BUY

Jindal Steel

Steady quarter; growth engines intact

Metals & Mining ▸ Result Update ▸ **July 25, 2026**

CMP (Rs): 1,040 | TP (Rs): 1,400

JINDALST reported a resilient 1Q, with adjusted EBITDA of Rs26.7bn (flat qoq), beating our/consensus estimates by 6.6%/3.0%. This was supported by a ~Rs7,500/t qoq improvement in NSR, driven by stronger steel prices and richer product mix, despite planned maintenance-led volume weakness. EBITDA/t improved to Rs11,957, offsetting higher coking-coal costs and lower fixed-cost absorption. The management reiterated its focus on maximizing utilization of its 15.6mt capacity, increasing share of value-added products, and maintaining disciplined ROCE-led capital allocation without stretching the balance sheet for commodity capacity additions. We believe higher capacity utilization, an improving product mix, and operational efficiencies should drive EBITDA/t to Rs14,000 by FY28, while industry-leading volume growth (~14% CAGR over FY27-29E) supports a 26% EBITDA CAGR. We retain BUY and TP of Rs1,400.

Stable quarter despite volume headwinds

JINDALST reported adjusted EBITDA of Rs26.7bn (flat qoq, -10.7% yoy) in 1Q, modestly ahead of Emkay/consensus estimate by 6.6%/3.0%, respectively. The outperformance was primarily driven by higher NSR in 1Q. Average realization improved by ~Rs7,500/t qoq, aided by stronger steel prices and richer product mix. This was partly offset by a $23/t increase in coking-coal cost and lower fixed-cost absorption. Consequently, EBITDA/t improved to Rs11,957 (vs Rs10,103 in 4QFY26). Operationally, production declined to 2.4mt (-9.4% qoq), while sales declined to 2.2mt (-14.9% qoq) on planned maintenance shutdowns. Net debt was broadly flat at Rs159bn (+10.6% yoy), with net debt/EBITDA rising to 1.7x (vs 1.5x in 1QFY26).

Cost efficiencies and VAP to drive earnings delta

The management reiterated that the company's strategic focus will be on maximizing the utilization of its existing 15.6mt steelmaking capacity while shifting the product portfolio further toward value-added and specialty steel, rather than chasing commodity volume growth. The company intends to improve realizations through a higher share of differentiated products, with value-added products already increasing to 66% of sales in 1QFY27 (61% in 4QFY26). We believe the management's focus on ROCE-led growth through improving value-added product mix, increasing capacity utilization, and disciplined capital allocation should support structurally higher margins, stronger free cash flow generation, and lower balance sheet risk over the near-to-medium term, making earnings less susceptible to commodity steel price volatility.

Volume growth to comfort earnings; maintain BUY

Over FY27-29E, we expect 14% volume CAGR (vs peers' at ~3%), with the new capacity likely to operate at ~50%/80% utilization in FY27/FY28E, driving volume growth. This should translate to a strong EBITDA CAGR of 26% over FY26-29E. Factoring in 1Q results and the management's guidance on volumes and cost efficiencies, we believe pricing strength, coupled with improving operating leverage, will drive EBITDA/t to ~Rs14,000 by FY28E. We retain BUY and TP of Rs1,400.

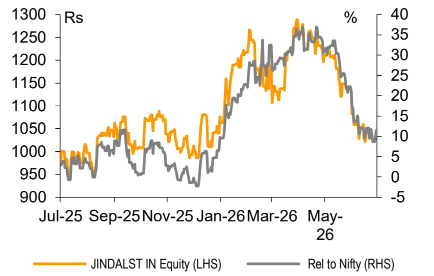
Target Price – 12M	Jun-27
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	34.6

Stock Data	JINDALST IN
52-week High (Rs)	1,306
52-week Low (Rs)	942
Shares outstanding (mn)	1,020.1
Market-cap (Rs bn)	1,061
Market-cap (USD mn)	10,986
Net-debt, FY27E (Rs mn)	155,406.9
ADTV-3M (mn shares)	1.5
ADTV-3M (Rs mn)	1,561.6
ADTV-3M (USD mn)	16.2
Free float (%)	38.8
Nifty-50	23,767.4
INR/USD	96.6
Shareholding,Jun-26	
Promoters (%)	62.7
FPIs/MFs (%)	8.8/19.5

Price Performance

(%)	1M	3M	12M
Absolute	(4.6)	(17.2)	4.0
Rel. to Nifty	(3.5)	(16.7)	9.6

1-Year share price trend (Rs)



Jindal Steel: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	501,287	534,549	697,753	822,308	824,759
EBITDA	95,692	90,994	138,828	182,171	183,386
Adj. PAT	42,146	32,587	64,986	95,748	95,000
Adj. EPS (Rs)	42.0	32.5	64.7	95.4	94.6
EBITDA margin (%)	19.1	17.0	19.9	22.2	22.2
EBITDA growth (%)	(6.5)	(4.9)	52.6	31.2	0.7
Adj. EPS growth (%)	(29.4)	(22.7)	99.4	47.3	(0.8)
RoE (%)	9.2	6.6	12.0	15.5	13.3
RoIC (%)	9.9	6.9	10.8	14.2	13.2
P/E (x)	35.9	35.4	16.1	10.9	11.0
EV/EBITDA (x)	12.2	12.8	8.4	6.4	6.3
P/B (x)	2.2	2.1	1.8	1.6	1.4
FCFF yield (%)	0.2	(2.0)	3.7	5.4	5.6

Source: Company, Emkay Research

Akhilesh Kumar
akhilesh.kumar@emkayglobal.com
+91-22-66121262

Key takeaways from the conference call

Guidance

- FY27 sales volume guidance of 10.5-11.0mt maintained, with 1Q volume loss from the planned shutdown expected to be fully recovered in subsequent quarters.
- Angul BF-2 targeted to ramp up from ~11kt/day currently to 12kt/day by Sep-26 and 13kt/day by Dec-26 (100% utilization).
- The management's near-term priority is maximizing utilization of existing 15.6mt steelmaking capacity, rather than announcing large greenfield expansions.
- Targeting to cut net debt/EBITDA to below 1.5x during 2QFY27 through higher cash generation.
- FY27 capex guidance maintained at ~Rs85bn, following Rs20bn spent in 1Q.

NSRs/realizations

- 1Q average realization improved by ~Rs7,500/t qoq, aided by stronger steel prices and richer product mix.
- The management indicated that current market pricing has softened:
  - HRC prices down ~Rs800/t vs 1Q average.
  - TMT prices have corrected by ~Rs8,000/t due to monsoon-led seasonal weakness.
- 1Q NSR improvement:
  - Flat products: up ~Rs7,000/t qoq.
  - Long products: up ~Rs4,500/t qoq.
- Specialty products (rails, plates, QT plates, heavy sections, rounds) largely maintained pricing despite weakness in commodity steel.

Costs during the quarter

- EBITDA remained resilient despite lower volumes due to stronger realizations and product mix.
- Key cost headwinds in 1Q:
  - Coking coal: +$23/t (in line with earlier guidance of $20–25/t).
  - Iron-bearing material cost: +~Rs500/t.
  - Middle East logistics impact: ~$12–13/t.
  - Lower operating leverage from planned shutdown: ~Rs2,000/t.
- 2Q expected to benefit from:
  - No planned shutdowns.
  - Higher production and better fixed-cost absorption.
  - Operating leverage partially offsetting higher coking-coal costs.
- The management targets ~Rs1,000/t controllable cost reduction through operational efficiencies over time.

Strategy

- Clear strategic shift toward value-added and specialty steel, avoiding commodity-led capacity additions.
- Focus areas:
  - Achieve 100% utilization of existing assets.
  - Improve NSRs via higher-value grades rather than volume growth.
  - Reduce operating and financing costs.
  - Follow strict 'Earn & Invest' capital allocation philosophy; expansions funded primarily through internal cash generation.
- The management reiterated that it does not intend to chase crude steel capacity targets, preferring profitable specialty steel growth.

Balance sheet

- Net debt stood at Rs159.3bn, with net debt/EBITDA at 1.71x.
- The management expects leverage to decline below 1.5x in 2QFY27.
- Working capital remains efficient, with finished inventory at less than 10–11 days, among the industry's leanest.
- The company has negotiated lower borrowing costs with lenders, which should reduce finance costs going forward.
- Strong emphasis on maintaining one of the sector's strongest balance sheets while funding growth.

Product mix

- Share of value-added products increased to 66% from 61% in 4QFY26.
- The management expects this to increase further as newly commissioned downstream facilities ramp up.
- Key focus products include:
  - Head-hardened metro rails
  - Specialty plates and quench and tempered (QT) plates
  - Heavy sections
  - Round billets for rail wheels and seamless pipes
  - Sheet piles
  - Defence-grade steel for submarines, warships, and hydrogen/cryogenic applications
- New HSM will prioritize high-grade value-added HRC, rather than commodity coils.

Projects

- Slurry pipeline:
  - Mechanical completion achieved.
  - Commissioning targeted during 1H Aug-26 (weather permitting).
  - Designed capacity of 18–20mtpa.
  - Expected logistics savings of ~Rs700/t once operational.
- Angul expansion:
  - BF-2 ramp-up progressing toward full utilization by Dec-26.
- Captive raw materials:

- Captive coal mix currently around 50%; expected to improve with Utkal B1 ramp-up and Utkal B2.
- Iron ore backward integration increased from 16% to ~28%, with exit FY27 target of ~40%.

- Jindal Port has commenced operations, with first vessel handling already completed, providing incremental logistics savings.
- FY27 capex remains focused on debottlenecking and value-added downstream projects rather than commodity capacity additions.

Others

- The management expects steel demand to improve after the monsoon, and believes geopolitical normalization could support global steel demand.
- It is positive on China's capacity discipline and believes supply-side reforms are constructive for global steel pricing.
- The company emphasized flexibility in product allocation—weakness in TMT can be offset by increasing production of higher-value products.
- The management acknowledged past leadership changes, but highlighted the addition of a new senior management team and reiterated focus on execution and long-term stability.
- Jharkhand MoU is conditional and remains under evaluation; any investment will adhere to the 'Earn & Invest' framework and would depend on securing iron ore linkage.

Exhibit 1: Adjusted EBITDA at Rs26.7bn beat consensus's estimate by 3%

Consolidated	Units	1Q FY26A	2Q FY26A	3Q FY26A	4Q FY26A	1Q FY27A	1Q FY27E	1Q FY27 Consensus	vs Emkay	vs Consensus	QoQ	YoY
Production	mt	2.1	2.0	2.5	2.7	2.4	2.3	-	6.7%	na	-9.4%	14.8%
Sales volume	mt	1.9	1.9	2.3	2.6	2.2	2.2	-	3.7%	na	-14.9%	17.4%
Revenue	Rs mn	123,424.4	117,468.5	130,900.4	162,755.2	155,528.3	142,392.5	148,079.1	9.2%	5.0%	-4.4%	26.0%
EBITDA	**Rs mn**	**29,846.3**	**18,750.0**	**15,927.2**	**26,470.6**	**26,664.0**	**25,014.2**	**25,885.8**	**6.6%**	**3.0%**	**0.7%**	**-10.7%**
EBITDA spread	**Rs/t**	**15,708.6**	**10,026.7**	**6,985.6**	**10,103.3**	**11,957.0**	**11,634.5**	**na**	**2.8%**	**na**	**18.3%**	**-23.9%**
Net profit	Rs mn	14,939.7	6,382.3	1,904.3	10,447.5	8,447.9	8,912.5	13,172.4	-5.2%	-35.9%	-19.1%	-43.5%
EPS	Rs	14.7	6.3	1.9	10.3	8.3	8.9	16.8	-6.5%	-50.5%	-19.2%	-43.7%
Net debt	Rs mn	144,000.0	141,560.0	154,430.0	160,190.0	159,270.0	-	-	na	na	-0.6%	10.6%
Net debt-to-EBITDA	x	1.5	1.5	1.7	1.7	1.7	-	-	na	na	3.0%	14.8%

Source: Company, Emkay Research

Exhibit 2: FY28-29E EBITDA cut by 3-4% on reducing rebar price assumptions to Rs53,000/t

	Units	FY27E			FY28E			FY29E		
		New	Old	Chg	New	Old	Chg	New	Old	Chg
Financial metrics										
Net sales	Rs mn	697,752.9	704,095.4	-0.9%	822,307.7	831,232.7	-1.1%	824,758.7	832,408.7	-0.9%
EBITDA	Rs mn	138,828.0	138,627.5	0.1%	182,171.4	189,816.6	-4.0%	183,386.1	189,939.2	-3.5%
EBIT	Rs mn	104,277.9	104,104.2	0.2%	145,293.7	152,978.7	-5.0%	144,297.5	152,634.7	-5.5%
Net profit	Rs mn	64,985.7	64,855.5	0.2%	95,747.6	105,411.3	-9.2%	95,000.4	105,153.3	-9.7%
EPS	Rs	64.7	64.6	0.2%	95.4	105.0	-9.2%	94.6	104.7	-9.7%
DPS	Rs	2.0	2.0	0.0%	2.0	2.0	0.0%	2.0	2.0	0.0%
Net debt / (cash)	Rs mn	155,406.9	192,722.9	-19.4%	112,219.1	112,516.3	-0.3%	66,256.0	-1,962.9	3475.4%
Operating metrics										
Production	mt	11.0	11.0	0.0%	13.0	13.0	0.0%	13.0	13.0	0.0%
Sales	mt	10.8	10.8	0.0%	12.8	12.8	0.0%	12.8	12.8	0.0%

Source: Company, Emkay Research

Exhibit 3: Jindal Steel – Summary of estimates

Rs mn	FY25	FY26	FY27E	FY28E	FY29E
P&L					
Net sales	501,286.6	534,548.5	697,752.9	822,307.7	824,758.7
Operating expenses	315,050.5	348,712.1	441,702.4	506,100.2	506,936.9
EBITDA	**95,691.9**	**90,994.1**	**138,828.0**	**182,171.4**	**183,386.1**
Depreciation	27,675.5	31,714.5	37,507.0	40,631.6	43,100.0
EBIT	69,691.5	62,561.8	104,277.9	145,293.7	144,297.5
Interest and taxes	28,099.5	25,689.2	39,292.2	49,546.1	49,297.1
Net earnings	**41,165.8**	**36,786.4**	**64,985.7**	**95,747.6**	**95,000.4**
EPS (Rs)	**41.0**	**36.6**	**64.7**	**95.4**	**94.6**
Dividend (Rs/sh)	2.0	2.0	2.0	2.0	2.0
Number of shares	1,004.0	1,004.0	1,004.0	1,004.0	1,004.0
Balance sheet					
Gross block	**790,739.8**	**973,591.0**	**1,073,591.0**	**1,163,591.0**	**1,253,591.0**
Inventories	56,102.2	80,227.7	76,466.1	90,115.9	90,384.5
Receivables	13,628.9	17,290.0	19,116.5	22,529.0	22,596.1
Payables	57,125.1	87,777.1	108,912.9	124,791.8	124,998.1
Net working capital	**12,606.0**	**9,740.6**	**-13,330.3**	**-12,146.9**	**-12,017.5**
Cash	**41,800.5**	**41,416.0**	**64,971.7**	**108,159.5**	**154,122.6**
Total assets	858,393.7	977,617.7	1,061,731.3	1,171,349.9	1,264,548.7
Total liabilities	384,200.5	459,208.1	480,343.9	496,222.8	496,429.1
Total Equity	**474,193.2**	**518,409.6**	**581,387.4**	**675,127.1**	**768,119.5**
Cash flow					
Operating cash before WC	91,933.5	92,662.2	141,784.9	185,925.3	187,397.5
Working capital and other	16,306.1	-20,619.9	1,409.0	-33,099.3	-31,796.2
Operating cash flow	**108,239.6**	**72,042.3**	**143,193.9**	**152,826.1**	**155,601.3**
Capex	-106,070.9	-95,741.5	-100,000.0	-90,000.0	-90,000.0
Other investing items	-17,156.9	-11,597.8	0.0	0.0	0.0
Investing cash flow	**-123,227.8**	**-107,339.3**	**-100,000.0**	**-90,000.0**	**-90,000.0**
Borrowings/(repayments)	18,883.9	43,475.9	0.0	0.0	0.0
Equity changes	0.0	0.0	0.0	0.0	0.0
Other financing items	-10,789.8	-15,450.8	-19,638.2	-19,638.2	-19,638.2
Financing cash flow	**8,094.1**	**28,025.1**	**-19,638.2**	**-19,638.2**	**-19,638.2**
Net change in cash	**-6,894.1**	**-7,271.9**	**23,555.7**	**43,187.9**	**45,963.1**
Ending cash	**41,800.5**	**41,416.0**	**64,971.7**	**108,159.5**	**154,122.6**
Free cash flow	2,168.7	-23,699.2	43,193.9	62,826.1	65,601.3

	FY25	FY26	FY27E	FY28E	FY29E
Operational metrics					
Iron Ore (USD/t)	98.6	98.1	100.0	90.0	85.0
Steel HRC (Rs/t)	50,034.0	50,612.5	56,400.0	54,000.0	54,000.0
Rebar (Rs/t)	53,759.1	47,002.1	52,500.0	53,000.0	53,000.0
Capacity (mt)	**9.6**	**15.6**	**15.6**	**15.6**	**15.6**
Steel Production (mt)	**8.1**	**9.3**	**11.0**	**13.0**	**13.0**
Steel Sales (mt)	**8.0**	**8.7**	**10.8**	**12.8**	**12.8**
Prices					
Blended Realization	59,378.7	58,192.2	61,840.0	61,650.0	61,700.0
Blended Premium	7,221.4	9,421.0	7,000.0	8,000.0	8,000.0
Financial metrics					
EBITDA margin	19.1%	17.0%	19.9%	22.2%	22.2%
EBITDA/t (Rs)	12,006.5	10,483.2	12,914.2	14,288.0	14,383.2
Net margin	8.2%	6.9%	9.3%	11.6%	11.5%
ROE	8.9%	7.4%	11.8%	15.2%	13.2%
ROCE	10.6%	8.4%	12.6%	16.0%	14.4%
ROIC	8.3%	7.2%	10.6%	13.8%	12.9%
Gross debt (Rs mn)	178,419.6	220,378.6	220,378.6	220,378.6	220,378.6
Net debt/(cash) (Rs mn)	136,619.1	178,962.6	155,406.9	112,219.1	66,256.0
Net debt-to-EBITDA (x)	1.4	2.0	1.1	0.6	0.4
Net debt to Equity	28.8%	34.5%	26.7%	16.6%	8.6%
Valuation					
P/E (x)	22.4	28.4	16.1	10.9	11.0
EV/EBITDA (x)	11.1	13.5	8.7	6.4	6.1
FCF yield	0.2%	-2.3%	4.1%	6.0%	6.3%
Dividend yield	0.2%	0.2%	0.2%	0.2%	0.2%
Methodology	**Rs/sh**				
EV/EBITDA	1,542.3				
Less: Net debt, minorities	-164.2				
Equity Value	**1,378.2**				
Target price	**1,400.0**				
Current price	1,040.0				
Expected return	**34.6%**				

Source: Company, Emkay Research

Jindal Steel: Consolidated Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**501,287**	**534,549**	**697,753**	**822,308**	**824,759**
Revenue growth (%)	(0.4)	6.6	30.5	17.9	0.3
EBITDA	**95,692**	**90,994**	**138,828**	**182,171**	**183,386**
EBITDA growth (%)	(6.5)	(4.9)	52.6	31.2	0.7
Depreciation & Amortization	27,676	31,715	37,507	40,632	43,100
EBIT	**68,016**	**59,280**	**101,321**	**141,540**	**140,286**
EBIT growth (%)	(8.2)	(12.8)	70.9	39.7	(0.9)
Other operating income	-	-	-	-	-
Other income	1,675	3,282	2,957	3,754	4,011
Financial expense	13,121	15,166	17,630	17,630	17,630
PBT	**56,571**	**47,395**	**86,648**	**127,663**	**126,667**
Extraordinary items	(13,045)	(3,113)	0	0	0
Taxes	13,999	14,723	21,662	31,916	31,667
Minority interest	(336)	65	0	0	0
Income from JV/Associates	(91)	(151)	0	0	0
Reported PAT	**29,101**	**29,474**	**64,986**	**95,748**	**95,000**
PAT growth (%)	(51.0)	1.3	120.5	47.3	(0.8)
Adjusted PAT	**42,146**	**32,587**	**64,986**	**95,748**	**95,000**
Diluted EPS (Rs)	**42.0**	**32.5**	**64.7**	**95.4**	**94.6**
Diluted EPS growth (%)	(29.4)	(22.7)	99.4	47.3	(0.8)
DPS (Rs)	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**
Dividend payout (%)	**6.9**	**6.9**	**3.1**	**2.1**	**2.1**
EBITDA margin (%)	19.1	17.0	19.9	22.2	22.2
EBIT margin (%)	13.6	11.1	14.5	17.2	17.0
Effective tax rate (%)	24.7	31.1	25.0	25.0	25.0
NOPLAT (pre-IndAS)	**51,186**	**40,865**	**75,991**	**106,155**	**105,215**
Shares outstanding (mn)	1,004	1,004	1,004	1,004	1,004

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	1,012	1,018	1,018	1,018	1,018
Reserves & Surplus	470,837	507,972	570,949	664,689	757,682
Net worth	**471,849**	**508,989**	**571,967**	**665,707**	**758,699**
Minority interests	2,344	9,421	9,421	9,421	9,421
Non-current liab. & prov.	57,808	61,337	61,337	61,337	61,337
Total debt	**178,420**	**220,379**	**220,379**	**220,379**	**220,379**
Total liabilities & equity	**730,998**	**819,461**	**882,438**	**976,178**	**1,069,171**
Net tangible fixed assets	474,023	625,330	687,823	737,191	784,091
Net intangible assets	27,938	26,757	26,757	26,757	26,757
Net ROU assets	-	-	-	-	-
Capital WIP	155,175	72,654	72,654	72,654	72,654
Goodwill	-	-	-	-	-
Investments [JV/Associates]	25,065	24,131	24,131	24,131	24,131
Cash & equivalents	**41,801**	**41,416**	**64,972**	**108,160**	**154,123**
Current assets (ex-cash)	133,655	186,063	184,128	201,190	201,526
Current Liab. & Prov.	126,658	156,889	178,025	193,903	194,110
NWC (ex-cash)	**6,996**	**29,174**	**6,103**	**7,286**	**7,416**
Total assets	**730,998**	**819,461**	**882,438**	**976,178**	**1,069,171**
Net debt	136,619	178,963	155,407	112,219	66,256
Capital employed	730,998	819,461	882,438	976,178	1,069,171
Invested capital	**508,958**	**681,261**	**720,683**	**771,235**	**818,264**
BVPS (Rs)	470.0	507.0	569.7	663.1	755.7
Net Debt/Equity (x)	0.3	0.4	0.3	0.2	0.1
Net Debt/EBITDA (x)	1.4	2.0	1.1	0.6	0.4
Interest coverage (x)	5.3	4.1	5.9	8.2	8.2
RoCE (%)	**11.1**	**9.0**	**13.5**	**17.1**	**15.3**

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	43,436	44,132	86,648	127,663	126,667
Others (non-cash items)	7,702	1,650	0	0	0
Taxes paid	(15,154)	(13,490)	(21,662)	(31,916)	(31,667)
Change in NWC	31,460	(7,130)	23,071	(1,183)	(129)
Operating cash flow	**108,240**	**72,042**	**143,194**	**152,826**	**155,601**
Capital expenditure	(106,071)	(95,742)	(100,000)	(90,000)	(90,000)
Acquisition of business	0	0	0	0	0
Interest & dividend income	1,930	1,457	0	0	0
Investing cash flow	**(123,228)**	**(107,339)**	**(100,000)**	**(90,000)**	**(90,000)**
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	18,884	43,476	0	0	0
Payment of lease liabilities	0	0	0	0	0
Interest paid	(19,965)	(21,610)	(17,630)	(17,630)	(17,630)
Dividend paid (incl tax)	(1,999)	(2,042)	(2,008)	(2,008)	(2,008)
Others	11,173	8,202	0	0	0
Financing cash flow	**8,094**	**28,025**	**(19,638)**	**(19,638)**	**(19,638)**
Net chg in Cash	(6,894)	(7,272)	23,556	43,188	45,963
OCF	108,240	72,042	143,194	152,826	155,601
Adj. OCF (w/o NWC chg.)	76,780	79,172	120,123	154,009	155,731
FCFF	2,169	(23,699)	43,194	62,826	65,601
FCFE	(9,023)	(37,409)	25,564	45,196	47,971
OCF/EBITDA (%)	113.1	79.2	103.1	83.9	84.8
FCFE/PAT (%)	(31.0)	(126.9)	39.3	47.2	50.5
FCFF/NOPLAT (%)	**4.2**	**(58.0)**	**56.8**	**59.2**	**62.3**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	35.9	35.4	16.1	10.9	11.0
EV/CE(x)	1.8	1.6	1.5	1.3	1.2
P/B (x)	2.2	2.1	1.8	1.6	1.4
EV/Sales (x)	2.3	2.2	1.7	1.4	1.4
EV/EBITDA (x)	12.2	12.8	8.4	6.4	6.3
EV/EBIT(x)	17.1	19.6	11.5	8.2	8.3
EV/IC (x)	2.3	1.7	1.6	1.5	1.4
FCFF yield (%)	0.2	(2.0)	3.7	5.4	5.6
FCFE yield (%)	(0.9)	(3.5)	2.4	4.3	4.5
Dividend yield (%)	0.2	0.2	0.2	0.2	0.2
DuPont-RoE split					
Net profit margin (%)	8.4	6.1	9.3	11.6	11.5
Total asset turnover (x)	0.7	0.7	0.8	0.9	0.8
Assets/Equity (x)	1.5	1.6	1.6	1.5	1.4
RoE (%)	**9.2**	**6.6**	**12.0**	**15.5**	**13.3**
DuPont-RoIC					
NOPLAT margin (%)	10.2	7.6	10.9	12.9	12.8
IC turnover (x)	1.0	0.9	1.0	1.1	1.0
RoIC (%)	**9.9**	**6.9**	**10.8**	**14.2**	**13.2**
Operating metrics					
Core NWC days	5.1	19.9	3.2	3.2	3.3
Total NWC days	**5.1**	**19.9**	**3.2**	**3.2**	**3.3**
Fixed asset turnover	0.6	0.6	0.7	0.7	0.7
Opex-to-revenue (%)	80.9	83.0	80.1	77.8	77.8

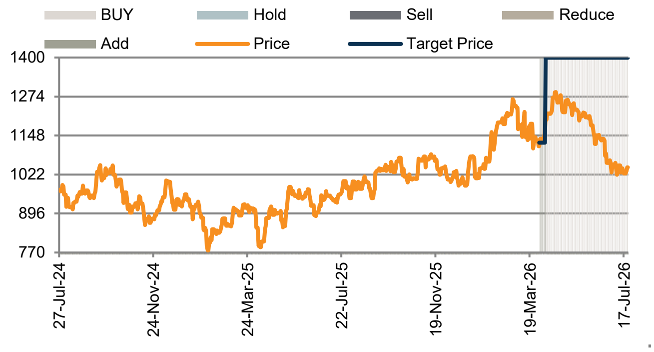
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
07-Jul-26	1,035	1,400	Buy	Akhilesh Kumar
16-Jun-26	1,140	1,400	Buy	Akhilesh Kumar
02-May-26	1,223	1,400	Buy	Akhilesh Kumar
16-Apr-26	1,228	1,400	Buy	Akhilesh Kumar
08-Apr-26	1,213	1,400	Buy	Akhilesh Kumar
31-Mar-26	1,113	1,125	Add	Akhilesh Kumar

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

Emkay Global Financial Services Ltd.
CIN - L67120MH1995PLC084899
7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

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