despite higher sales and better NSR.

Expansion pipeline advances across core steelmaking and downstream facilities: 1) The 5mtpa expansion and upgradation of existing facilities at BPSL, Sambalpur, is planned as the plant is operating near full capacity. The project cost is estimated at INR75bn, to be funded equally by JSTL and its JV partner JFE. Equipment ordering is underway, and implementation is expected to commence in Apr'27, subject to approvals, with completion targeted over 3.5 years. 2) At JVML, Vijayanagar, an 8mtpa pellet plant is planned to reduce dependence on iron ore lumps. An additional converter and caster are also planned as part of the previously announced JVML Phase-II expansion. 3) At Dolvi, an additional caster strand and a plate processing facility will be added as part of the ongoing Phase III expansion to improve rolling mill utilization. Civil work and equipment erection for the upgradation of Dolvi to 15mtpa are underway, with commissioning targeted for Sep'27. 4) The 5mtpa blast furnace, 6mtpa SMS and 6mtpa HSM-2 are scheduled to be commissioned by FY30. 5) At Kadapa, equipment has been ordered for the 1mtpa EAF and structural mill, with commissioning targeted for FY29. Meanwhile, the 30mtpa slurry pipeline in Odisha remains on track for commissioning in Mar'27.

Exhibit 1: Quarterly Estimates

(INR bn)	Q1FY27A	YoY gr. (%)	Q2FY27A	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Revenue from Operations	474	9.8%	545	20.7%	601	30.7%	569	11.2%
EBITDA	94	18.5%	101	28.9%	99	49.9%	88	-9.1%
Margin (%)	19.8%	-	18.6%	-	16.5%	-	15.5%	-
Adjusted PAT	48	86.9%	51	122.5%	44	47.5%	36	-48.5%

Source: Company, PL

Q2FY27 Conference Call Highlights:

Demand and Outlook

- FY27 domestic steel demand growth guidance of 7-8% was reiterated with public and private capex, infrastructure, manufacturing and automotive demand remain key drivers. Management expects H2 demand to remain strong.
- Mgmt. expects Q3 volumes to increase, supported by full production from Vijayanagar BF-3 and JVML.

Pricing and Costs

- Coking coal costs increased by ~US\$10/t in Q2, below the earlier guidance of US\$12-15/t. Iron ore costs were also marginally higher. For Q3, management expects coking coal costs to increase by ~US\$25/t, with iron ore costs marginally higher.
- Domestic iron ore prices have remained relatively firm despite weakness in global prices, as domestic supply has not kept pace with demand. NMDC Chhattisgarh mine derailment and monsoon-related movement disruptions affected availability; mgmt. expects a softer iron ore pricing environment over the next few quarters.
- Despite the expected increase in input costs, management aims to offset Q3 cost pressures and improve margins incrementally over Q2. Larger BF's, RM integration, logistics savings and VASP are expected to support the cost structure.

Expansion and Capacity Additions

- The ramp-up of BF-3 at Vijayanagar is progressing well, with utilization reaching ~90% in Q2 following its June light-up. India operations utilization stood at 88%.
- The company continues to target 78mtpa of steelmaking capacity in India by FY32, including JVs. Post approval of Phase II of JSW Utkal's 5mtpa expansion, planned capacity at the Odisha site would be 10mtpa. Phase I is expected to be commissioned in Q3FY30 and Phase II in Q1FY31.
- At JVML, an 8mtpa pellet plant has been added to enable the use of locally sourced iron ore fines instead of costlier lumps. An additional converter and caster will also be installed as part of Phase II, taking the planned crude-steel capacity at Vijayanagar to 25mtpa.
- The ongoing Dolvi Phase III project includes an additional caster and plate-processing facility. This will increase CSP mill capacity to 7mtpa and enable additional slabs to be processed into HRC and plates.
- Vasind is being expanded through a 1.8mtpa CRM complex, with commissioning expected by Q2FY30.
- JSW JFE Steel (JJSL) has approved a 5mtpa expansion with JFE Steel, taking total capacity to 9.5mtpa, with commissioning planned by FY31.
- The Odisha slurry pipeline remains on track for commissioning by Mar'27.

Capex and Balance Sheet

- H1FY27 capex stood at INR111.36bn, and FY27 capex guidance of INR220-240bn was reiterated. Following the latest project announcements, the total capex programme has increased from INR1.30 lakh crore to INR1.48 lakh crore, to be spent over the next five to six years.

- The expanded capex programme includes JSW Utkal Phase II, the JVML pellet plant and converter/caster, additional facilities at Dolvi, the Vasind CRM complex, the Mozambique coking-coal mine expansion, and development of captive iron ore and coking-coal mines and washeries in India.
- Management expects the programme to be funded largely through internal accruals, supported by the company's balance sheet.
- Consolidated net debt stood at INR444.82bn at the end of Sep'26, with net debt/EBITDA at 1.28x and net debt/equity at 0.39x.
- JSTL prepaid a US\$500mn bond in Oct'26, six months ahead of its scheduled maturity in Apr'27. Dollar-denominated debt exposure has declined from over US\$6bn to around US\$3.5-3.6bn.

Raw Material and Mining

- JSTL currently has 25 iron ore mines, of which 13 are operational. EC capacity at operational mines is around 42mtpa; management expects captive sources to cover up to 50% of current iron ore requirements as additional mines are developed and existing operations expanded.
- 3 new iron ore mines in Karnataka are now expected to be commissioned in Q4FY27, adding ~4mtpa and taking Karnataka capacity to ~15mtpa. 4 iron ore mines in Goa can provide ~6mtpa.
- Post the completion of acquisition of the MdR coking-coal deposit in Mozambique in Mar'26. JSTL also received capex approval to develop a mine with capacity of ~9mtpa of clean prime hard coking coal, with production expected to commence in CY28 and ramp up gradually thereafter.
- JSW Steel is also developing domestic coking-coal resources. Washeries at Parbatpur and Dugda are expected to become operational by next year and could provide ~3.5mtpa of usable clean coking coal from domestic mines and BCCL linkages.
- The Illawarra operation has ~2mtpa of hard coking-coal capability, while the JSTL's captive coking-coal linkage is expected to reach ~15mtpa. Together with the Mozambique mine and domestic washeries, these initiatives are intended to improve RM security and reduce exposure to international prices.

Overseas Operations and Joint Ventures

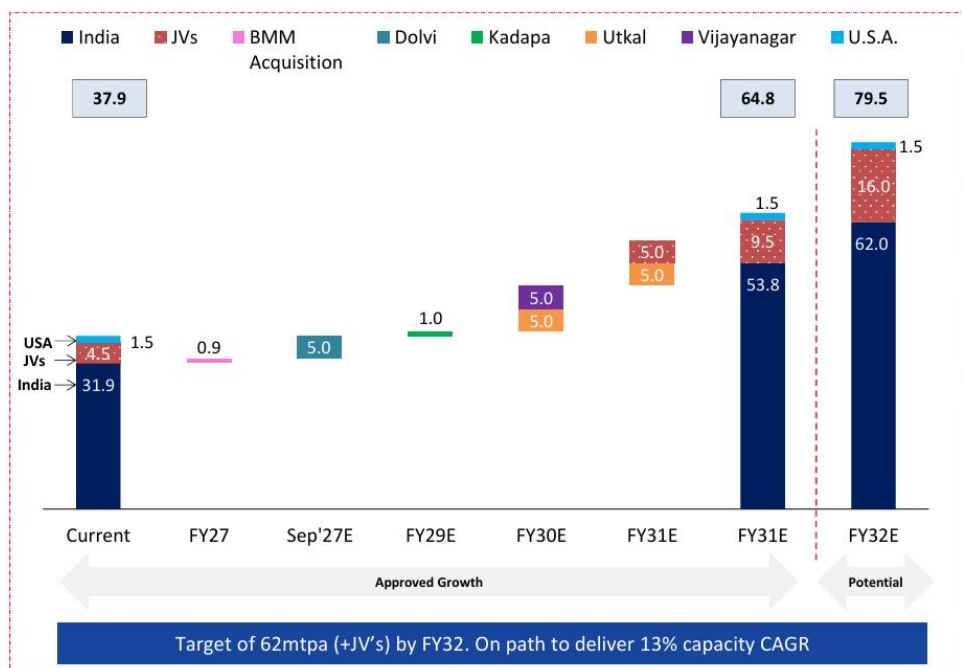
- At Ohio, the vacuum tank degasser commissioned in the Q1 is expected to enable production of higher-grade steel, particularly API grades. Q2 operations were affected by a scheduled maintenance shutdown in Sep.
- Texas plate and pipe mill was affected by a Sep shutdown for plate-mill upgradation; EBITDA increased sequentially on better prices.
- JJSL reported sales of 0.92mt and EBITDA of INR11.36bn. The JV reported a PAT loss due to a stamp-duty provision of INR2.76bn related to the BPSL transaction; ex of this provision PAT remained positive.

Product mix, cost efficiency and RE

- Q2 sales of VASP reached 4.11mt, up 11% YoY. JSTL intends to align capex with Indian demand, with VASP remaining a key focus. Flat steel remains the core focus, supported by automotive, institutional, appliance and RE demand.
- H1 scrap utilization increased by more than 10% YoY. At the 0.5mtpa scrap-processing centre at Khopoli, the baler was commissioned in Q2, and the shredder is expected to be commissioned in Q3, supporting resource circularity and reducing dependence on imported scrap.
- More than 1,000MW of RE capacity has been commissioned, with a further 1.5GW under implementation.

Exhibit 2: JSW path to FY32

JSW Steel: Growth Path



Source: Company



Growth Options in the Portfolio

- Organic**
 - Expansion at Utkal for 5mt
 - Brownfield Green Steel at Salav
 - Expansion of EAF at Kadapa
- New Sites**
 - Keonjhar-Odisha and Gadchiroli-Maharashtra for further expansion
- Inorganic**
 - Selectively explore value-accretive acquisitions
- JVs**
 - 5.5mt expansion at JSW JFE Steel
 - 6mt Greenfield at POSCO JV

Maintain >50% share of VASP in total sales
Underpinned by Raw Material Security and Strong Balance Sheet

Exhibit 3: JSTL to spend over INR1,500bn in the next 6 years

JSW Steel Consolidated Capex Update



Particulars (₹ crore)			
Capex carried forward as on 1 st April 2026* (including Creditors and Acceptances)			96,888
New Projects approved since 1 st April 2026:	Announced so far	Announced at Q2 Results	Total
Steelmaking:			
JVML Phase-II capacity expansion of 5mtpa	26,000		26,000
8mtpa Pellet plant at JVML, and BOF and Caster at JVML Phase-II	-	4,950	4,950
Additional facilities at Dolvi Phase-III	2,000		2,000
Caster & Plate Processing Facility at Dolvi Phase-III		2,000	2,000
Utkal Phase-II of 5mtpa	-	16,150	16,150
Value Added Product Facilities:			
Capacity enhancement at various locations	2,350		2,350
1.8mtpa CRM Complex at Vasind		2,600	2,600
Mining and Cost Saving Projects:			
Expansion of MdR Mozambique Coking Coal mine to 9mtpa, and Development of Iron Ore and Coking Coal Mines in India		3,150	3,150
Sustenance Capex	3,250	200	3,450
Total			159,538
Less: Spent during H1 FY27			(11,136)
Balance Capex to be spent			148,402

Note: The above capex will be spent over 5-6 years.
Capex spend for FY27 expected at ₹22,000-24,000 crores.

Source: Company

Capex Breakup

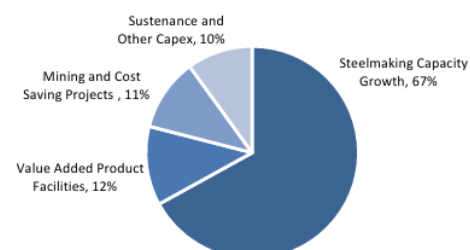


Exhibit 4: Q2FY27 Result Overview - Consolidated

Y/e March (INR bn)	2QFY27	2QFY26	YoY gr. (%)	2QFY27E	%Var	1QFY27	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
Net Sales	544.9	451.5	20.7	555.9	(2.0)	473.6	15.0	1,018.5	883.0	15.3
Raw Material	277.3	225.6	22.9	269.4	2.9	223.0	24.4	500.4	431.4	16.0
% of Net Sales	50.9	50.0		48.5		47.1		49.1	48.9	
Purchase of traded goods	24.4	7.2	238.4	21.9	11.5	18.1	34.7	42.6	12.8	233.6
% of Net Sales	4.5	1.6		3.9		3.8		4.2	1.4	
Staff Costs	13.4	13.1	2.4	15.8	(15.1)	13.1	2.5	26.5	26.3	0.8
% of Net Sales	2.5	2.9		2.8		2.8		2.6	3.0	
Power & Fuel	42.6	41.0	3.9	49.7	(14.4)	41.2	3.4	83.7	82.2	1.8
% of Net Sales	7.8	9.1		8.9		8.7		8.2	9.3	
Mining premium and royalties	14.5	14.5	0.2	22.2	(34.5)	18.4	(20.9)	32.9	33.1	(0.7)
% of Net Sales	2.7	3.2		4.0		3.9		3.2	3.7	
Other Expenses	71.4	71.7	(0.4)	79.8	(10.5)	66.1	8.1	137.5	139.6	(1.5)
% of Net Sales	13.1	15.9		14.4		14.0		13.5	15.8	
Total Expenditure	444	373	18.9	459	(3.3)	380	16.8	823	725	13.5
EBITDA	101.2	78.5	28.9	97.0	4.3	93.8	7.9	195.0	157.7	23.7
Margin (%)	18.6	17.4		17.5		19.8		19.1	17.9	
Depreciation	22.0	25.5	(13.9)	21.8	0.9	21.4	2.9	43.4	50.9	(14.8)
Other income	4.4	2.8	55.3	3.0	47.0	7.2	(39.1)	11.7	6.3	83.8
EBIT	84	56	49.9	78	6.9	80	4.9	163	113	44.4
Interest	16.0	24.1	(33.6)	17.3	(7.4)	17.1	(6.4)	33.1	46.3	(28.4)
PBT	67.6	31.7	113.5	60.9	10.9	62.6	8.0	130.2	66.8	94.8
Extraordinary income/(expense)	-	(7.3)	NA	-	NA	-	NA	-	(10.8)	NA
PBT (After EO)	68	24	177.9	61	10.9	63	8.0	130	56	132.3
Tax	16.9	7.0	142.4	18.3	NA	14.6	15.6	31.6	15.6	102.2
% PBT	25.0	28.7		30.0		23.4		24.2	27.9	
Reported PAT	50.7	17.3	192.2	42.6	18.8	47.9	5.7	98.6	40.4	144
Minority interest	0.8	0.2	247.8	0.5	60.0	0.5	77.8	1.3	0.5	NA
Share of profit/(losses) in Associates	2.9	(0.9)	NA	(0.1)	NA	(1.0)	NA	1.9	(1.9)	NA
Net Profit attributable to shareholders	52.8	16.2	225.3	42.0	25.5	46.5	13.5	99.3	38.1	161
Adjusted PAT	52.8	21.7	143.7	42.0	25.5	46.5	13.5	99.3	46.1	116

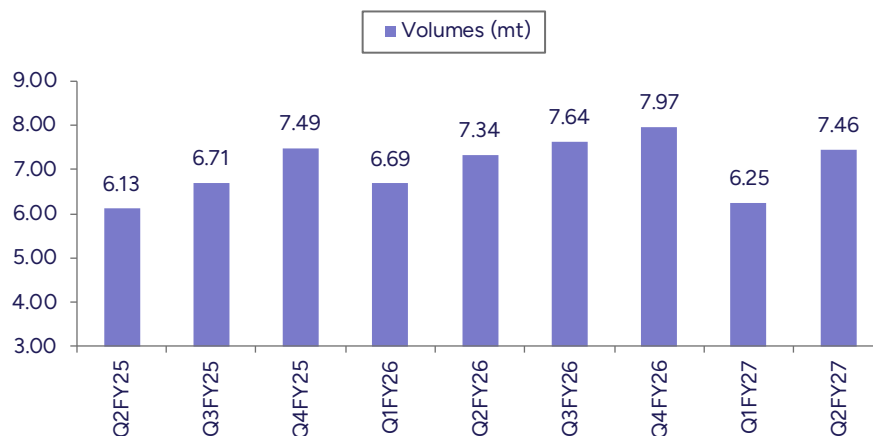
Source: Company, PL

Exhibit 5: Operating Parameters

Y/e March (INR)	2QFY27	2QFY26	YoY gr. (%)	2QFY27E	%Var	1QFY27	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
Crude steel production (000 tonnes)	7,270	7,900	(8.0)	7,347	(1.0)	6,590	10.3	13,860	15,160	(8.6)
Sales (000 Tonnes)	7,460	6,510	14.6	7,323	1.9	6,250	19.4	13,710	12,420	10.4
Realisation per tonne (INR)	73,038	61,515	18.7	75,901	(3.8)	75,782	(3.6)	74,289	71,094	4.5
EBITDA per tonne (INR)	13,566	10,693	26.9	13,247	2.4	15,013	(9.6)	14,225	12,696	12.0

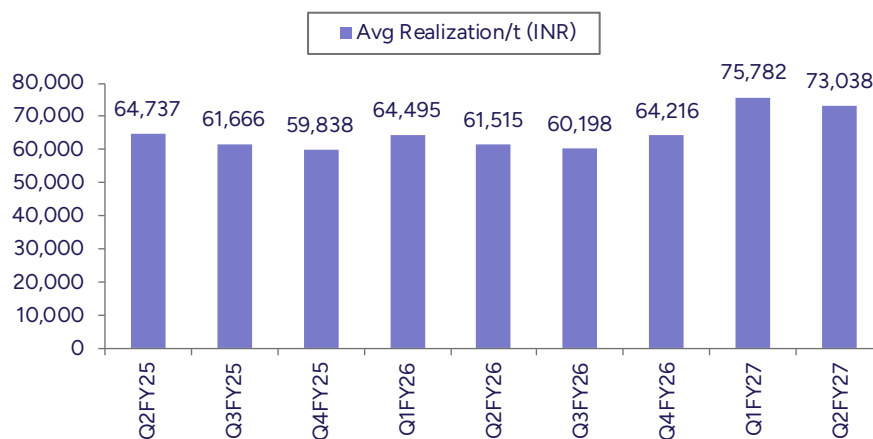
Source: Company, PL

Exhibit 6: Cons volume grew 15% YoY on strong demand from Auto, RE and appliances



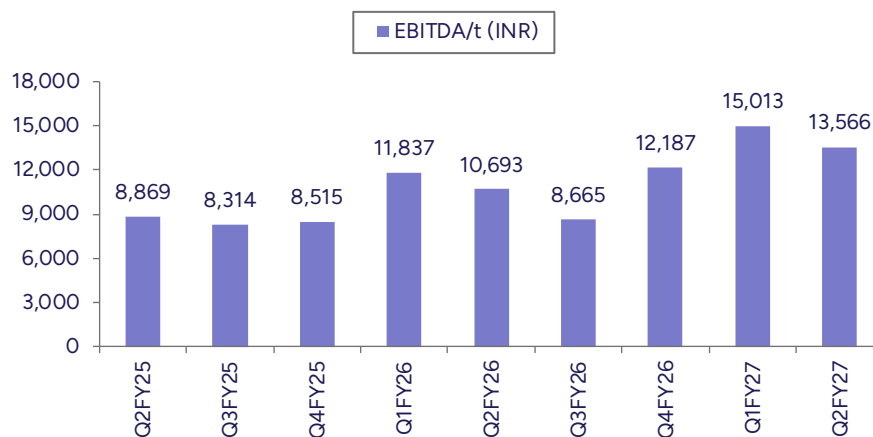
Source: Company, PL

Exhibit 7: Avg cons realization declined 3.6% QoQ dragged by lower longs pricing



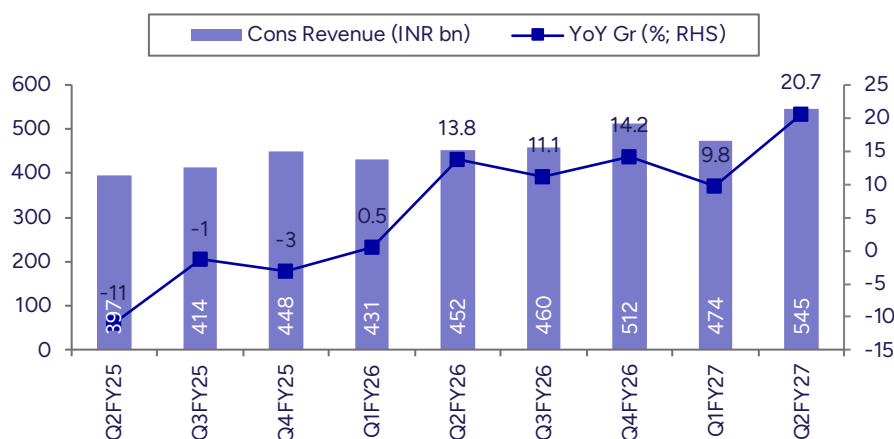
Source: Company, PL

Exhibit 8: Cons EBITDA/t grew lower 10% YoY on higher coking coal and other input costs



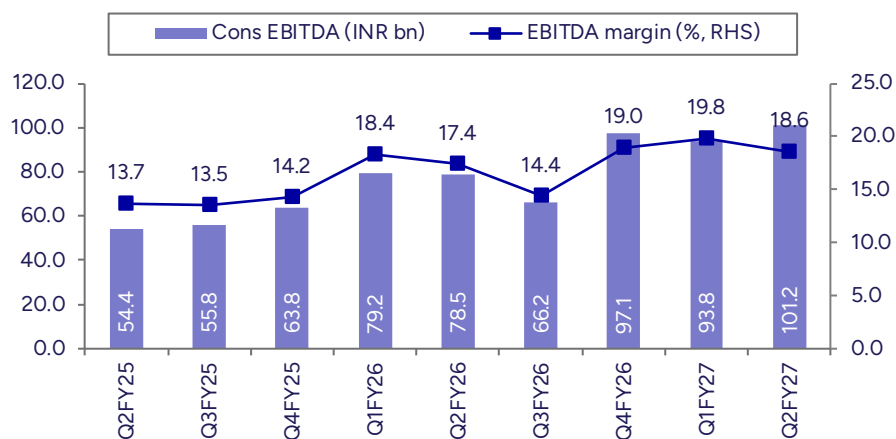
Source: Company, PL

Exhibit 9: Cons revenue was higher YoY primarily due to better volumes and NSR



Source: Company, PL

Exhibit 10: Cons EBITDA grew 29% YoY on lower mining premium and royalties



Source: Company, PL

Exhibit 11: Target Price Calculation

	Sep'28 basis
EBITDA (INR mn)	4,59,217
Target EBITDA multiple (x)	8.5
Target EV (INR mn)	39,03,343
Net Debt (INR mn)	5,35,554
Residual Market Cap (INR mn)	33,67,790
Target price per share (INR)	1,377

Source: PL

Financials

Income Statement (INR bn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	1,855	2,189	2,432	2,688
YoY gr. (%)	9.9	18.0	11.1	10.5
Cost of Goods Sold	966	1,288	1,435	1,589
Gross Profit	889	901	997	1,098
Margin (%)	47.9	41.2	41.0	40.9
Employee Cost	53	56	59	64
Other Expenses	538	463	507	547
EBITDA	298	383	431	487
YoY gr. (%)	30.2	28.3	12.8	12.9
Margin (%)	16.1	17.5	17.7	18.1
Depreciation and Amortization	96	93	110	125
EBIT	202	290	321	362
Margin (%)	10.9	13.2	13.2	13.5
Net Interest	91	76	73	73
Other Income	12	18	12	13
Profit Before Tax	297	231	260	303
Margin (%)	16.0	10.6	10.7	11.3
Total Tax	37	63	70	84
Effective Tax Rate (%)	12.6	27.3	27.0	27.9
Profit After Tax	260	168	190	218
Minority Interest	32	1	1	1
Share Profit from Associate	(5)	6	14	21
Adjusted PAT	50	173	203	239
YoY gr. (%)	24.1	249.3	17.4	17.5
Margin (%)	2.7	7.9	8.4	8.9
Extra Ord. Income / (Exp)	174	-	-	-
Reported PAT	223	173	203	239
YoY gr. (%)	536.9	(22.4)	17.4	17.5
Margin (%)	12.0	7.9	8.4	8.9
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	223	173	203	239
Equity Shares O/s (bn)	2	2	2	2
EPS (INR)	20.3	70.8	83.1	97.7

Source: Company, PL

Balance Sheet (INR bn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	1,693	1,738	1,988	2,238
Tangibles	1,693	1,738	1,988	2,238
Intangibles	-	-	-	-
Acc: Dep / Amortization	528	621	731	856
Tangibles	528	621	731	856
Intangibles	-	-	-	-
Net Fixed Assets	1,165	1,117	1,257	1,382
Tangibles	1,165	1,117	1,257	1,382
Intangibles	-	-	-	-
Capital Work In Progress	249	434	424	415
Goodwill	7	7	7	7
Non-Current Investments	174	174	174	174
Net Deferred Tax Assets	(79)	(79)	(79)	(79)
Other Non-Current Assets	50	50	50	50
Current Assets				
Investments	5	5	5	5
Inventories	328	390	433	479
Trade Receivables	113	138	153	169
Cash & Bank Balance	411	320	346	411
Other Current Assets	88	88	88	88
Total Assets	2,697	2,830	3,045	3,288
Equity				
Equity Share Capital	3	3	3	3
Other Equity	997	1,146	1,315	1,510
Total Network	1,001	1,149	1,318	1,513
Non-Current Liabilities				
Long Term Borrowings	993	914	914	914
Provisions	19	19	19	19
Other Non Current Liabilities	19	19	19	19
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	345	408	453	501
Other Current Liabilities	145	145	145	145
Total Equity & Liabilities	2,697	2,830	3,045	3,288

Source: Company, PL

Cash Flow (INR bn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	293	231	260	303
Add. Depreciation	96	93	110	125
Add. Interest	85	76	73	73
Less Financial Other Income	12	18	12	13
Add. Other	(153)	(18)	(12)	(13)
Op. Profit before WC Changes	321	383	431	487
Net Changes-WC	(37)	(24)	(13)	(14)
Direct Tax	(32)	(63)	(70)	(84)
Net Cash from Op. Activities	252	295	348	389
Capital Expenditures	123	(224)	(226)	(220)
Interest / Dividend Income	7	18	12	13
Others	57	-	-	-
Net Cash from Invst. Activities	187	(207)	(214)	(206)
Issue of Share Cap. / Premium	(4)	-	-	-
Debt Changes	(61)	(79)	-	-
Dividend Paid	(7)	(17)	(19)	(21)
Interest Paid	(89)	(76)	(73)	(73)
Others	-	-	-	-
Net Cash from Fin. Activities	(161)	(172)	(92)	(94)
Net Change in Cash	277	(84)	41	88
Free Cash Flow	105	65	108	148

Source: Company, PL

Quarterly Financials (INR bn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	460	512	474	545
YoY gr. (%)	11.1	14.2	9.8	20.7
Raw Material Expenses	255	266	241	302
Gross Profit	205	245	232	243
Margin (%)	44.5	47.9	49.1	44.6
EBITDA	66	97	94	101
YoY gr. (%)	18.7	52.3	18.5	28.9
Margin (%)	14.4	19.0	19.8	18.6
Depreciation / Depletion	24	21	21	22
EBIT	43	76	72	79
Margin (%)	9.3	14.8	15.3	14.5
Net Interest	23	22	17	16
Other Income	3	3	7	4
Profit before Tax	16	225	63	68
Margin (%)	3.4	44.1	13.2	12.4
Total Tax	(10)	31	15	17
Effective Tax Rate (%)	(60.5)	13.9	23.4	25.0
Profit After Tax	25	194	48	51
Minority Interest	3	29	-	1
Share Profit from Associate	(1)	(2)	(1)	3
Adjusted PAT	26	40	47	53
YoY gr. (%)	228.3	154.7	90.7	143.7
Margin (%)	5.7	7.7	9.8	9.7
Extra Ord. Income / (Exp)	(5)	124	-	-
Reported PAT	21	164	47	53
YoY gr. (%)	198.3	989.2	113.0	225.3
Margin (%)	4.7	32.0	9.8	9.7
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	21	164	47	53
Avg. Shares O/s (bn)	2	2	2	2
EPS (INR)	10.7	16.2	19.0	21.6

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	20.3	70.8	83.1	97.7
CEPS	59.5	108.7	128.1	148.7
BVPS	409.1	470.0	539.1	618.8
FCF	42.9	26.5	44.0	60.4
DPS	7.1	7.8	8.6	9.5
Return Ratio (%)				
RoCE	10.7	14.3	15.0	15.6
ROIC	12.1	12.4	13.1	13.7
RoE	5.5	16.1	16.5	16.9
Balance Sheet				
Net Debt : Equity (x)	0.6	0.5	0.4	0.3
Net Working Capital (Days)	19	20	20	20
Valuation (x)				
PER	58.5	16.7	14.3	12.1
P/B	2.9	2.5	2.2	1.9
P/CEPS	19.9	10.9	9.3	8.0
EV/EBITDA	11.8	9.3	8.2	7.1
EV/Sales	1.9	1.6	1.4	1.3
Dividend Yield (%)	0.6	0.7	0.7	0.8
FCFF Yield (%)	3.6	2.2	3.7	5.1
PEG Ratio	2.4	0.1	0.8	0.7

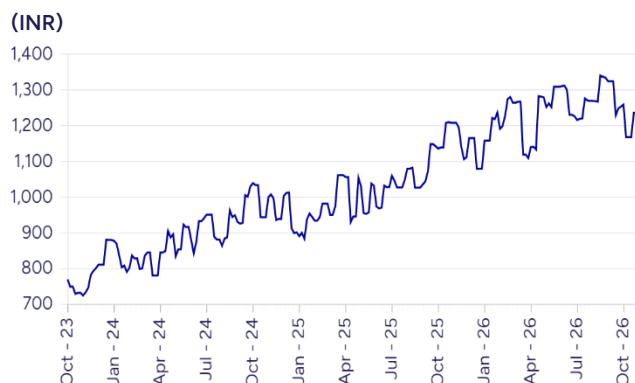
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Cons Sales Volume (mt)	30	29	32	34
Cons Realization/t (INR)	62,595	76,002	76,396	78,383
Cons EBITDA/t (INR)	10,064	13,282	13,547	14,208

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Oct-26	Accumulate	1412	1230
2	18-Jul-26	Accumulate	1351	1237
3	08-Jul-26	Accumulate	1371	1220
4	15-May-26	Accumulate	1381	1297
5	09-Apr-26	Accumulate	1289	1210
6	25-Jan-26	Accumulate	1292	1170
7	09-Jan-26	Reduce	1084	1158
8	20-Oct-25	Hold	1118	1166
9	08-Oct-25	Hold	1151	1157
10	12-Sep-25	Hold	1064	1100

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)

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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