

INDUSTRY: STEEL


CAPITALIZATION: LARGE-CAP

FAIR VALUE*: INR 252.79

THE COMPANY

JSW Steel is the flagship company of the JSW Group and is the largest steel exporter in India with an installed capacity of 18 MTPA. JSW Steel primarily caters to the galvanised steel segment with a **market share of 42%**. The company generated INR 6113 crore NPAT in FY17-18, a **76% growth Y-o-Y** and revenue from operations in the same period grew **18% Y-o-Y** to INR 71503 crore.

FUNDAMENTAL WEB

VALUATION	P/E: 12.38		DIVIDEND YIELD: 1.12%	RETURN
	P/B: 2.79		CAPM RETURN: 13.79%	
	EV/EBITDA: 9.54	D-SCORE: 5.83	5-YEAR CAGR: 51.35%	
	UNDER-VALUED		FAIRLY-VALUED	

DEBT LEVELS AND MARGIN ANALYSIS

SOLVENCY	MARGINS
Debt/Equity: 1.15	EBITDA Margin: 20.87%
Assets/Debt: 2.90	RoE: 21.68%
Interest Coverage Ratio: 3.12 times	NPM: 8.49%

FUTURE:

- JSW Steel plans to invest \$22 billion by 2025 to expand operations. It plans to invest US\$500 million in Texas, US to build new plants.
- JSW Steel to double steel production capacity in about five years. All set to increase capacity to 45 MTPA by 2030.

RATING:

BUY

*Courtesy: Morningstar.in
JSW Annual Report 2017-18

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