Ratings Monitor

One Report – to monitor stocks and identify triggers to re-evaluate ratings

JSW Infrastructure (JSWINFRA)

Current Market Price	Fair Value (FV)
Rs.338	Rs.320

Date: 25th June 2026

Previous Rating: ADD **Current Rating:** REDUCE **Change:** DOWNGRADE

Ratings Rationale

- JSWINFRA's QIP document reaffirms weakness in captive volumes and the hurdle in growing third-party volumes from a macro perspective.
- Logistics is where the company may have a better case for scale-up, given the parent's exposure, large market and lack of competition from APSEZ in select verticals.
- We note hurdles to execution and placement for enlarged steel capacities of the group, the benefit of which is factored into our FY30 EBITDA estimate.
- JSWINFRA now trades in line with APSEZ on FY30E basis.
- Downgrade to REDUCE from ADD, with an unchanged FV of Rs320.
- JSWINFRA trades at ~11X FY20 EV/EBITDA basis, with benefits from group steel scale-up largely priced in. concession renewal—a low probability event—would be a limited 10% downside from CMP.
- CMP is implying expectations of faster growth for JSWINFRA beyond FY30E at CMP.
- This factors in the group's steel plant expansion plans beyond FY30E in a large quantum.

Valuation

Downgrade to REDUCE from ADD as company trades at PAR with ADSEZ.

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.
SUBSCRIBE	–	We advise investor to subscribe to the IPO.
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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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