RATING ACCUMULATE | CMP INR 171 | TP INR 185

PL Capital PRABHUDAS LILLADHER

Steel Authority of India (SAIL IN)

Q1FY27 Result Update

July 29, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	Accumulate		Accumulate	
Target Price	185		203	
Sales (INR bn)	1,290	1,392	1,299	1,409
% Chng.	*(0.7)*	*(1.2)*		
EBITDA (INR bn)	207	202	201	212
% Chng.	*3.0*	*(4.7)*		
EPS (INR)	24.9	23.1	22.6	24.6
% Chng.	*10.2*	*(6.1)*		

Key Data

Key Data	SAIL.BO | SAIL IN
BSE Code	500113
NSE Code	SAIL
52-W High / Low	INR 209 / INR 118
Face Value	10
Sensex / Nifty	77,655 / 24,250
Market Cap	INR 706 bn / $ 7,382 mn
Shares Outstanding	4130.09 mn
3M Avg. Daily Value	INR 4,314.97 mn

Shareholding Pattern (%)

Promoters	65
FIIs	7.09
Mutual Funds	8.74
Domestic Institutions	8.12
Public & Others	11.05
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(2.4)	(8.2)	8.8	35.7
Relative	(3.6)	(8.4)	15.6	42.1

Key Financials - Standalone

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR bn)	1,025	1,108	1,290	1,392
EBITDA (INR bn)	106	120	207	202
Margin (%)	*10.4*	*10.8*	*16.0*	*14.5*
PAT (INR bn)	24	37	103	95
EV (INR bn)	1,081	1,033	1,052	1,052
Total Debt (INR bn)	384	334	354	354
C&C Eq. (INR bn)	9	6	8	8
EPS (INR)	5.7	9.0	24.9	23.1
Gr. (%)	*68.2*	*57.4*	*175.9*	*(7.3)*
DPS (INR)	1.6	2.3	2.5	2.5
Yield (%)	*0.9*	*1.4*	*1.5*	*1.5*
RoE (%)	*4.3*	*6.6*	*16.4*	*13.3*
RoCE (%)	*6.5*	*7.7*	*16.2*	*14.0*
EV/Sales (x)	1.1	0.9	0.8	0.8
EV/EBITDA (x)	10.2	8.6	5.1	5.2
PE (x)	29.8	18.9	6.9	7.4
P/BV (x)	1.3	1.2	1.0	0.9

Higher pricing aids Q1; capex execution remains key

Quick Pointers

- Jul avg. NSR: INR 55.6k/t; decline of INR 2k/t & 1k/t in longs & flats respectively.
- Coking coal costs to decline by INR1-1.5k/t QoQ in Q2FY27

SAIL reported a strong operating performance in Q1FY27, aided by higher steel prices despite production disruptions from the advancement of scheduled capital repairs at Bokaro, IISCO and Durgapur. Adjusted NSR increased 10% QoQ to INR 63,833/t, driving EBITDA/t to INR 10,724, the highest since FY22 despite elevated imported coking coal costs. Management maintained FY27 sales volume guidance at 22mt and expects inventory liquidation during H2FY27 to support sales volumes and reduce working capital borrowings. While Q2 NSR are expected to moderate sequentially, with July blended NSR at INR 55,600/t due to monsoon-led weakness, mgmt. expects long steel prices to recover by INR 500-1,000/t over the coming months supported by improving demand momentum and production curtailment by secondary producers. Coking coal costs are also expected to decline by ~INR 1,000/t each in Aug & Sep'26.

SAIL continues to focus on structural cost reduction through operational improvements and higher utilization of captive resources. Mgmt. is targeting INR 2,000-3,000/t cost savings during FY27, while commissioning of IISCO in FY29E is expected to reduce variable costs by INR 3,000-4,000/t, translating into net savings of ~INR2,000/t after accounting for higher fixed costs. SAIL is also targeting to improve its product mix by increasing finished steel production, while monetization of captive iron ore fines is emerging as an incremental earnings driver. Although long product prices have corrected due to seasonal weakness, we expect production normalization, lower coking coal costs and revival in domestic demand in H2FY27 to support profitability. Timely execution of expansion projects remains the key as SAIL remains a pure play on pricing till then; while leverage would also increase as SAIL has stepped up its capex guidance. We tweak our EBITDA estimates for FY27/28E by +3/-5%, incorporating iron ore sales and lower volumes. At CMP, the stock is trading at an EV of 5.2x FY28E EBITDA. Maintain 'Accumulate' with revised TP of INR185 (INR203 earlier) giving same 5.5x Mar'28E EV/EBITDA.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR bn)	278	266	-4.0	257	4.0
EBITDA (INR bn)	41	45	10.0	26	73.0
Margin (%)	*14.8*	*16.8*	*200 bps*	*10.1*	*670 bps*
PAT (INR bn)	16	16	-	7	129.0

Source: Company, PL

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NSR gains mitigate weak volume: Standalone revenue grew 3% YoY to INR 266bn (PLe INR 277.8bn), adjusting for the Railways' downward revision in prior-period pricing, with the effective revenue impact at Rs3.09bn, despite weak volumes. Adjusted average realizations increased 10.3% QoQ (up 13% YoY) to INR 63,833/t (PLe INR 62,530/t), driven by higher HRC prices and the impact of lower volumes. Sales volumes declined 9% YoY to 4.16mt, as the company advanced certain scheduled repairs and maintenance, which impacted production, with saleable steel production volumes declining 7% YoY to 4.52mt.

Healthy margin expansion: Adjusted EBITDA increased 72% YoY to INR 44.6bn (+1% QoQ; PLe INR 41.11bn), driven by lower raw material costs, primarily due to a higher increase in stocks. Raw material cost per ton declined 4% YoY to INR 26,009/t, while staff costs increased 7% YoY to INR 6,505/t. SAIL recognized INR 1.44bn as an exceptional expense towards voluntary retirement compensation for employees. Other expenses increased 16% YoY to INR 20,039/t due to the advancement of scheduled maintenance during Q1. Consequently, adjusted EBITDA/t grew 88% YoY to INR 10,724/t, ahead of PLe of INR 9,252/t. Reported PAT increased 139% YoY to INR 16.3bn (-3% QoQ; PLe of INR15.9bn), supported by lower taxes.

Q1FY27 Concall Highlights

Demand, Pricing & Outlook

- FY27 sales volume guidance remains unchanged at 22mt.
- Q1FY27 blended NSR improved to INR57,100/t vs INR52,000/t in Q4FY26, with flat and long product NSR at INR 57,200/t and INR 57,100/t, respectively.
- July blended NSR moderated to INR 55,600/t, with flat product NSR at INR 56,900/t and long product NSR at INR 54,200/t.
- Flat steel prices declined by ~INR 1,000/t in July, while long product prices corrected by ~INR 2,000/t due to seasonal monsoon weakness. However, SAIL expects long steel prices to recover by INR500-1,000/t over the coming months as demand momentum improves.
- Rail supplies continue to be billed at provisional prices of INR74,000/t. Management expects FY26 rail prices to be finalized during FY27 and remain higher than FY25 levels, while FY27 prices are expected to be finalized during FY28.

Costs

- Imported coking coal: INR 21,100/t; Indigenous coal: INR 13,200/t; Captive coal: INR 5,000-6,000/t.
- Average imported coking coal cost increased to INR 21,300/t in Q1FY27 from INR 18,100/t in Q4FY26. Imported coking coal index has softened from US$235/t to US$220/t in the last few days.
- SAIL expects coking coal costs to decline by INR 1,000/t each in Aug and Sep, implying an overall reduction of INR 1,000-1,500/t in coal consumption costs during Q2 vs. Q1.
- Imported coking coal currently accounts for 85% of total consumption, comprising 62% hard coking coal and 23% soft coking coal, while indigenous coal contributes 15%, of which own mines account for 5%. SAIL expects the share of captive coal to increase from Q4FY27 following commencement of production from the Tasra coking coal mine in Dec'26.
- SAIL is targeting cost reduction of INR2,000-3,000/t during FY27 through operational improvements as production normalizes following the completion of scheduled capital repairs.

- Following commissioning of the IISCO expansion units in FY28/29, variable costs are expected to decline by INR 3,000-4,000/t. However, higher fixed costs associated with the new facilities would offset part of the benefit, resulting in net cost savings of INR 2,000/t.
- Scheduled capital repairs at Bokaro, IISCO and Durgapur were advanced into Q1FY27, impacting production during the quarter while improving operational readiness for the remainder of FY27.

Operations & Mining

- Finished steel share improved to 89% from 86% last year as SAIL continued converting semi-finished steel into finished products.
- Product mix improved, with semis declining to 12.5% from 14% last year. Flat products accounted for 52.7% of sales, while long products accounted for 34.8%.
- Iron ore sales from captive mines increased to 1.1mt in Q1FY27 vs 0.31mt YoY, with revenue increasing to INR 5.74bn from INR 1.57bn and EBITDA at INR 1.5bn. Higher iron ore sales from Odisha mines drove the increase in iron ore sales.
- SAIL expects FY27 iron ore fines sales from Odisha mines to be more than double FY26 levels. Auctions for Chhattisgarh mines have recently concluded, enabling commencement of sales, while approvals are being pursued to commence sales from Jharkhand mines. SAIL is targeting iron ore fines sales of 3mt going forward in FY27.

Capex & Expansion

- Q1FY27 capex stood at INR 25.8bn, while FY27 capex guidance remains at INR 150bn.
- SAIL expects capex to exceed INR 200bn from FY28 onwards as major brownfield expansion projects gather pace.
- A new 0.8-0.9mtpa TMT bar mill at Durgapur is expected to be commissioned in Q3FY28, reducing semi-finished steel production and improving product mix.
- Expansion projects at IISCO continue to progress, with commissioning expected during FY28/29.

Other Points

- SAIL intendls to accelerate inventory liquidation during H2FY27, which should support sales volumes and reduce working capital borrowings.
- Debt remained broadly unchanged during Q1 despite INR 25.8bn of capex, aided by inventory liquidation. Net debt further declined to INR 214bn, while net debt-to-equity improved to 0.36x.
- Average cost of debt declined to 6.24% from 6.8% last year, resulting in finance cost savings of INR 1bn.
- RINL sales volumes stood at 96kt during Q1FY27.

Exhibit 1: Quarterly Estimates

(INR bn)	Q1FY27A	YoY gr. (%)	Q2FY27E	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Revenue from Operations	265.55	*3.1%*	303.84	*13.8%*	339.63	*24.1%*	381.27	*23.7%*
EBITDA	44.61	*72.2%*	42.38	*67.8%*	55.34	*140.8%*	64.36	*46.1%*
Margin (%)	*16.8%*	-	*13.9%*	-	*16.5%*	-	*21.2%*	-
Reported PAT	19.79	*258.7%*	18.74	*339.1%*	28.38	*542.6%*	34.95	*108.1%*

Source: Company, PL

Exhibit 2: Q1FY27 Result Overview – Standalone (INR bn)

Y/e March	1QFY27	1QFY26	YoY gr. (%)	1QFY27E	% Var.	4QFY26	QoQ gr. (%)	FY27E	FY26	YoY gr. (%)
Net Sales	**265.5**	**257.5**	***3.1***	**277.9**	***-4.4***	**308.1**	***-13.8***	**1290.3**	**1106.4**	***16.6***
Raw material	108.2	123.5	*-12.4*	136.9	*-21.0*	149.5	*-27.6*	626.3	550.2	*13.8*
% of Net Sales	*40.7%*	*48.0%*		*49.3%*		*48.5%*		*48.5%*	*49.7%*	
Staff Cost	29.4	29.4	*-0.2*	28.6	*2.9*	26.7	*10.2*	113.5	113.9	*-0.4*
% of Net Sales	*11.1%*	*11.4%*		*10.3%*		*8.7%*		*8.8%*	*10.3%*	
Other expenses	83.4	78.6	*6.0*	71.3	*16.9*	87.9	*-5.2*	343.8	324.0	*6.1*
% of Net Sales	*31.4%*	*30.5%*		*25.7%*		*28.5%*		*26.6%*	*29.3%*	
Total expenditure	220.9	231.6	*-4.6*	236.8	*-6.7*	264.1	*-16.3*	1083.6	988.2	*9.7*
EBITDA	**44.6**	**25.9**	***72.2***	**41.1**	***8.5***	**44.1**	***1.3***	**206.7**	**118.2**	***74.8***
Margin (%)	*16.8%*	*10.1%*		*14.8%*		*14.3%*		*16.0%*	*10.7%*	
Depreciation	15.6	14.4	*8.2*	15.4	*1.0*	15.8	*-1.0*	61.9	59.9	*3.5*
EBIT	**29.0**	**11.5**	***152.3***	**25.7**	***13.0***	**28.3**	***2.5***	**144.8**	**58.4**	***148.1***
Other income	2.0	1.6	*26.5*	1.7	*22.8*	3.6	*-42.8*	12.2	11.5	*6.3*
Interest	4.9	5.9	*-17.1*	5.3	*-7.1*	5.3	*-7.3*	20.0	21.6	*-7.5*
PBT	**26.1**	**7.2**	***264.7***	**22.0**	***18.6***	**26.5**	***-1.6***	**137.0**	**48.3**	***183.8***
Extraordinary income/(expense)	-4.5	1.7	*NA*	0.0	*NA*	-3.3	*NA*	-4.5	-4.9	*NA*
PBT (afer EO)	**21.6**	**8.9**	***142.6***	**22.0**	***-2.0***	**23.2**	***-7.1***	**132.5**	**43.3**	***205.7***
Tax	5.2	2.0	*155.9*	6.2	*-15.2*	6.4	*-18.8*	34.1	11.0	*209.6*
Reported PAT	**16.4**	**6.9**	***138.7***	**15.9**	***3.2***	**16.8**	***-2.6***	**98.4**	**32.3**	***204.4***
Adjusted PAT	**19.8**	**5.5**	***258.7***	**15.9**	***24.8***	**19.2**	***3.2***	**101.8**	**36.0**	***182.6***

Source: Company, PL

Exhibit 3: Operating Metrics

Y/e March	1QFY27	1QFY26	YoY gr. (%)	1QFY27E	% Var.	4QFY26	QoQ gr. (%)	FY27E	FY26	YoY gr. (%)
Saleable Steel Production volumes (mt)	4.52	4.85	*-6.9*	5.09	*-11.3*	4.94	*-8.5*	19.66	19.18	*2.5*
Sales volume (mt)	4.16	4.55	*-8.6*	4.44	*-6.4*	5.32	*-21.8*	20.65	19.93	*3.6*
Realization/t (INR)	63,833	56,589	*12.8*	62,530	*2.1*	57,898	*10.3*	62,469	55,507	*12.5*
EBITDA/t (INR)	10,724	5,695	*88.3*	9,252	*15.9*	8,279	*29.5*	10,007	5,931	*68.7*

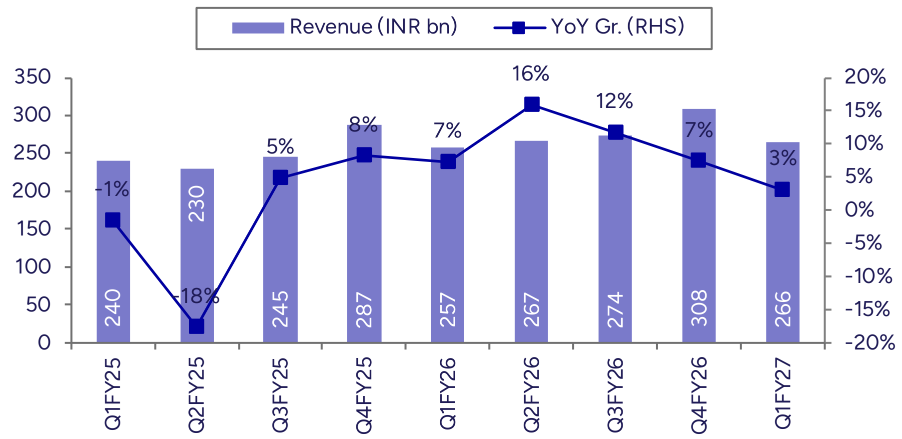
Source: Company, PL

Exhibit 4: Segmental Financials (INR bn)

Segment Revenue (INR bn)	1QFY27	1QFY26	YoY gr. (%)	4QFY26	QoQ gr. (%)	FY26	FY25	YoY gr. (%)
Bhilai Steel Plant	74.9	74.5	0.5	87.7	-14.6	318.7	334.3	-4.7
Durgapur Steel Plant	27.3	26.6	2.8	32.5	-15.9	115.8	122.1	-5.1
Rourkela Steel Plant	72.6	59.7	21.7	74.7	-2.8	258.6	241.0	7.3
Bokaro Steel Plant	72.0	63.2	14.1	85.2	-15.4	274.1	226.5	21.0
IISCO Steel plant	27.7	28.9	-4.1	36.6	-24.4	130.6	125.9	3.8
Special Steel plants	16.4	30.4	-45.8	18.2	-9.7	104.8	66.9	56.8
Intersegmental Revenue	-28.5	-23.9	19.3	-26.8	6.6	-94.6	-91.8	NA
Total Revenue	**262.5**	**259.2**	**1.3**	**308.1**	**-14.8**	**1108.1**	**1024.8**	**8.1**
Segment EBIT (Rs bn)								
Bhilai Steel Plant	8.4	7.6	10.2	10.0	-16.4	28.3	40.9	-30.8
Durgapur Steel Plant	1.7	0.7	139.3	3.1	-45.0	4.8	5.4	-11.4
Rourkela Steel Plant	8.6	2.6	231.9	6.4	34.5	16.1	8.3	94.2
Bokaro Steel Plant	8.4	2.7	213.6	9.1	-7.2	14.2	1.3	1,027.4
IISCO Steel plant	2.7	2.3	18.6	4.5	-39.3	9.8	7.0	41.1
Special Steel plants	-1.8	-1.0	NA	-1.2	NA	-1.5	-1.6	NA
Total EBIT	**28.0**	**14.8**	**88.3**	**31.8**	**-12.2**	**71.6**	**61.1**	**17.1**

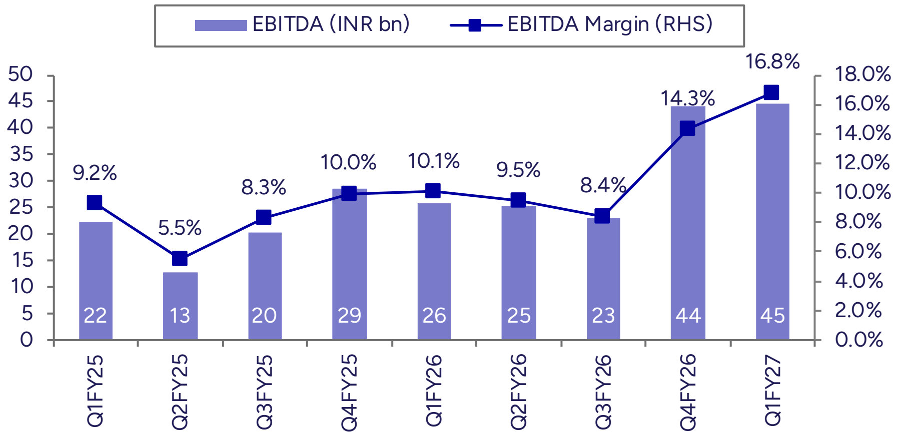
Source: Company, PL

Exhibit 5: Revenue grew 3% YoY on higher NSR and increased contribution from captive mine sales



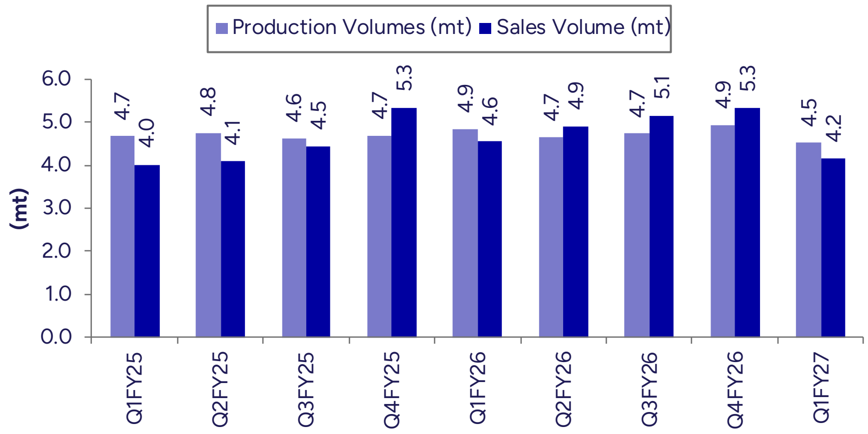
Source: Company, PL

Exhibit 6: Adj. EBITDA increased 72% YoY on lower RM cost mainly due to higher increase in stocks.



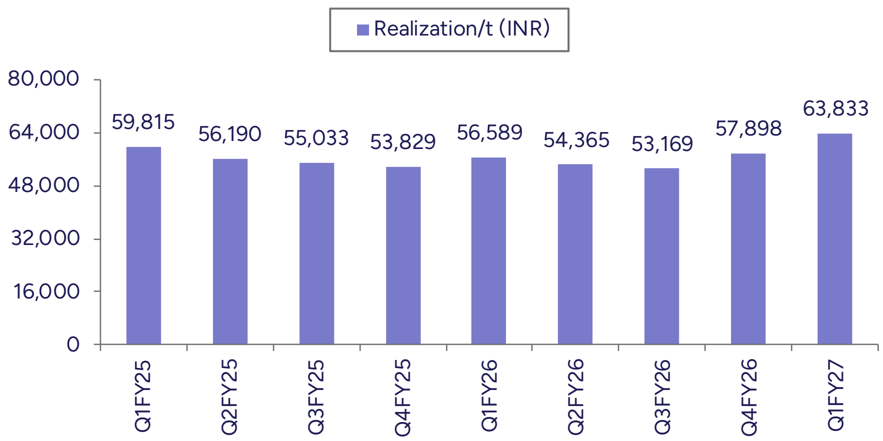
Source: Company, PL

Exhibit 7: Blended volumes declined 9% YoY due to maintenance shutdown curbing production



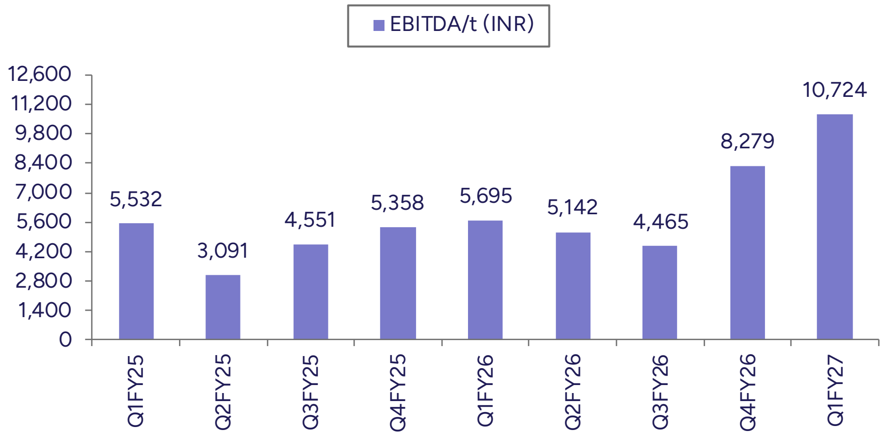
Source: Company, PL

Exhibit 8: Adj realization grew 10% QoQ on higher HRC pricing and impact of low volumes



Source: Company, PL

Exhibit 9: Adj. EBITDA/t grew 88% YoY to INR 10,724/t



Source: Company, PL

Exhibit 10: TP Calculation

	Mar'28 basis
EBITDA (INR mn)	2,01,613
Target EBITDA multiple (x	5.5
Target EV (INR mn)	11,08,872
Net Debt (INR mn)	3,45,468
Residual Market Cap (INR mn)	7,63,404
Target price (INR)	**185**

Source: Company, PL

Financials

Income Statement (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**1,025**	**1,108**	**1,290**	**1,392**
YoY gr. (%)	-	*8.1*	*16.4*	*7.8*
Cost of Goods Sold	509	550	626	704
Gross Profit	516	558	664	687
Margin (%)	*50.3*	*50.3*	*51.5*	*49.4*
Employee Cost	117	114	113	116
Other Expenses	293	324	344	370
EBITDA	**106**	**120**	**207**	**202**
YoY gr. (%)	*25.0*	*12.8*	*72.3*	*(2.5)*
Margin (%)	*10.4*	*10.8*	*16.0*	*14.5*
Depreciation and Amortization	56	60	62	64
EBIT	**50**	**60**	**145**	**137**
Margin (%)	*4.9*	*5.4*	*11.2*	*9.9*
Net Interest	28	22	20	20
Other Income	11	12	12	12
Profit Before Tax	**30**	**43**	**137**	**129**
Margin (%)	*2.9*	*3.9*	*10.6*	*9.3*
Total Tax	9	11	34	34
Effective Tax Rate (%)	*28.6*	*25.4*	*24.9*	*26.0*
Profit After Tax	**21**	**32**	**103**	**95**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**24**	**37**	**103**	**95**
YoY gr. (%)	*68.2*	*57.4*	*175.9*	*(7.3)*
Margin (%)	*2.3*	*3.4*	*8.0*	*6.9*
Extra Ord. Income / (Exp)	(2)	(5)	-	-
Reported PAT	**21**	**32**	**103**	**95**
YoY gr. (%)	*(21.4)*	*50.5*	*218.4*	*(7.3)*
Margin (%)	*2.1*	*2.9*	*8.0*	*6.9*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	21	32	103	95
Equity Shares O/s (bn)	**4**	**4**	**4**	**4**
EPS (INR)	**5.7**	**9.0**	**24.9**	**23.1**

Source: Company, PL

Balance Sheet (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**1,376**	**1,502**	**1,547**	**1,622**
Tangibles	1,376	1,502	1,547	1,622
Intangibles	-	-	-	-
Acc: Dep / Amortization	**644**	**742**	**804**	**869**
Tangibles	644	742	804	869
Intangibles	-	-	-	-
Net Fixed Assets	**733**	**759**	**743**	**753**
Tangibles	733	759	743	753
Intangibles	-	-	-	-
Capital Work In Progress	72	106	211	336
Goodwill	-	-	-	-
Non-Current Investments	33	36	36	36
Net Deferred Tax Assets	(64)	(64)	(62)	(62)
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	-	-	-	-
Inventories	337	278	336	362
Trade Receivables	76	65	88	95
Cash & Bank Balance	9	6	8	8
Other Current Assets	-	-	-	-
Total Assets	**1,329**	**1,333**	**1,503**	**1,672**
Equity				
Equity Share Capital	41	41	41	41
Other Equity	515	541	633	718
Total Networth	**557**	**582**	**675**	**760**
Non-Current Liabilities				
Long Term Borrowings	384	334	354	354
Provisions	-	-	-	-
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	105	109	141	191
Other Current Liabilities	219	244	271	306
Total Equity & Liabilities	**1,329**	**1,333**	**1,503**	**1,672**

Source: Company, PL

Cash Flow (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	30	43	137	129
Add. Depreciation	56	60	62	64
Add. Interest	28	22	20	20
Less Financial Other Income	11	12	12	12
Add. Other	(5)	(6)	-	-
Op. Profit before WC Changes	110	119	219	214
Net Changes-WC	(4)	78	(21)	50
Direct Tax	(6)	(7)	(35)	(34)
Net Cash from Op. Activities	**99**	**190**	**162**	**231**
Capital Expenditures	(64)	(90)	(150)	(200)
Interest / Dividend Income	-	-	-	-
Others	12	11	-	-
Net Cash from Invt. Activities	**(52)**	**(79)**	**(150)**	**(200)**
Issue of Share Cap. / Premium	(8)	(11)	-	-
Debt Changes	(8)	(82)	20	-
Dividend Paid	(4)	(7)	(10)	(10)
Interest Paid	(24)	(15)	(20)	(20)
Others	-	-	-	-
Net Cash from Fin. Activities	**(44)**	**(114)**	**(10)**	**(31)**
Net Change in Cash	**3**	**(3)**	**2**	**-**
Free Cash Flow	35	100	12	31

Source: Company, PL

Quarterly Financials (INR bn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**267**	**274**	**308**	**266**
YoY gr. (%)	*15.9*	*11.8*	*7.4*	*3.1*
Raw Material Expenses	134	144	149	108
Gross Profit	133	130	159	157
Margin (%)	*49.9*	*47.6*	*51.5*	*59.3*
EBITDA	**25**	**23**	**44**	**45**
YoY gr. (%)	*99.3*	*13.5*	*54.3*	*72.2*
Margin (%)	*9.5*	*8.4*	*14.3*	*16.8*
Depreciation / Depletion	15	15	16	16
EBIT	**11**	**8**	**28**	**29**
Margin (%)	*4.0*	*2.9*	*9.2*	*10.9*
Net Interest	5	5	5	5
Other Income	3	3	4	2
Profit before Tax	**6**	**6**	**23**	**22**
Margin (%)	*2.1*	*2.1*	*7.5*	*8.1*
Total Tax	1	1	6	5
Effective Tax Rate (%)	*22.8*	*22.2*	*27.7*	*24.2*
Profit After Tax	**4**	**4**	**17**	**16**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**4**	**4**	**17**	**16**
YoY gr. (%)	*(48.8)*	*251.1*	*42.6*	*138.7*
Margin (%)	*1.6*	*1.6*	*5.5*	*6.2*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**4**	**4**	**17**	**16**
YoY gr. (%)	*(48.8)*	*251.1*	*42.6*	*138.7*
Margin (%)	*1.6*	*1.6*	*5.5*	*6.2*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**4**	**4**	**17**	**16**
Avg. Shares O/s (bn)	4	4	4	4
EPS (INR)	**1.0**	**1.1**	**4.1**	**4.0**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	5.7	9.0	24.9	23.1
CEPS	19.4	23.5	39.9	38.7
BVPS	134.7	140.9	163.3	183.9
FCF	8.4	24.2	2.9	7.4
DPS	1.6	2.3	2.5	2.5
Return Ratio (%)				
RoCE	6.5	7.7	16.2	14.0
ROIC	3.8	4.9	11.3	9.6
RoE	4.3	6.6	16.4	13.3
Balance Sheet				
Net Debt : Equity (x)	0.7	0.6	0.5	0.5
Net Working Capital (Days)	109	77	80	70
Valuation (x)				
PER	29.7	18.9	6.8	7.3
P/B	1.2	1.2	1.0	0.9
P/CEPS	8.8	7.2	4.2	4.4
EV/EBITDA	10.1	8.6	5.0	5.2
EV/Sales	1.0	0.9	0.8	0.7
Dividend Yield (%)	0.9	1.3	1.4	1.4
FCFF Yield (%)	4.9	14.1	1.7	4.3
PEG Ratio	0.4	0.3	-	(1.1)

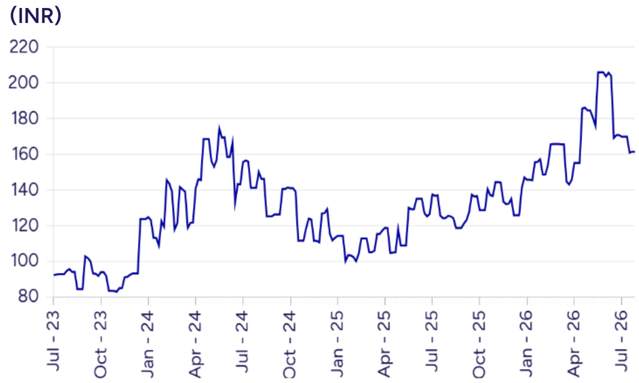
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales volume (mt)	18	20	21	22
Realization/t (INR)	56,012	51,382	57,978	58,722
EBITDA/t (INR)	4,677	5,931	10,007	9,124

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Jul-26	Accumulate	203	162
2	16-May-26	Accumulate	209	192
3	09-Apr-26	Accumulate	176	163
4	02-Feb-26	Hold	151	149
5	09-Jan-26	Hold	141	146
6	30-Oct-25	Hold	143	137
7	08-Oct-25	Hold	139	133
8	28-Jul-25	Hold	133	126
9	08-Jul-25	Hold	136	133
10	29-May-25	Hold	133	130

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	2079	1811
5	Hindalco Industries	Accumulate	1050	972
6	Jindal Stainless	BUY	821	696
7	Jindal Steel	BUY	1298	1040
8	JK Cement	Accumulate	6205	5453
9	JK Lakshmi Cement	BUY	765	573
10	JSW Cement	Accumulate	141	136
11	JSW Infrastructure	Accumulate	361	345
12	JSW Steel	Accumulate	1351	1237
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	11903

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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