

Rating: Neutral

Issue Offer

Total issue size of INR 36,000 Mn including Fresh Issue of shares aggregating up to INR 16,000 Mn and OFS aggregating up to INR 20,000 Mn.

Issue Summary

Price Band (INR)	139-147
Face Value (INR)	10
Implied Market Cap (INR Mn)	200,415
Market Lot	102

Issue Opens on	August 7, 2025
Issue Close on	August 11, 2025

No. of share pre-issue	1,25,45,21,399
No. of share post issue	1,36,33,64,936
Listing	NSE , BSE

Issue Break-up (%)

QIB Portion	≤50
NII Portion	≥15
Retail Portion	≥35

Book Running Lead Managers

Jm Financial Limited, Axis Capital Limited
Citigroup Global Markets India Private Limited , Dam Capital Advisors Ltd, Goldman Sachs (India) Securities Private Jefferies India Private Limited , Kotak Mahindra Capital Company Limited SBI Capital Markets Limited

Registrar

Kfin Technologies Limited

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	78.6%	32.4%
Public & Others	21.4%	37.7%

Objects of the issue

- Part financing the cost of establishing a new integrated cement unit at Nagaur, Rajasthan.
- Prepayment or repayment, in full or in part, of all or a portion of certain outstanding borrowings availed by the Company.
- General corporate Purpose.

Abhishek Jain

abhishek.jain@arihantcapital.com

022-422548871

Kunjal Agarwal

Kunjal.agarwal@arihantcapital.com

022-422548873

JSW Cement Limited, incorporated on March 29, 2006, is a prominent Indian cement manufacturer focusing primarily on green cementitious products, including blended cement (Portland Slag Cement and Portland Composite Cement) and Ground Granulated Blast Furnace Slag (GGBS), alongside Ordinary Portland Cement and various allied products . The company has demonstrated rapid, capital-efficient growth, ranking among the top three fastest-growing cement manufacturers in India from Fiscal 2015 to Fiscal 2025, with its installed grinding capacity expanding at a 12.42% CAGR and sales volume at a 15.05% CAGR. As of March 31, 2025, JSW Cement holds a total installed grinding capacity of 20.60 MMTPA across seven plants in India (one integrated unit, one clinker unit, and five grinding units located in the Southern, Western, and Eastern regions) and one clinker unit in Fujairah, UAE. The company is also India's largest manufacturer of GGBS, holding an approximate 84% market share in Fiscal 2025

Investment Rationale

Rapid, Capital-Efficient Growth with Sustainability Leadership: JSW Cement stands out as one of the top three fastest-growing cement manufacturing companies in India in terms of increased installed grinding capacity and sales volume from Fiscal 2015 to Fiscal 2025. Its installed grinding capacity grew at a CAGR of 12.4% and sales volume (excluding JSW Cement FZC) at a CAGR of 15%, significantly outpacing the industry averages. This expansion is underpinned by a capital-efficient model that includes long-term leases for several plants, reducing upfront capital expenditure. Furthermore, the company demonstrates a strong commitment to sustainability, reporting the lowest Co2 emission intensity among its peer cement manufacturing companies in India and globally from FY 23-25.

Strong Market Position in a Growing Indian Cement Sector: JSW Cement is recognized as one of the top 10 cement companies in India by installed capacity and sales volume as of March 31, 2025. The company is well-positioned to benefit from the robust growth in Indian cement demand, which is projected to achieve a CAGR of 7.5% - 8.5% between FY26 and FY30, driven by infrastructure investments and healthy momentum in the housing and industrial/commercial segments. JSW Cement is also a market leader in GGBS, holding an approximate 84% market share in India in FY25. The penetration of GGBS, an eco-friendly product used as a clinker replacement in concrete, is expected to increase, further strengthening the company's competitive advantage.

Strategic Integration within the JSW Group for Operational Synergies: As part of the diversified JSW Group, JSW Cement benefits significantly from operational synergies and a strong brand presence. The company sources key raw materials like blast furnace slag (92.93% of total blast furnace slag consumed in FY25) from JSW Steel Ltd. and its subsidiaries through long-term contracts, providing cost stability for its green cementitious products. It also procures power from JSW Energy Ltd. through long-term Power Purchase Agreements. Additionally, JSW Cement's strategic greenfield and brownfield expansion plans, including a new integrated cement unit at Nagaur, Rajasthan, which is partly financed by the Offer proceeds, will further enhance its scale and reach across India.

Valuation and View:- JSW Cement is a leading manufacturer of green cement in India with a strong presence in the southern, western, and eastern regions. The company operates through an integrated and strategically located network of plants and grinding units. It has an installed capacity of 20.6 MTPA, with plans to expand to 60 MTPA by FY30, backed by brownfield expansions and a greenfield project at Nagaur, Rajasthan. The company operates on a cost-efficient, backward-integrated model with captive limestone mines and slag from JSW Steel, supporting margins. Its strong ESG focus, particularly in green cement, aligns with sustainable construction trends. At the upper price band of INR 147, the IPO is valued at an EV/EBITDA of 31x (FY25 basis) which is higher than industry average. We recommend a "Neutral".

Arihant Research Desk

Email: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office

#1011, Solitaire Corporate Park
Building No. 10, 1st Floor
Andheri Ghatkopar Link Road
Chakala, Andheri (E)
Mumbai – 400093
Tel: (91-22) 42254800

Registered Office

6 Lad Colony,
Y.N. Road,
Indore - 452003, (M.P.)
Tel: (91-731) 4217100/101
CIN: L66120MP1992PLC007182

Stock Rating Scale

BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Absolute Return

Research Analyst
Registration No.

Contact

Website

Email Id

INH000002764

SMS: 'Arihant' to 56677

www.arihantcapital.com

instresearch@arihantcapital.com

Arihant Capital Markets Ltd.

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800

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Arihant Capital Markets Ltd.

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800