PL Capital PRABHUDAS LILLADHER

Jindal Stainless (JDSL IN)

Management Meet Update

September 01, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		BUY	
Target Price	867		821	
Sales (INR bn)	503	552	503	552
% Chng.	-	-		
EBITDA (INR bn)	63	71	63	71
% Chng.	-	-		
EPS (INR)	46.0	57.1	46.0	57.6
% Chng.	-	-0.8		

Key Data JIST.BO | JDSL IN

BSE Code	532508
NSE Code	JSL
52-W High / Low	INR 884 / INR 652
Face Value	2
Sensex / Nifty	76,957 / 24,080
Market Cap	INR 579 bn / $ 6,082 mn
Shares Outstanding	824.42 mn
3M Avg. Daily Value	INR 421.49 mn

Shareholding Pattern (%)

Promoters	62.05
FIIs	20.45
Mutual Funds	3.45
Domestic Institutions	3.90
Public & Others	10.15
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(4.4)	2.5	(9.6)	(8.0)
Relative	(3.0)	(0.4)	(4.5)	(4.6)

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR bn)	430	503	552	630
EBITDA (INR bn)	56	63	71	79
Margin (%)	*12.9*	*12.5*	*12.9*	*12.5*
PAT (INR bn)	32	38	47	57
EV (INR bn)	624	589	554	527
Total Debt (INR bn)	73	53	43	33
C&C Eq. (INR bn)	29	43	69	85
EPS (INR)	39.3	46.0	57.1	68.8
Gr. (%)	*28.9*	*17.1*	*24.2*	*20.4*
DPS (INR)	4.0	4.0	5.0	5.0
Yield (%)	*0.6*	*0.6*	*0.7*	*0.7*
RoE (%)	*17.7*	*17.6*	*18.5*	*18.8*
RoCE (%)	*19.4*	*19.7*	*20.9*	*20.7*
EV/Sales (x)	1.5	1.2	1.0	0.8
EV/EBITDA (x)	11.2	9.4	7.8	6.7
PE (x)	17.9	15.3	12.3	10.2
P/BV (x)	2.9	2.5	2.1	1.8

Building the next leg of growth; Compelling value ahead

Quick Pointers

- India's SS demand to grow 8-10% p.a., some target sectors at ~12%, aided by railway mandate and rising SS adoption
- Indonesia + downstream expansion to support ~10% volume growth till FY29, Maharashtra to drive next leg of growth

We recently interacted with the management of Jindal Stainless (JDSL) to understand its growth strategy. With rising domestic stainless steel (SS) penetration, upcoming downstream capacity addition, raw-material security from Indonesian JVs and a multi-year growth project underway, we believe JDSL is well placed to ride India's SS growth wave, making it one of our preferred plays on the sector. India's SS consumption is expected to grow at 8-10% annually, with several of JDSL's target applications growing at 12%. As SS finds greater use across railways, metros, infrastructure, automobiles, nuclear, LNG, green hydrogen and other industrial applications, the addressable market is expanding beyond traditional consumption. Recent commissioning of its 1.2mtpa Indonesia melt shop has taken its global melt capacity to 4.2mtpa, while downstream expansion in India is increasing its ability to process, certify and customize this material for higher value applications to reach its medium-term goal of achieving 3.5mtpa sales volume. JDSL is also evaluating a 4mtpa integrated greenfield port-based facility in Maharashtra, with the first 1mtpa phase targeted for FY31E. The DPR would come in the next 2 quarters, and the management is in discussions with the Maharashtra government for land acquisition. We introduce FY29E EBITDA estimates, roll forward our valuation to Sep'28 and expect JDSL to deliver volume/EBITDA CAGR of 10%/12% over FY26-29E. Following the recent correction, the stock offers an attractive entry point at 7.7x/6.7x FY28E/29E EV/EBITDA. We maintain 'BUY' with revised TP of INR867 (earlier INR821) on 9x EV of Sep'28 EBITDA.

India's SS story is still in early stages: Domestic SS consumption is expected to grow at 8-10% p.a., much faster than the expected the global 3-4%. More importantly, sectors targeted by JDSL could grow at ~12%, creating an opportunity for JDSL to grow faster than the overall SS market. India consumes ~5.3mt of SS, while domestic production is only ~3.5mt. The balance is met through imports. While this highlights the competitive pressure faced by domestic producers, it also demonstrates the size of the addressable market as domestic consumption continues to expand. Growth is increasingly being driven by new applications, rather than only substitution within existing markets.

Railways and infrastructure to be major future demand creators: The Railway Board has recently directed increased use of SS in corrosion-prone railway structures within 30km of the coast, including railway bridges, FOBs, ROBs/RUBs and rail flyovers/metro crossings. Longer life and superior corrosion resistance makes SS particularly attractive in such applications, where the lifecycle cost is much superior than the initial high price. JDSL is also pushing SS rebar through its Rathi subsidiary. The management indicated that the product has undergone extensive testing and has received government approval for infrastructure applications, opening the possibility of future railway, FOB and infrastructure tenders. This is strategically important because rebar can take SS into a much larger infrastructure market and allows JDSL to create incremental demand rather than simply compete for existing volumes.

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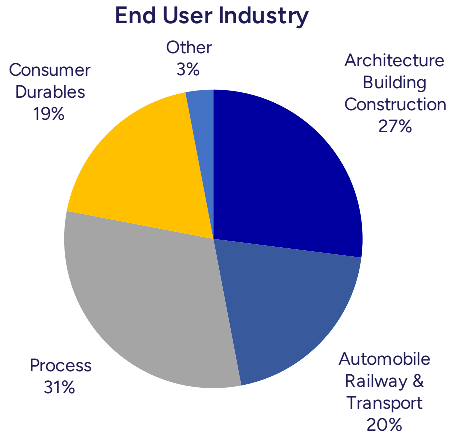
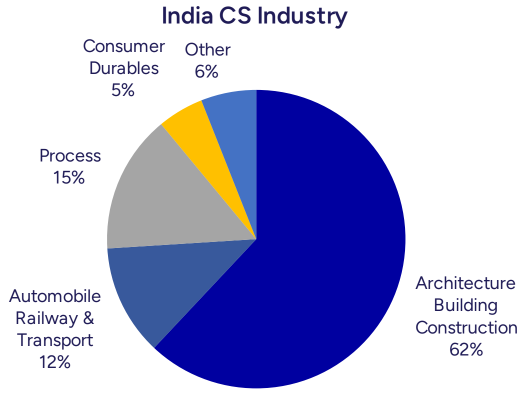
The opportunity extends further across: a) automobiles, metros and transportation, b) nuclear applications, c) LNG and process industries, green hydrogen, and EVs; and d) desalination and water treatment, ethanol and chemical industries. JDSL's own portfolio reflects this diversification, with products spanning slabs, coils, plates, sheets, precision strips, blade steel, coin blanks, rebars and other specialized products.

Exhibit 1: Diversified consumption pattern of JDSL



Source: Company, PL

Exhibit 2: Indian Carbon Steel Industry



Source: Company, PL

Exhibit 3: New directives to increase usage of SS in Railways

Major Applications of Stainless Steel in the Railways

Railway Segment	Key Stainless Steel Applications
Passenger Coaches (LHB, Vande Bharat, Amrit Bharat)	Coach bodies, roofs, sidewalls, underframes, interiors, sanitary systems, and handrails
High-Speed Rail	Train bodies, structural components, interiors, and safety systems
Freight Wagons	Wagon bodies, container wagons, specialised wagons for chemicals, and food and bulk cargo
Metro & Urban Transit	Coach structures, doors, grab poles, seating systems, and passenger amenities
Railway Stations	Roofing, façades, railings, escalators, lifts, benches, and sanitation facilities
Freight Corridors & Logistics Infrastructure	Cargo-handling equipment, storage systems, terminals, and logistics facilities
Electrification & Signalling	Equipment enclosures, cable management systems, and signalling infrastructure
Bridges & Rail Infrastructure	Structural components, drainage systems, safety barriers, and support structures
Hydrogen Rail Infrastructure	Coach bodies, structural components, hydrogen storage and refuelling systems, equipment enclosures, and associated operational infrastructure

Source: Company, PL

Exhibit 4: Key end user industries of SS

Product Applications and Industries Served

Segment	Key Applications / Role of Stainless Steel
Architecture, Building & Construction	Used for structural and design applications due to high strength, corrosion resistance, fire resistance, and design flexibility.
Automotive & Transport	Applied in vehicle components due to high strength-to-weight ratio, durability and corrosion resistance, supporting fuel efficiency and longevity.
Railways	Used in coaches, metro trains, wagons, and infrastructure for lightweight construction, energy efficiency and recyclability; demand supported by initiatives like Amrit Bharat and Vande Bharat.
Process Industry	Critical in chemical, petrochemical, oil & gas, and fertiliser sectors; used in tanks, reactors, vessels, pipes, pumps, and valves due to corrosion and temperature resistance.
Infrastructure	Used in flyovers, rail over bridges, foot over bridges, lifts and elevators; valued for durability, corrosion resistance, and suitability for coastal and urban infrastructure projects.
Aerospace & Defence	Supplies materials for missile systems, launch vehicles, satellites, and defence equipment; used in motor casings, structural components, and high-performance applications under Make in India.
Consumer Durables	Used in appliances and lifestyle products for hygiene, aesthetics, durability, and corrosion resistance; includes kitchenware and household products.
New-Age Applications	Increasing use in EVs, hydrogen fuel cells, turbines, electronics, pharma, food processing, ethanol production, green hydrogen, water treatment, nuclear, space, and marine applications due to high performance under extreme conditions.

Source: Company, PL

Exhibit 5: Key Process Industries for usage of SS

Major Applications for Stainless Steel in the Process Industries

Process Industry	Major Applications of Stainless Steel
Food Processing	Containers, pipework, food-contact equipment, splash backs, housings, and equipment enclosures
Dairy	Storage tanks, processing equipment, milk handling systems, and associated piping infrastructure
Pharmaceuticals	Manufacturing equipment, reaction vessels, storage tanks, pumps, pipelines, tubes, heat exchangers, scrubbers, taps, and valves
Oil & Gas / Petrochemicals	Internal cladding of pressure vessels, process piping, heat exchangers, valves, reactors, and storage systems
Power Generation	Components of boilers, turbines, condensers, heat exchangers, and tubing for low- and high-pressure feedwater heaters
Chemicals & Specialty Chemicals	Reactors, storage tanks, pressure vessels, process piping, heat exchangers, and material handling systems
Ethanol	Storage tanks, processing equipment, mixing systems, and dispensing systems

Source: Company, PL

Indonesia JV: More than just another capacity addition: The 1.2mtpaSteel Melt Shop facility has been commissioned by PT Glory much ahead of schedule, taking the company's global steel melt capacity to 4.2mtpa, including 3mtpa in India. JDSL retains 100% offtake rights from this Indonesian JV. The management expects the plant to stabilize progressively, with utilization targeted at ~70% by Q4FY27E. Once stabilized, an increasing portion of the material can be shipped to India for rolling, certification and customer-specific value addition. The strategic benefit of Indonesia goes beyond the additional melt capacity as the facility is located closer to nickel resources. The peers are also replicating JDSL's strategy now. JDSL has achieved competitive advantage within the broader value chain with higher RoCE, rather than merely as a capacity addition. The management expects the Indonesian operation to increasingly contribute through interest payments, debt repayment and dividends as the facility ramps up.

Downstream expansion: Essential for the value-add story: Near-term volume growth for JDSL will increasingly be driven by ongoing downstream capacity addition. JDSL is expanding its CR capacity at Jajpur and Kharagpur, while the 1.1mtpa HRAP line at Jajpur is expected to be commissioned by Q3FY27E. Total CRAP capacity is expected to increase from 2.05mtpa in FY26 to 2.67mtpa by Q2FY28E, while HRAP capacity is also being expanded. This would take JDSL near to the global benchmark of companies having a 75% cold rolled to SMS ratio, from current 55%. Post ongoing downstream expansion, JDSL would be at 65% and it will further improve once the new greenfield expansion gets commissioned over the next 3-4 years.

Focus on 400 series to continue due to its low nicker requirement: The 300 series will remain JDSL's largest revenue contributor, but the 400 series could become an increasingly important margin and mix lever. Unlike the 300-series, the 400 series require minimal nickel (max 0.5%). This reduces raw material volatility and provides JDSL with an opportunity to improve value addition without becoming excessively dependent on nickel prices. Jajpur's captive ferrochrome production further supports the economics of the 400 series.

Quality and customer relationships provide protection against imports: Imports remain the biggest near-term concern for the domestic SS industry. India currently imports a significant 30% portion of its SS consumption, with Chinese and ASEAN-origin material putting pressure on domestic pricing. However, the management believes the impact on JDSL is less severe than what the headline import numbers indicate. JDSL can command INR7-8/kg premium over Chinese/imported materials in certain products, supported by quality, certification, availability and customer-specific value addition. This suggests that JDSL is not competing purely as a commodity producer. Its customer base is also well diversified, with no single end-use industry accounting for more than 15% of sales. JDSL has also developed long-standing relationships with global OEMs and is the largest global SS supplier to MNCs like Gillette.

Maharashtra: Strategic location for the next multi-year growth platform: While FY29 remains the immediate growth milestone, the bigger story begins thereafter. JDSL is evaluating a 4mtpa integrated greenfield port-based SS facility in Maharashtra, with the first 1mtpa phase targeted for FY30-31E. The first phase is expected to require INR120-150bn investment as supporting infrastructure would be developed for the entire project. Overall evacuation and supporting infrastructure such as roads, rail, power, township, utilities and other logistics will be developed upfront with the eventual larger 4mtpa facility in mind. Consequently, subsequent phases of 1mtpa each would require significantly less capital spending. This could create substantial operating leverage as the platform scales. Maharashtra and Gujarat account for 60-65% of JDSL's sales, making the proposed location strategically attractive. The management sees Maharashtra as a more attractive long-term integrated growth platform, given the combination of land availability, policy support, integration opportunities and proximity to the company's largest customer markets.

Balance sheet provides room for the next growth cycle: With a strong balance sheet and annual cash flow generation capability of over INR30bn in the next few years, JDSL is executing the Maharashtra ultra mega project in phases. FY27 capex is guided at INR26-28bn, with INR6bn already spent, followed by likely to be INR20bn for the subsequent year. Maintenance capex remains relatively modest at INR3-5bn annually. The management expects debt to decline before the Maharashtra project begins. This will give JDSL the opportunity to generate cash from the existing platform, complete the downstream ramp-up and strengthen the balance sheet before undertaking the larger greenfield investment. The company's project evaluation framework also remains disciplined, with growth projects being evaluated at a minimum 15% post-tax IRR. The company can first sweat the existing 4.2mtpa melt platform and downstream network before committing to the next integrated capacity cycle.

Exhibit 6: Plant-wise capacity (mtpa)

JSL's Integrated Edge Across the Value Chain

Category	Entity / Facility	Capacity	Key Focus / Role
Manufacturing Facilities	Odisha Facility	2.2 MTPA of melt	Integrated facility producing Hot Rolled and Cold Rolled Products
	Hisar Facility	0.8 MTPA of melt	Integrated Value-added products including Precision Strips and Coin Blanks
Domestic Footprint	Jindal Lifestyle Limited	-	Lifestyle stainless steel products and solutions
	Chromeni Steels Limited	0.6 MTPA of Cold roll	Cold rolling downstream capabilities
	Jindal United Steel Limited	3.2 MTPA Hot Strip Mill (HSM) 0.2 Cold Roll	Hot Strip Mill and Cold Roll capabilities
	Rabirun Vinimay Private Limited	50 KTPA of finished goods	Pipe & tube capacity, product diversification
	Jindal Stainless Steelway Limited	-	Domestic service centre offering customised solutions
	JSL Super Steel Limited	0.16 MTPA of finished goods	Long products capacity (wire rods and rebars), product diversification
Global Footprint	Iber Jindal S.L. (Spain)	-	Advanced service centre supporting European markets and expanding global reach
	PT Glory Metal Indonesia	1.2 MTPA of Melt	Stainless Steel Melt Shop (SMS) facility, NPI-based manufacturing route capacity
	PT Cosan Metal Industry (Indonesia)	0.2 MTPA of NPI	Nickel Pig Iron (NPI) smelter facility; raw material security

Source: Company, PL

Why we remain positive despite near term underperformance

- **The market is growing:** Indian SS consumption is expected to grow 8-10% annually, with new applications across railways, infrastructure, automobiles, nuclear, LNG, green hydrogen and industrial applications can expand the market further.

- **JDSL can grow faster than the market:** Indonesia provides additional melt capacity and raw-material security, while downstream expansion would provide higher than industry volume growth rate till FY29E.

- **New DPR in process:** The Maharashtra project provides the next integrated growth platform. The first 1mtpa phase is targeted for FY30-31 and detailed project report is in the making. Over next decade, JDSL would become 8.2mtpa SS player, positioning itself among the world's largest SS producers.

- **JDSL's competitive advantage is increasingly about integration:** JDSL's raw-material strategy provides another layer of competitive advantage. JDSL has a high scrap-based production mix, with scrap accounting for 90-95% of Hisar's requirements and 70-75% at Odisha. Dedicated scrap yards are being developed to strengthen sourcing. At Jajpur, captive ferrochrome provides security for the 400 series, while Indonesia provides access to NPI and nickel resources.

Key risks

- **Persistent Chinese and ASEAN imports:** Imports remain the biggest near-term risk to domestic pricing power in a few grades. Aggressive Chinese pricing or delays in anti-dumping measures by GoI could exert pressure on margins.

- **Slowdown in domestic demand:** A prolonged slowdown in domestic industrial activity, autos, infrastructure or construction could delay new SS applications and reduce the operating leverage.

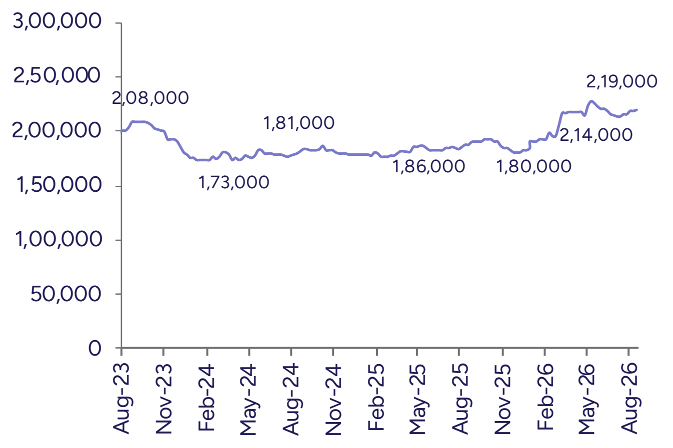
- **Raw-material weakness:** Nickel, ferrochrome and scrap prices remain important earnings variables. While Indonesia and captive ferrochrome provide greater integration, a sharp decline in input costs could compress spreads, as it hampers its pricing power.

- **Indonesia execution and regulatory risk:** Indonesian facility needs to ramp up toward ~70% utilization by Q4FY27. Changes in Indonesian policies around nickel ore, mining royalties, coal or downstream processing could also affect raw-material economics.

- **Capex delays:** The ramp-up of Indonesia, commissioning of the 1.1mtpa HRAP facility and CRAP/CR additions across Jajpur and Kharagpur need to proceed as planned. Any delays in the ongoing expansion or land acquisition for the Maharashtra project could defer the expected volume growth and operating leverage benefits.

- **Global trade restrictions:** Increasing tariffs, quotas and measures such as CBAM could affect the competitiveness of Indian SS exports and alter global trade flows.

Exhibit 7: SS prices recovered in Aug post fall in Jul (INR/t)



Source: BigMint, PL

Exhibit 8: QTD LME nickel prices largely flat QoQ (US$/t)

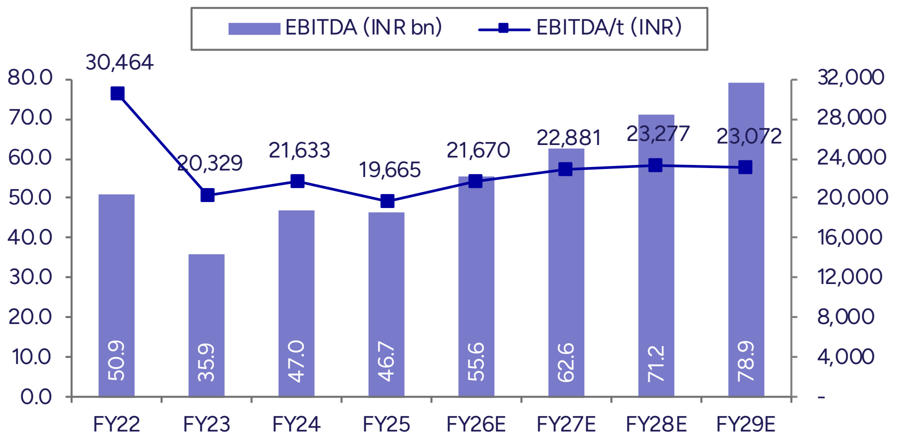
Source: Inudstry, PL

Exhibit 9: Indian SS CRC at 6% discount to Chinese SS CRC

Import parity basis – SS	
China SS 304 CRC prices - Foshan Exw FoB (US$)	2,262
Ocean freight (US$)	50
CIF (US$)	2,312
INR/US$	95.40
Import duty	7.5%
Effective duty (incl surcharge)	8.3%
Import duty (US$)	190.7
Port charges (US$)	21
Landed cost incl port charges (US$)	2523
in INR/t	2,40,832
India SS CRC Ex-Mumbai prices (INR/t)	2,25,000
Premium/(Discount) (INR)	**-15,832**

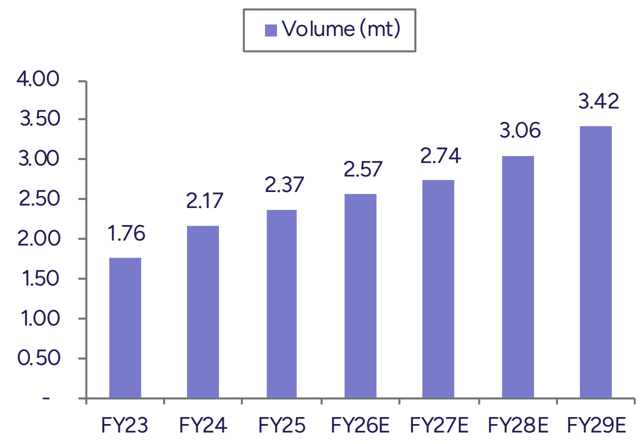
Source: BigMint, PL

Exhibit 10: EBITDA to grow at 12% CAGR over FY26-29E



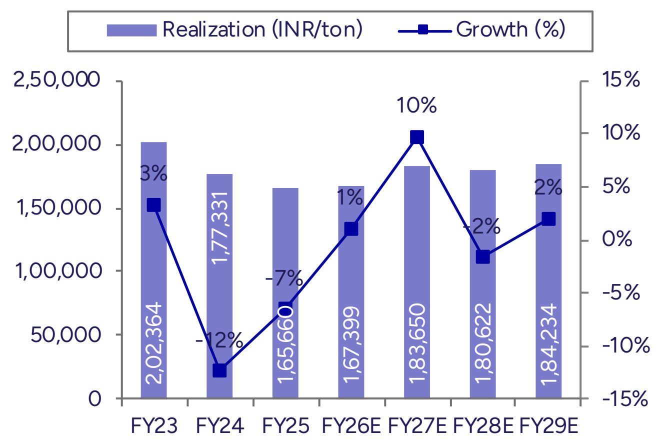
Source: Company, PL

Exhibit 11: Volume to grow at ~10% CAGR over FY26-29E



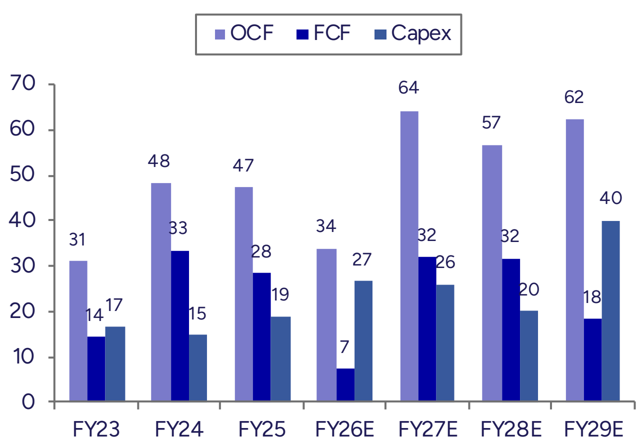
Source: Company, PL

Exhibit 12: NSR assumed to be flattish over FY26-29E



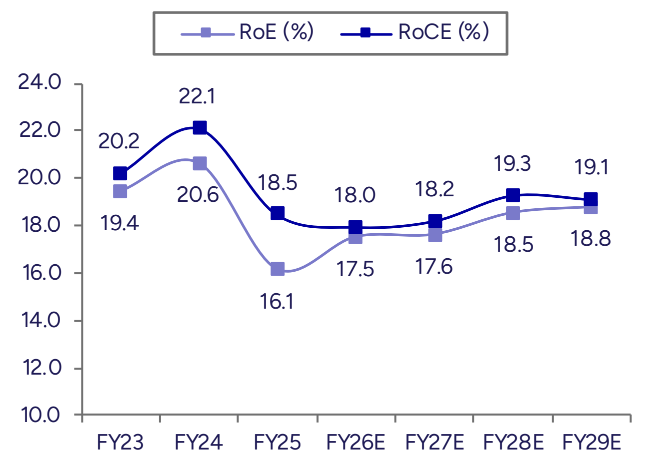
Source: Company, PL

Exhibit 13: Capex intensity to increase post FY28



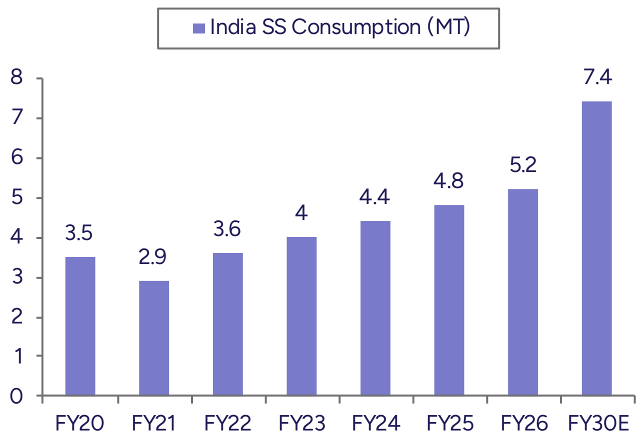
Source: Company, PL

Exhibit 14: Return ratios to remain strong despite capex



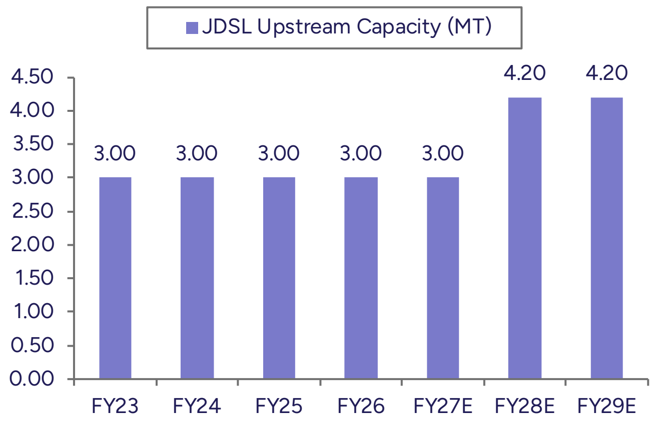
Source: Company, PL

Exhibit 15: Indian SS consumption to increase ~40% over FY26-30E



Source: Company, PL

Exhibit 16: Recent capacity addition to capture volume growth



Source: Company, PL

Financials

Income Statement (INR bn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**430**	**503**	**552**	**630**
YoY gr. (%)	*9.3*	*17.0*	*9.9*	*14.1*
Cost of Goods Sold	285	335	370	425
Gross Profit	144	168	182	205
Margin (%)	*33.6*	*33.4*	*32.9*	*32.5*
Employee Cost	10	11	12	12
Other Expenses	79	95	99	113
EBITDA	**56**	**63**	**71**	**79**
YoY gr. (%)	*19.2*	*12.6*	*13.7*	*10.8*
Margin (%)	*12.9*	*12.5*	*12.9*	*12.5*
Depreciation and Amortization	11	12	13	14
EBIT	**45**	**51**	**58**	**65**
Margin (%)	*10.5*	*10.1*	*10.6*	*10.3*
Net Interest	6	6	5	4
Other Income	4	4	5	5
Profit Before Tax	**42**	**49**	**58**	**66**
Margin (%)	*9.8*	*9.7*	*10.5*	*10.6*
Total Tax	11	12	15	17
Effective Tax Rate (%)	*25.0*	*25.0*	*25.0*	*25.0*
Profit After Tax	**32**	**36**	**44**	**50**
Minority Interest	-	-	-	-
Share Profit from Associate	-	1	3	7
Adjusted PAT	**32**	**38**	**47**	**57**
YoY gr. (%)	*28.9*	*17.1*	*24.2*	*20.4*
Margin (%)	*7.5*	*7.5*	*8.5*	*9.0*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**32**	**38**	**47**	**57**
YoY gr. (%)	*27.5*	*18.7*	*24.2*	*20.4*
Margin (%)	*7.4*	*7.5*	*8.5*	*9.0*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	32	38	47	57
Equity Shares O/s (bn)	**1**	**1**	**1**	**1**
EPS (INR)	**39.3**	**46.0**	**57.1**	**68.8**

Source: Company, PL

Balance Sheet (INR bn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**237**	**247**	**277**	**287**
Tangibles	224	234	264	274
Intangibles	13	13	13	13
Acc: Dep / Amortization	**67**	**79**	**92**	**106**
Tangibles	62	74	86	100
Intangibles	5	5	5	5
Net Fixed Assets	**170**	**168**	**185**	**181**
Tangibles	162	161	178	174
Intangibles	7	7	7	7
Capital Work In Progress	18	34	24	54
Goodwill	12	12	12	12
Non-Current Investments	22	22	22	22
Net Deferred Tax Assets	(14)	(14)	(14)	(14)
Other Non-Current Assets	10	10	10	10
Current Assets				
Investments	-	-	-	-
Inventories	95	110	121	138
Trade Receivables	31	34	38	43
Cash & Bank Balance	29	43	69	85
Other Current Assets	11	11	11	11
Total Assets	**407**	**454**	**501**	**566**
Equity				
Equity Share Capital	2	2	2	2
Other Equity	196	231	274	326
Total Networth	**198**	**233**	**275**	**328**
Non-Current Liabilities				
Long Term Borrowings	49	29	19	9
Provisions	1	1	1	1
Other Non Current Liabilities	3	3	3	3
Current Liabilities				
ST Debt / Current of LT Debt	24	24	24	24
Trade Payables	83	110	121	138
Other Current Liabilities	33	38	41	47
Total Equity & Liabilities	**407**	**454**	**501**	**566**

Source: Company, PL

Cash Flow (INR bn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	42	49	58	66
Add. Depreciation	11	12	13	14
Add. Interest	6	6	5	4
Less Financial Other Income	4	4	5	5
Add. Other	(1)	(4)	(5)	(5)
Op. Profit before WC Changes	58	63	71	79
Net Changes-WC	(14)	14	-	-
Direct Tax	(10)	(12)	(15)	(17)
Net Cash from Op. Activities	**34**	**64**	**57**	**62**
Capital Expenditures	(26)	(26)	(20)	(40)
Interest / Dividend Income	3	4	5	5
Others	(11)	-	-	-
Net Cash from Invt. Activities	**(35)**	**(22)**	**(15)**	**(35)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	6	(20)	(10)	(10)
Dividend Paid	(2)	(3)	(4)	(4)
Interest Paid	(5)	(6)	(5)	(4)
Others	-	-	-	-
Net Cash from Fin. Activities	**(1)**	**(30)**	**(19)**	**(18)**
Net Change in Cash	**(2)**	**13**	**22**	**9**
Free Cash Flow	7	38	37	22

Source: Company, PL

Quarterly Financials (INR bn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**109**	**105**	**113**	**113**
YoY gr. (%)	*11.4*	*6.2*	*11.2*	*10.5*
Raw Material Expenses	73	69	76	71
Gross Profit	36	36	38	42
Margin (%)	*33.3*	*34.0*	*33.3*	*37.3*
EBITDA	**14**	**14**	**15**	**13**
YoY gr. (%)	*17.0*	*16.6*	*37.1*	*1.5*
Margin (%)	*12.7*	*13.4*	*12.8*	*11.8*
Depreciation / Depletion	3	3	3	3
EBIT	**11**	**11**	**12**	**10**
Margin (%)	*10.3*	*10.8*	*10.4*	*9.1*
Net Interest	1	1	1	1
Other Income	1	1	1	1
Profit before Tax	**11**	**11**	**11**	**10**
Margin (%)	*10.0*	*10.2*	*9.5*	*8.9*
Total Tax	3	3	3	3
Effective Tax Rate (%)	*24.8*	*23.6*	*25.9*	*26.5*
Profit After Tax	**8**	**8**	**8**	**7**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**8**	**8**	**8**	**8**
YoY gr. (%)	*32.0*	*26.6*	*42.7*	*7.7*
Margin (%)	*7.4*	*7.9*	*7.4*	*6.8*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**8**	**8**	**8**	**8**
YoY gr. (%)	*32.0*	*26.6*	*42.7*	*7.7*
Margin (%)	*7.4*	*7.9*	*7.4*	*6.8*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**8**	**8**	**8**	**8**
Avg. Shares O/s (bn)	1	1	1	1
EPS (INR)	**9.8**	**10.1**	**10.2**	**9.3**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	39.3	46.0	57.1	68.8
CEPS	52.2	60.4	72.7	85.6
BVPS	240.2	282.2	334.3	398.1
FCF	8.9	46.4	44.4	26.9
DPS	4.0	4.0	5.0	5.0
Return Ratio (%)				
RoCE	19.4	19.7	20.9	20.7
ROIC	15.2	16.2	18.8	19.2
RoE	17.7	17.6	18.5	18.8
Balance Sheet				
Net Debt : Equity (x)	0.2	-	-	-
Net Working Capital (Days)	37	25	25	25
Valuation (x)				
PER	17.9	15.3	12.3	10.2
P/B	2.9	2.5	2.1	1.8
P/CEPS	13.5	11.6	9.7	8.2
EV/EBITDA	11.2	9.4	7.8	6.7
EV/Sales	1.5	1.2	1.0	0.8
Dividend Yield (%)	0.6	0.6	0.7	0.7
FCFF Yield (%)	1.3	6.6	6.3	3.8
PEG Ratio	0.6	0.9	0.5	0.5

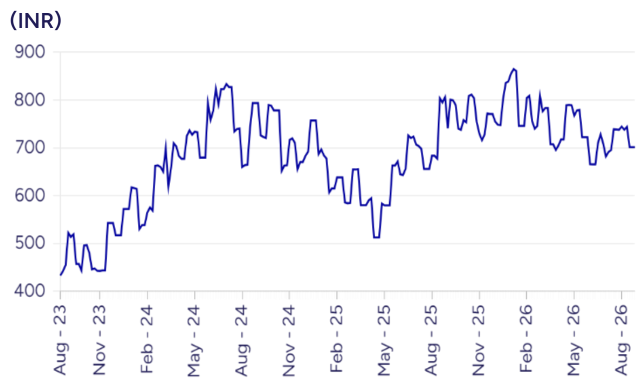
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales volumes (mt)	2.6	2.7	3.1	3.4
Cons EBITDA/t (INR)	21,670	22,881	23,277	23,072
Realization/t (INR)	166,330	177,330	182,330	187,330

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	05-Aug-26	Buy	821	733
2	08-Jul-26	BUY	821	696
3	11-Jun-26	BUY	821	662
4	06-May-26	Accumulate	821	779
5	09-Apr-26	Accumulate	826	757
6	23-Jan-26	Hold	784	756
7	09-Jan-26	Hold	784	806
8	11-Nov-25	Hold	748	743
9	08-Oct-25	Hold	759	758
10	08-Aug-25	Hold	678	683

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ACC	BUY	2198	1384
2	Adani Port & SEZ	BUY	2113	1720
3	Ambuja Cement	BUY	504	435
4	Dalmia Bharat	Buy	2173	1897
5	Hindalco Industries	Accumulate	1162	1060
6	Jindal Stainless	Buy	821	733
7	Jindal Steel	BUY	1298	1040
8	JK Cement	Accumulate	6205	5453
9	JK Lakshmi Cement	BUY	714	571
10	JSW Cement	Accumulate	139	130
11	JSW Infrastructure	Accumulate	361	345
12	JSW Steel	Accumulate	1351	1237
13	National Aluminium Co.	Accumulate	401	369
14	NMDC	Hold	86	84
15	Nuvoco Vistas Corporation	BUY	510	341
16	Shree Cement	Accumulate	29085	26055
17	Steel Authority of India	Accumulate	185	171
18	Tata Steel	Accumulate	212	190
19	Ultratech Cement	BUY	13832	11903
20	Usha Martin	BUY	594	511

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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