

JSW Steel

Ticker	JSTL	Current Stock price	1,007.6
Date	21/6/2025	Implied Stock Price	438.8
Year End	31/12/2025	Undervalued / (Overvalued)	129.6%

x Assumptions

Switches		Conservative		Base		Optimistic	
Assumptions		Assumptions	year	metric	Assumptions	year	metric
Revenue	3	revenue	2026	11.5%	revenue	2026	14.5%
Growth rate-y-o-y growth	1	revenue	2030	8.0%	revenue	2030	11.0%
WACC	2				D&A	2030	6.0%
TGR	2				CapEx	2030	7.0%
Valuation							
WACC	11.2%	WACC		14.24%	WACC		11.24%
TGR	2.5%	TGR		2.00%	TGR		2.50%
							8.24%
							3.00%

x Income Statement

	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025A	2026A	2027A	2028A	2029A	2030A
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Revenue	41,546.2	55,604.0	71,933.0	84,757.0	73,326.0	79,839.0	146,371.0	165,960.0	175,006.0	168,824.0					
% y-o-y growth		33.8%	29.4%	17.8%	-13.5%	8.9%	83.3%	13.4%	5.5%	-3.5%					
EBIT	3,099.7	8,878.0	11,529.0	14,889.0	7,567.0	15,499.0	33,113.0	10,996.0	19,985.0	13,284.0					
% of sales	7.5%	16.0%	16.0%	17.6%	10.3%	19.4%	22.6%	6.6%	11.4%	7.9%					
EBT	(501.4)	5,110.0	7,828.0	10,972.0	3,302.0	11,542.0	28,145.0	4,094.0	11,880.0	4,872.0					
% of sales	-1.2%	9.2%	10.9%	12.9%	4.5%	14.5%	19.2%	2.5%	6.8%	2.9%					
Taxes	(1,966.2)	1,674.0	1,538.0	3,644.0	(906.0)	4,142.0	8,807.0	1,516.0	4,407.0	1,586.0					
Tax rate	392.1%	32.8%	19.6%	33.2%	-27.4%	35.9%	31.3%	37.0%	37.1%	32.6%					

x Cash Flow Items

	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025A	2026A	2027A	2028A	2029A	2030A
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D&A	3,322.6	3,430.0	3,387.0	4,041.0	4,246.0	4,679.0	6,001.0	7,474.0	8,172.0	9,309.0					
% of sales	8.0%	6.2%	4.7%	4.8%	5.8%	5.9%	4.1%	4.5%	4.7%	5.5%					
CapEx	5,162.0	4,390.0	4,676.0	10,162.0	12,767.0	9,207.0	10,048.0	14,749.0	15,547.0	12,635.0					
% of sales	12.4%	7.9%	6.5%	12.0%	17.4%	11.5%	6.9%	8.9%	8.9%	7.5%					
Change in NWC	491.0	(3,869.0)	(1,101.0)	(1,581.0)	1,639.0	1,264.0	(7,264.0)	3,105.0	(13,615.0)	(681.0)					
% of sales	1.2%	-7.0%	-1.5%	-1.9%	2.2%	1.6%	-5.0%	1.9%	-7.8%	-0.4%					
%change in of sales		-27.5%	-6.7%	-12.3%	-14.3%	19.4%	-10.9%	15.9%	-150.5%	11.0%					

x DCF

	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025A	2026A	2027A	2028A	2029A	2030A
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Revenue	41,546.2	55,604.0	71,933.0	84,757.0	73,326.0	79,839.0	146,371.0	165,960.0	175,006.0	168,824.0	198,292.5	231,534.5	268,749.2	310,088.4	353,500.8
Growth %	0.0%	33.8%	29.4%	17.8%	-13.5%	8.9%	83.3%	13.4%	5.5%	-3.5%	17.5%	16.8%	16.1%	15.4%	14.0%
conservative											11.5%	10.8%	8.6%	6.9%	8.0%
base											14.5%	13.8%	13.1%	12.4%	11.0%
optimistic											17.5%	16.8%	16.1%	15.4%	14.0%

EBIT	3,099.7	8,878.0	11,529.0	14,889.0	7,567.0	15,499.0	33,113.0	10,996.0	19,985.0	13,284.0	26,827.1	31,324.4	36,359.2	41,952.0	47,825.3	
% of sales	7.5%	16.0%	16.0%	17.6%	10.3%	19.4%	22.6%	6.6%	11.4%	7.9%	13.5%	13.5%	13.5%	13.5%	13.5%	
EBT	(501.4)	5,110.0	7,828.0	10,972.0	3,302.0	11,542.0	28,145.0	4,094.0	11,880.0	4,872.0	16,287.7	19,018.2	22,075.1	25,470.7	29,036.6	
% of sales	-1.2%	9.2%	10.9%	12.9%	4.5%	14.5%	19.2%	2.5%	6.8%	2.9%	8.2%	8.2%	8.2%	8.2%	8.2%	
Taxes	(1,966.2)	1,674.0	1,538.0	3,644.0	(906.0)	4,142.0	8,807.0	1,516.0	4,407.0	1,586.0	5,302.2	6,191.1	7,186.2	8,291.6	9,452.4	
Tax rate	392.1%	32.8%	19.6%	33.2%	-27.4%	35.9%	31.3%	37.0%	37.1%	32.6%	32.6%	32.6%	32.6%	32.6%	32.6%	
x NOPAT / EBIAT											10,985.5	12,827.2	14,888.9	17,179.1	19,584.2	
D&A	3,322.6	3,430.0	3,387.0	4,041.0	4,246.0	4,679.0	6,001.0	7,474.0	8,172.0	9,309.0	10,723.7	12,795.6	15,170.4	17,871.0	21,210.0	
% of sales	8.0%	6.2%	4.7%	4.8%	5.8%	5.9%	4.1%	4.5%	4.7%	5.5%	5.4%	5.5%	5.6%	5.8%	6.0%	
CapEx	5,162.0	4,390.0	4,676.0	10,162.0	12,767.0	9,207.0	10,048.0	14,749.0	15,547.0	12,635.0	19,804.0	21,740.7	23,629.4	25,411.5	24,745.1	
% of sales	12.4%	7.9%	6.5%	12.0%	17.4%	11.5%	6.9%	8.9%	8.9%	7.5%	10.0%	9.4%	8.8%	8.2%	7.0%	
Change in NWC	491.0	(3,869.0)	(1,101.0)	(1,581.0)	1,639.0	1,264.0	(7,264.0)	3,105.0	(13,615.0)	(681.0)	(3,297.4)	(3,850.1)	(4,469.0)	(5,156.4)	(5,878.3)	
% of sales	1.2%	-7.0%	-1.5%	-1.9%	2.2%	1.6%	-5.0%	1.9%	-7.8%	-0.4%	-1.7%	-1.7%	-1.7%	-1.7%	-1.7%	
x UFCF											5,202.6	7,732.2	10,898.8	14,795.1	21,927.4	
discount period											1	2	3	4	5	
PV of UFCF											4,677.0	6,248.8	7,918.1	9,662.9	12,874.3	
TV																257,220.4
PV of TV																151,022.6
Enterprise value			192,403.6													
(+) Cash			13,285.0													
(-) Debt			98,752.0													
Equity Value			106,936.6													
NO. of shares outstanding			243.7													
Implied price per share			438.8													