kotak Securities

Ratings Monitor

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

JSW Cement (JSWCEMEN)

Current Market Price	Fair Value (FV)
Rs.112	Rs.135

Date: 10 December 2025

Previous Rating: - NA **Current Rating: BUY** **Change: NA**

Ratings Rationale

- JSW Cement is India's largest manufacturer of GGBS, with ~84% market share in FY25, and ~40% of total external volumes.
- A niche high-growth product, GGBS is manufactured from slag and commonly used as a substitute for cementitious products in concrete mixes.
- Company has long-term contracts with group entity JSW Steel (JSTL), India's largest steel company, for slag procurement.
- We expect GGBS demand to grow in mid-double digits over FY25-28E given cost advantages, low penetration and favourable characteristics.
- Company is present in south, east and west regions with a capacity of 21.6 mtpa; we expect it to raise capacity to ~32/42 mtpa in phases to become a pan-India player.
- We forecast 12%/18% volume/EBITDA CAGR over FY24-28E.

(GGBS: Ground Granulated Blast Furnace Slag; EV: Enterprise Value; EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization; CAGR: Compound Annual Growth Rate; FCF: Free Cash Flow; MTPA: Million Tons Per Annum; 1 million: 10 lakh)

Valuation

Initiate with a BUY rating and an FV of Rs135, implying 8.5x EV/EBITDA FY28E

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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