

July 23, 2025

Q1FY26 Result Update

■ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	344		344	
Sales (Rs. m)	65,232	84,756	65,232	84,756
% Chng.	-	-	-	-
EBITDA (Rs. m)	33,043	44,137	33,043	44,137
% Chng.	-	-	-	-
EPS (Rs.)	9.7	12.5	9.7	12.5
% Chng.	-	-	-	-

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	44,761	54,618	65,232	84,756
EBITDA (Rs. m)	22,622	27,181	33,043	44,137
Margin (%)	50.5	49.8	50.7	52.1
PAT (Rs. m)	15,031	17,008	20,212	25,886
EPS (Rs.)	7.2	8.2	9.7	12.5
Gr. (%)	28.7	13.2	18.8	28.1
DPS (Rs.)	0.6	0.6	0.8	1.1
Yield (%)	0.2	0.2	0.3	0.3
RoE (%)	17.0	16.3	16.7	18.3
RoCE (%)	12.8	13.3	13.3	14.0
EV/Sales (x)	15.4	13.2	11.4	9.0
EV/EBITDA (x)	30.4	26.6	22.5	17.4
PE (x)	44.4	39.2	33.0	25.8
P/BV (x)	6.9	6.0	5.1	4.4

Key Data JSWN.BO | JSWINFRA IN

52-W High / Low	Rs.355 / Rs.218
Sensex / Nifty	82,727 / 25,220
Market Cap	Rs.676bn/ \$ 7,818m
Shares Outstanding	2,100m
3M Avg. Daily Value	Rs.951.28m

Shareholding Pattern (%)

Promoter's	83.62
Foreign	6.64
Domestic Institution	2.81
Public & Others	6.93
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	6.3	14.0	(1.4)
Relative	5.2	5.4	(4.1)

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Muted volumes, logistics ramp-up affect margins

Quick Pointers:

- JSWINFRA maintained its FY26 guidance of 10% volume growth, despite weak Q1 volumes, expecting stronger performance in H2
- Navkar FY26 revenue/ EBITDA to reach Rs7-8bn/Rs1bn

JSWINFRA reported weak Q1FY26 operating performance led by 4.6% cargo volume growth and lower contribution from logistics business. Cargo volumes were affected by lower iron ore volumes at Paradip, Dolvi steel plant maintenance shutdowns, and lower third-party cargo, despite strong coal handling operations at Ennore, PNP and Paradip. Volumes at its largest port, Jaigarh, remained tepid due to the delay in government orders to Jul'25. Port ops revenue per ton grew 2.8% YoY to Rs369 driven by tariff hikes during the quarter. We expect the ramp-up of group steel business in H2 and commissioning of the LPG terminal at JNPT to drive volume growth for the company.

We believe JSWINFRA is a play on group's strong steel output growth, with significant cargo volume uptick expected from JSTL's Dolvi plant expansion and ramp-up. Third-party volumes are also likely to drive growth, supported by the company's presence at major ports and active participation in upcoming terminal bids. Recently, the company received an LoA from SMPK for the redevelopment and mechanization of container berths, further strengthening its third-party cargo potential. JSWINFRA is expanding its logistics focus, driven by Navkar's turnaround and the NCR Rail acquisition, which has 6 rail lines and links to both DFCs. We expect JSWINFRA to deliver revenue/EBITDA/PAT CAGR of 23%/25%/20% over FY25-28E. The stock is trading at EV of 20.2x/17.2x FY27E/FY28E EBITDA. Maintain 'Accumulate' with TP of Rs344 valuing at 21x EV of Sep'27E EBITDA.

- Revenue aided by tariff hikes:** Revenue grew 21% YoY to Rs12.2bn (-5% QoQ) aided by logistics revenue, tariff hikes and volume growth of ~5% YoY. Port ops revenue grew 7.5% YoY to Rs10.9bn, while cargo volumes grew 4.6% YoY to 29.4mt. Third-party volumes grew 8% YoY, with their share rising to 52% from 50% last year. Ports ops revenue per ton improved 2.8% YoY to Rs369. Ports ops EBIT/t improved 5.4% YoY to Rs153, while margins improved 101bps YoY to 41.4%. Logistics business revenue grew 6% QoQ to Rs1.4bn, but its contribution was weaker with EBIT margins at 5.5% (+335bps QoQ).
- Navkar Corporation leads logistics business:** Navkar reported strong Q1 results, with EXIM cargo volumes rising 31% YoY to 81,000 TEUs and domestic cargo volumes up 11% to 275,000t, which led to logistics revenue growing by 5.5% QoQ.
- EBITDA affected by higher operating costs:** Operating expenses increased 36% YoY (6% QoQ) due to the addition of logistics revenue from Q3FY25. Employee expenses declined by 6% YoY (-13% QoQ). Other expenses inched up 23% YoY. Resultantly, EBITDA increased 13% YoY to Rs5.8bn (-9% QoQ).

Q1FY26 Conference Call Highlights:

Operational Highlights:

- JSWINFRA implemented tariff hikes in Q1FY26 at locations like Goa and the coal terminal at Paradip. In non-WPI-linked contracts, hikes were substantial, while WPI-linked increases were modest due to low inflation.
- Jaigarh and Dharamtar together are expected to handle cargo volumes of 45.8-46mtpa in FY26.
- Dolvi plant was shut down for maintenance in Q4FY25 and Q1FY26. The decline at Jaigarh was driven by lower third-party cargo, mainly MOP and urea, due to delayed government orders, which are expected to resume next quarter.
- Employee expenses, including ESOPs, have been steadily declining, with Q1 lower than both same period last year and Q4FY25.
- Given the volatility in rupee and the resulting shift in the yield curve, a mark-to-market unrealized gain of Rs360mn has been recognized.
- As of Q1FY26, net debt stood at Rs12.46bn, with a net debt/EBITDA ratio of 0.54x.
- Group cargo tends to be lumpy with quantum jumps tied to steel capacity additions.
- With rising JSW Steel volumes and large vessels booked for iron ore that will come to Jaigarh, traction is visible from Jul, which is expected to cover the shortfall of Q1.

Logistics:

- Navkar Corporation is expected to post revenue and EBITDA of Rs7-8bn and Rs1bn, respectively, for FY26.
- Morbi has shown steady growth, crossing 5,000 TEUs/month with improved empty-to-loaded ratios. At 80–90% utilization, terminals are expected to generate Rs8–9bn in revenue, rising to Rs10bn with a larger rake fleet.
- The Rs4.67bn NCR Rail (Khurja, UP) acquisition supports JSWINFRA's pan-India logistics strategy, anchored on steel cargo with return load potential. Strategically located near both DFCs and the NCR gateway, it is expected to aid EBITDA as the network scales up.
- JSWINFRA will have many verticals similar to Navkar, with overall revenue target of Rs80bn for its logistics business and investment of Rs90bn over the next 5-6 years.

Expansion on track:

- JSWINFRA secured the LoA from Syama Prasad Mookerjee Port for redevelopment and mechanization of Berth 7 & 8 at Netaji Subhas Dock, Kolkata. The terminals are expected to be commissioned by Aug'27.

Exhibit 1: On track to complete 400mtpa mark by FY30E

Project / Location	Current Status / Progress	Additional Notes	Expected Completion
JNPA Liquid Terminal	Work progressing well	Completion expected within the current quarter	Q2FY26
Keni Port	Public hearing scheduled for August	Progress continues as planned	FY29
Iron Ore Slurry Pipeline (302km)	214km welding and 192km pipeline lowering completed	On track for Q4FY27 completion; cargo to be routed to Jatadhar Port ensuring stable cargo	Q4FY27
Jatadhar Port	EIA report submitted; public hearing process ongoing	Anchor customer signed concession agreement; novation agreement expected soon	Q4FY27
Murbe Port	Hydrographic and geotechnical studies completed	—	FY29
Southwest Port	EC for 15mt capacity received	Awaiting state pollution control board approval	NA
Terminal Privatization (Kolkata, Paradip)	Clearances underway for outer/inner harbor at Netaji Subhas Dock, Kolkata	New bids expected at Paradip; JSWINFRA actively evaluating	NA
Tuticorin Port	Piling begun; key equipment orders placed	Timeline extended by 3 months due to delayed LoA in Mar'25	Q1FY27
Jaigarh Port (LPG Project)	Slight delay due to pending PESO approval	All clearances now in place; on track for timely completion	FY27
Bhoke to Jatadhar Rail Siding	Partnered with Konkan Railway; 25km rail line near Jaigarh	Fully funded by JSWINFRA; to handle container, bulk and liquid cargo	1.5-2 years

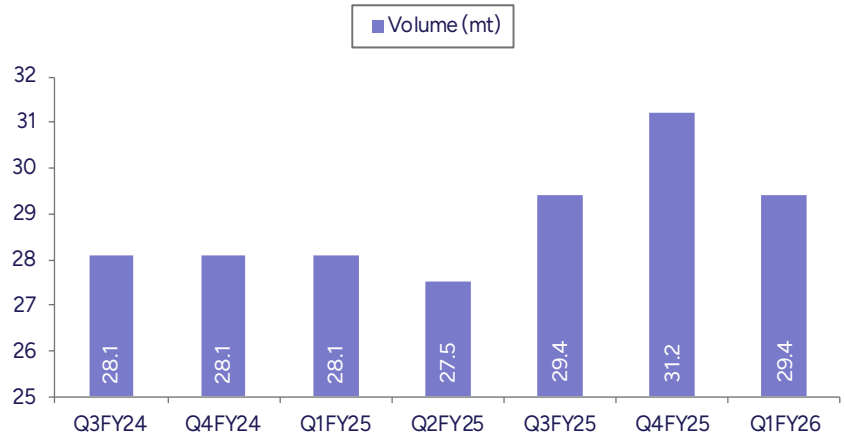
Source: Company, PL

Exhibit 2: Q1FY26 Result Overview (Consolidated)

Consolidated	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	FY26E	FY25	YoY gr. (%)
Volume	29	28	4.6	31	-5.8	128	117	9.8
Revenue	12,239	10,098	21.2	12,832	-4.6	54,618	44,761	22.0
Consumption of RM	5,363	3,954	35.6	5,055	6.1	21,395	17,435	22.7
Employee Expenses	529	563	-5.9	609	-13.1	3,311	2,407	37.6
Other Expense	534	434	23.0	758	-29.6	2,731	2,298	18.8
Total Expense	6,427	4,951	29.8	6,423	0.1	27,437	22,140	23.9
EBITDA	5,812	5,146	12.9	6,409	-9.3	27,181	22,622	20.2
EBITDA Margin (%)	47	51	-348 bps	50	-246 bps	50	51	-77 bps
Depreciation	1,435	1,346	6.6	1,405	2.1	6,076	5,466	11.2
Interest	550	823	-33.2	78	603.2	3,152	2,657	18.6
Other Income	899	939	-4.3	887	1.3	3,550	3,530	0.6
Exceptional Gain/Loss	0	0	#DIV/0!	0	#DIV/0!	0	0	#DIV/0!
PBT	4,726	3,916	20.7	5,814	-18.7	21,502	18,028	19.3
Total Tax	830	951	-12.7	658	26.2	4,300	2,814	52.8
PAT	3,896	2,966	31.4	5,156	-24.4	17,202	15,215	13.1
Profit from Associates	0	0	#DIV/0!	0	#DIV/0!	0	0	#DIV/0!
Minority Interest	49	41	19.0	62	-21.3	193	184	5.0
Adjusted PAT	3,847	2,924	31.5	5,094	-24.5	17,008	15,031	13.2

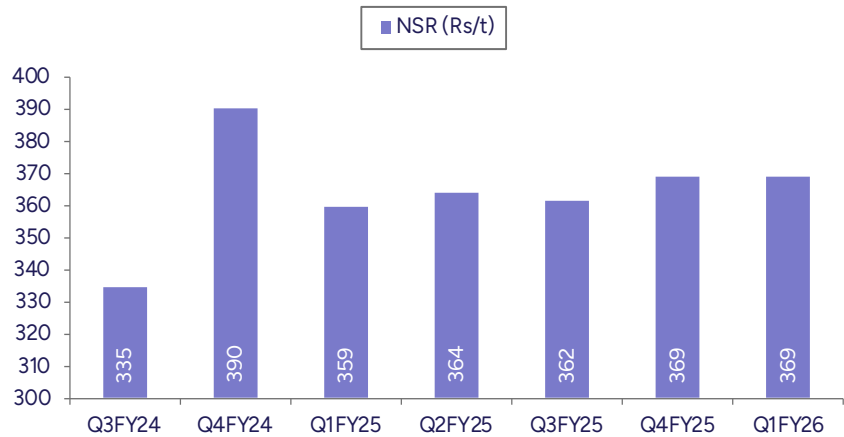
Source: Company, PL

Exhibit 3: Volume grew 4.6% YoY on strong coal handling operations



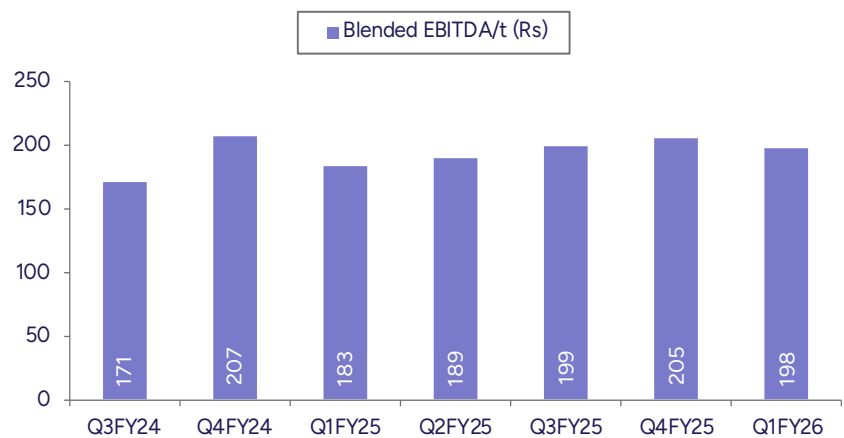
Source: Company, PL

Exhibit 4: Ports NSR grew 2.8% YoY on higher tariffs (Rs/t)



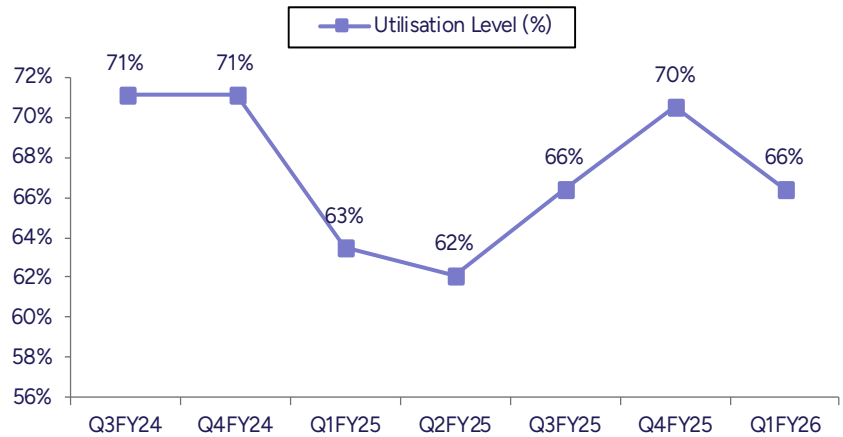
Source: Company, PL

Exhibit 5: Blended EBITDA/t grew by 8% YoY on higher tariffs (Rs/t)



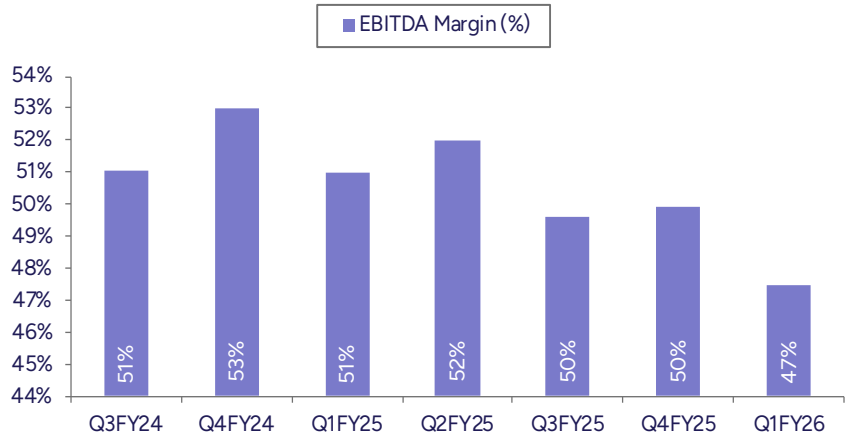
Source: Company, PL

Exhibit 6: Utilization level improved on 290 bps YoY to 66.4%



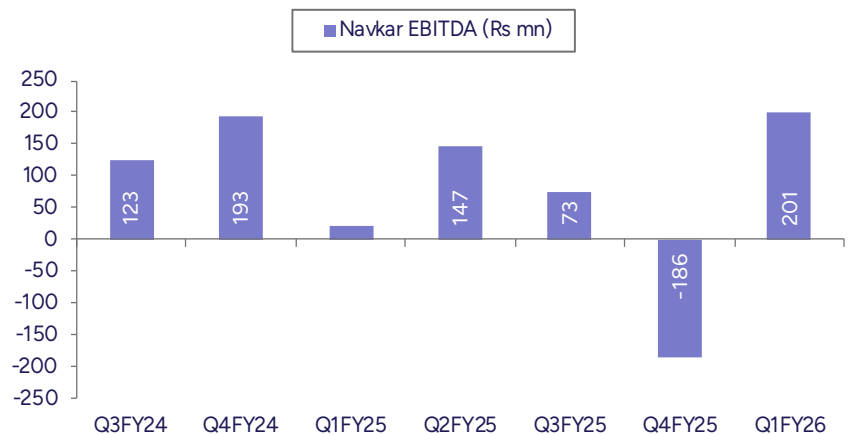
Source: Company, PL

Exhibit 7: Margins declined by 348bps YoY on muted volumes



Source: Company, PL

Exhibit 8: Turnaround in Navkar Corporation's performance (Rs mn)



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	44,761	54,618	65,232	84,756
YoY gr. (%)	19.0	22.0	19.4	29.9
Cost of Goods Sold	17,435	21,395	24,166	30,407
Gross Profit	27,327	33,222	41,066	54,350
Margin (%)	61.0	60.8	63.0	64.1
Employee Cost	2,407	3,311	4,762	6,229
Other Expenses	2,298	2,731	3,262	3,984
EBITDA	22,622	27,181	33,043	44,137
YoY gr. (%)	15.1	20.2	21.6	33.6
Margin (%)	50.5	49.8	50.7	52.1
Depreciation and Amortization	5,466	6,076	7,390	11,123
EBIT	17,156	21,104	25,653	33,014
Margin (%)	38.3	38.6	39.3	39.0
Net Interest	2,657	3,152	4,375	5,898
Other Income	3,530	3,550	4,240	5,509
Profit Before Tax	18,028	21,502	25,518	32,624
Margin (%)	40.3	39.4	39.1	38.5
Total Tax	2,814	4,300	5,104	6,525
Effective tax rate (%)	15.6	20.0	20.0	20.0
Profit after tax	15,215	17,202	20,414	26,099
Minority interest	184	193	203	213
Share Profit from Associate	-	-	-	-
Adjusted PAT	15,031	17,008	20,212	25,886
YoY gr. (%)	30.0	13.2	18.8	28.1
Margin (%)	33.6	31.1	31.0	30.5
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	15,031	17,008	20,212	25,886
YoY gr. (%)	30.0	13.2	18.8	28.1
Margin (%)	33.6	31.1	31.0	30.5
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	15,031	17,008	20,212	25,886
Equity Shares O/s (m)	2,074	2,074	2,074	2,074
EPS (Rs)	7.2	8.2	9.7	12.5

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	1,19,023	1,39,023	1,69,023	2,49,023
Tangibles	84,934	1,04,934	1,34,934	2,14,934
Intangibles	34,089	34,089	34,089	34,089
Acc: Dep / Amortization	25,094	31,170	38,560	49,683
Tangibles	16,802	22,879	30,269	41,392
Intangibles	8,291	8,291	8,291	8,291
Net fixed assets	93,929	1,07,853	1,30,463	1,99,340
Tangibles	68,132	82,055	1,04,665	1,73,542
Intangibles	25,798	25,798	25,798	25,798
Capital Work In Progress	20,202	55,202	70,202	45,202
Goodwill	-	-	-	-
Non-Current Investments	1,530	1,530	1,530	1,530
Net Deferred tax assets	3,375	3,375	3,375	3,375
Other Non-Current Assets	7,648	7,648	7,648	7,648
Current Assets				
Investments	1,598	1,598	1,598	1,598
Inventories	1,338	1,633	1,950	2,534
Trade receivables	8,090	9,872	11,790	15,319
Cash & Bank Balance	24,821	4,860	3,601	5,578
Other Current Assets	5,539	5,539	5,539	5,539
Total Assets	1,69,285	2,00,324	2,38,910	2,88,877
Equity				
Equity Share Capital	4,147	4,147	4,147	4,147
Other Equity	92,822	1,07,898	1,25,454	1,48,683
Total Network	96,969	1,12,045	1,29,601	1,52,830
Non-Current Liabilities				
Long Term borrowings	44,390	59,390	79,390	1,04,390
Provisions	190	190	190	190
Other non current liabilities	4,882	4,882	4,882	4,882
Current Liabilities				
ST Debt / Current of LT Debt	2,198	2,198	2,198	2,198
Trade payables	3,494	4,263	5,091	6,615
Other current liabilities	8,029	8,029	8,029	8,029
Total Equity & Liabilities	1,69,285	2,00,324	2,38,910	2,88,877

Source: Company Data, PL Research



Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	18,028	21,502	25,518	32,624
Add. Depreciation	5,466	6,076	7,390	11,123
Add. Interest	2,657	3,152	4,375	5,898
Less Financial Other Income	3,530	3,550	4,240	5,509
Add. Other	(551)	-	-	-
Op. profit before WC changes	25,601	30,731	37,283	49,646
Net Changes-WC	(1,860)	(1,307)	(1,407)	(2,589)
Direct tax	(2,736)	(4,300)	(5,104)	(6,525)
Net cash from Op. activities	21,004	25,123	30,772	40,532
Capital expenditures	(20,746)	(42,317)	(42,317)	(42,317)
Interest / Dividend Income	2,529	-	-	-
Others	1,249	-	-	-
Net Cash from Invst. activities	(16,969)	(42,317)	(42,317)	(42,317)
Issue of share cap. / premium	(279)	-	-	-
Debt changes	10,310	15,000	20,000	25,000
Dividend paid	-	-	-	-
Interest paid	(3,065)	(3,152)	(4,375)	(5,898)
Others	(12,179)	-	-	-
Net cash from Fin. activities	(5,213)	11,848	15,625	19,102
Net change in cash	(1,178)	(5,346)	4,081	17,317
Free Cash Flow	258	(17,193)	(11,545)	(1,784)

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	7.2	8.2	9.7	12.5
CEPS	9.9	11.1	13.3	17.8
BVPS	46.8	54.0	62.5	73.7
FCF	0.1	(8.3)	(5.6)	(0.9)
DPS	0.6	0.6	0.8	1.1
Return Ratio(%)				
RoCE	12.8	13.3	13.3	14.0
ROIC	13.5	11.1	11.0	11.6
RoE	17.0	16.3	16.7	18.3
Balance Sheet				
Net Debt : Equity (x)	0.2	0.5	0.6	0.7
Net Working Capital (Days)	48	48	48	48
Valuation(x)				
PER	44.4	39.2	33.0	25.8
P/B	6.9	6.0	5.1	4.4
P/CEPS	32.5	28.9	24.2	18.0
EV/EBITDA	30.4	26.6	22.5	17.4
EV/Sales	15.4	13.2	11.4	9.0
Dividend Yield (%)	0.2	0.2	0.3	0.3

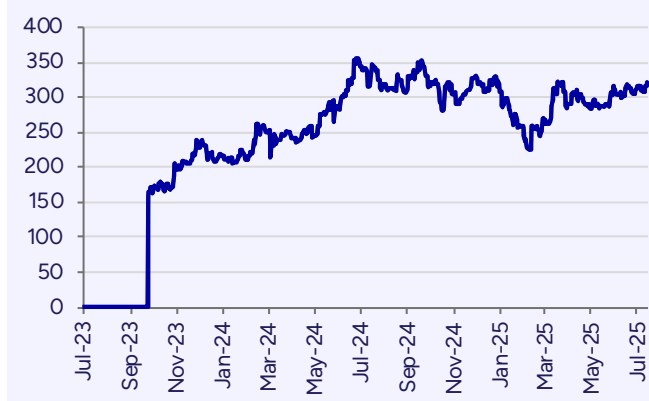
Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q2FY25	Q3FY25	Q4FY25	Q1FY26
Net Revenue	10,014	11,818	12,832	12,239
YoY gr. (%)	18.0	25.7	17.0	21.2
Raw Material Expenses	3,702	4,724	5,055	5,363
Gross Profit	6,312	7,095	7,777	6,875
Margin (%)	63.0	60.0	60.6	56.2
EBITDA	5,205	5,861	6,409	5,812
YoY gr. (%)	15.1	22.1	10.3	12.9
Margin (%)	52.0	49.6	49.9	47.5
Depreciation / Depletion	1,339	1,376	1,405	1,435
EBIT	3,867	4,484	5,005	4,377
Margin (%)	38.6	37.9	39.0	35.8
Net Interest	(804)	2,560	78	550
Other Income	868	835	887	899
Profit before Tax	5,539	2,759	5,814	4,726
Margin (%)	55.3	23.3	45.3	38.6
Total Tax	1,802	(597)	658	830
Effective tax rate (%)	32.5	(21.6)	11.3	17.6
Profit after Tax	3,737	3,356	5,156	3,896
Minority interest	22	59	62	49
Share Profit from Associates	-	-	-	-
Adjusted PAT	3,715	3,298	5,094	3,847
YoY gr. (%)	46.0	31.6	54.3	31.5
Margin (%)	37.1	27.9	39.7	31.4
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	3,715	3,298	5,094	3,847
YoY gr. (%)	46.0	31.6	54.3	31.5
Margin (%)	37.1	27.9	39.7	31.4
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,715	3,298	5,094	3,847
Avg. Shares O/s (m)	2,100	2,100	2,100	2,100
EPS (Rs)	1.8	1.6	2.4	1.8

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	18-Jul-25	Accumulate	344	310

Analyst Coverage Universe

Sr. No.	CompanyName	Rating	TP (Rs)	Share Price (Rs)
1	ACC	BUY	2,602	1,965
2	Adani Port & SEZ	BUY	1,777	1,453
3	Ambuja Cement	BUY	690	592
4	Dalmia Bharat	Accumulate	2,303	2,156
5	Hindalco Industries	Accumulate	738	692
6	Jindal Stainless	Hold	678	675
7	Jindal Steel & Power	Accumulate	1,008	954
8	JSW Infrastructure	Accumulate	344	310
9	JSW Steel	Hold	1,068	1,034
10	National Aluminium Co.	BUY	218	189
11	NMDC	Accumulate	73	68
12	Nuvoco Vistas Corporation	Accumulate	422	390
13	Shree Cement	Reduce	29,516	31,170
14	Steel Authority of India	Hold	136	133
15	Tata Steel	Accumulate	171	162
16	Ultratech Cement	Accumulate	13,634	12,561

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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(Indian Clients)

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