

Pick of the Week

ADD – JSW Steel (JSTL)

CMP: ₹1236 as on 06 Feb 2026

Fair Value (FV): ₹1300 | Time Period: 12 months

Why Invest?

- JSTL's Q3FY26 consolidated adjusted EBITDA was in line with our estimates.
- India steel's EBITDA was at Rs8,478/ton (+4.1 yoy, (-)20% qoq), led by steel price weakness.
- A strong recovery (+11%) in domestic HRC prices in the past one month suggests a sharp margin recovery ahead.
- JSTL has announced a 5 mtpa greenfield steel plant at Odisha to be completed by FY30.
- A strong capacity addition pipeline and efficient execution would aid in a CAGR of 10% in steel sales volumes over the next 3-5 years.
- Maintain ADD with a revised FV of Rs1,300.

Maintain ADD with **FVRs- 1300**

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

- BUY** – We expect the stock to deliver more than 15% returns over the next 12 months
- ADD** – We expect the stock to deliver 5% - 15% returns over the next 12 months
- REDUCE** – We expect the stock to deliver -5% - +5% returns over the next 12 months
- SELL** – We expect the stock to deliver < -5% returns over the next 12 months
- NR** – **Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
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- NA** – **Not Available or Not Applicable.** The information is not available for display or is not applicable
- NM** – **Not Meaningful.** The information is not meaningful and is therefore excluded.
- NOTE** – Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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