

JSW STEEL LTD.

(NSE : JSWSTEEL , BSE : 500228)

DATE : 1/6/24

WE AT AS RESEARCH TECHNIC, INITIATE OUR COVERAGE ON JSW STEEL LTD. JSW Steel has always been at the forefront of research and innovation. It has a strategic collaboration with global leader JFE Steel of Japan, enabling JSW to access new and state-of-the-art technologies to produce & offer high-value special steel products to its customers.

ABOUT THE BUSINESS :

JSW Steel Limited is an Indian multinational steel producer based in Mumbai and is a flagship company of the JSW Group. After the merger of Bhushan Power & Steel, Ispat Steel and Jindal Vijayanagar Steel Limited, JSW Steel became India's second largest private sector steel company. Vijayanagar Steel Limited, JSW Steel became India's second largest private sector steel company. As of July 2023, they installed with a production capacity of 29.7 MTPA in India and the United States. The company is aiming to boost the total steel production capacity to 38.5 MTPA by the financial year 2025. As of April 2023, nearly 98% of JSW Steel's revenue comes from steel and related products — long rolled products (18%), galvanized coils/sheets (15%), CR coils/sheets (9%), plates/pipes (5%), other miscellaneous steel products (5%), and iron ore (2%), in that order. Overall, 70% of revenue is derived from India, and 30% is from overseas.

PREVIOUS MONTH FOLLOWUP

AS MENTIONED IN THE PREVIOUS REPORT, THE SHARE PRICE BROKE 888 ON THE UPPER SIDE. THE STOCK PRICE WENT UPTO 923 AFTER BREAKING THE RESISTANCE 850 ON THE UPPER SIDE.

PROS :

- COMPANY HAS BEEN MAINTAINING A HEALTHY DIVIDEND PAYOUT OF 24.9%.

RESEARCH ANALYST

P.SUNANDINI @ AS RESEARCH TECHNIC



FINANCIAL SNAP SHOT :

MARKET CAP	₹ 2,15,505 Cr.
STOCK P/E	25.6
ROE	11.8 %
CURRENT PRICE	₹ 881
BOOK VALUE	₹ 318
ROCE	13.2 %
HIGH	₹ 930
LOW	695
DIVIDEND YIELD	0.39 %
FACE VALUE	₹ 1.00

SHARE HOLDING PATTERN:

PROMOTERS	44.81%
FIIS	26.06%
DIIS	9.81%
PUBLIC	18.44%
GOVERNMENT	0.51%
OTHERS :	0.37%
NO.OF SHAREHOLDERS	6,71,779

PEER COMPARISON :

SECTOR: STEEL INDUSTRY: STEEL - LARGE

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	Sales Qtr Rs.Cr.	ROCE %
1	JSW Steel	881	25.58	215505.47	0.39	46269	13.24
2	Tata Steel	167.15		208598.62	2.15	58687.31	7.67
3	Tube Investments	3598.65	84.15	69611.18	0.1	4490.11	26.05
4	S A I L	158.4	17.67	65406.8	0.95	27958.52	8.24
5	Jindal Stain.	794.35	24.97	65386.43	0.19	9454.02	22.27
6	APL Apollo Tubes	1501.7	56.85	41637.84	0.33	4765.74	25.29
7	Jindal Saw	538.3	10.81	17215.51	0.74	5425.16	21.37

KEY POINTS :

- JSW steel is one of India's leading integrated and most geographically diversified steel manufacturers.
- It's steel goes into building key infrastructure across the country making it an enduring partner in India's growth story.
- They focus on adopting the best available technologies and processes to retain steel's position as the metal of choice while transitioning to a low-carbon future.
- Achieved leadership level (A) in CDP climate programme.
- The company envisions a future with steel as the driving force behind transformation changes in a prosperous, and sustainable world.
- The company is investing in innovation and technology they focusing on providing differentiated products and solutions that address the evolving needs of the customers.
- JSW steel is aligned with global efforts to mitigate climate change and move towards a low-carbon future, they have set ambitious targets to reduce carbon emissions, improve resource efficiency and shift to green energy to power their growth.
- JSW steel is supplying steel to key infrastructure projects in-rail, metro, water pipeline, airport, nuclear power plants, green energy, expressways and highways.

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- Tinplate, a packing medium, is one of the highest value- adding downstream products.
- They have developed the JSW GALVOS brand to address the typical challenges that solar panel installations face, such as harsh outdoor conditions.
- At JSW steel, sustainability is a strategic business imperative. They are cognizant of their responsibility towards balancing growth and sustainability, as the world transitions to be a low carbon future.
- Their robust decarbonisation roadmap enables them to track their progress against well-defined targets for 2030.
- Further they have undertaken various measures aligned with the vision of zero harm , and for augmenting product sustainability.
- They launched seed, a large scale, plant-wide decarbonisation programme in Vijayanagar.
- They have a greenpro certification for JSW neo steel TMT bars and in 14 categories of roofing sheets.
- **THE SHARE PRICE CAN GO UPTO 944 IF IT BREAKS 934 ON THE UPPER SIDE.**
- **THE SHARE PRICE CAN GO UPTO 855 IF IT BREAKS 864 ON THE UPPER SIDE.**

PIVOT TABLE :

		SUPPORT				RESISTANCE			
DATE	WEEK CLOSE	S3	S2	S1	PIVOT	R1	R2	R3	PRV CLOSE
31-05-2024	880.55	856.87	866.93	875.32	885.383	893.77	903.83	912.22	883.7
30-05-2024	880.55	855.62	864.43	883.17	891.983	910.72	919.53	938.27	901.9
29-05-2024	880.55	885.65	891.05	899.2	904.6	912.75	918.15	926.3	907.35
28-05-2024	880.55	882.17	891.68	896.82	906.333	911.47	920.98	926.12	901.95
27-05-2024	880.55	880.4	890.25	899.45	909.3	918.5	928.35	937.55	908365
24-05-2024	908.65	888.09	897.07	907.04	916.018	925.98	934.96	944.93	917

DISCLAIMER: INVESTMENT/TRADING IN SECURITIES MARKET IS SUBJECT TO MARKET RISK, PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE PERFORMANCE.THE RISK OF LOSS IN TRADING AND INVESTMENT IN SECURITIES MARKETS INCLUDING EQUITIES AND DERIVATIVES CAN BE SUBSTANTIAL.