

HOLD

TP: Rs 330 | ▲ 12%

JSW INFRA

| Logistics

| 01 May 2025

Estimate miss, capacity expansion on track

- Revenue grew 17% YoY, led by Navkar acquisition; ex-Navkar revenue grew 5% YoY/ 8% QoQ.
- Q4 volume grew 4%, led by higher coal handling offsetting decline in iron ore volume; 3rd party cargo mix at 50% vs 47% in Q4FY24.
- Revise estimates downward by 3-5%, ascribe 25x (unchanged) to FY27E EBITDA to arrive at Mar'26 TP of Rs 330 (vs earlier TP of Rs 360).

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Ex-Navkar modest revenue growth (+5% YoY): JSWINFRA's Q4FY25 performance was muted, with revenue/EBITDA coming in 2%/4% below our estimates. Revenue grew 17% YoY to Rs 12.8bn, driven by the Navkar acquisition. Ex-Navkar, revenue grew 5% YoY / 8% QoQ supported by volume growth of 4% YoY / 6% QoQ and realisation growth of 1% YoY / 2% QoQ. EBITDA grew 10% YoY to Rs 6.4bn; however, margins declined 300bps YoY to 49.9% given the lower-margin Navkar acquisition. Reported PAT came in at Rs 5.2bn (+58% YoY). Adjusted for a Rs 862mn forex gain that reduced finance costs, PAT grew 19% YoY to Rs 4.5bn. During FY25, the company reported revenue/EBITDA/adj PAT growth of 19%/15%/32% YoY respectively.

Q4 volume grew 4% YoY/6% QoQ, excluding interim operations at Tuticorin & JNPT liquid volume grew 1% YoY/3% QoQ: Q4FY25 volumes grew 5% YoY to 31.2mnt, driven by higher coal handling at Mangalore, Paradip, and Ennore, along with incremental contribution from Tuticorin and JNPA liquid terminals (~1mn tons). This offset the volume decline at Paradip iron ore terminal. Third-party cargo volumes grew 34% YoY to 17.3mn tons, with share rising to 49% from 40% last year, reflecting continued diversification. Management has guided for ~10% volume growth in FY26, led by ramp-up at Paradip, capacity enhancement at Southwest Port, Goa (from 8.5mnt to 11mnt in Q4), and interim operations at Tuticorin and JNPA liquid terminals.

Capacity expansion target (~400mnt by FY30) on track: Plan to expand capacity from 177mnt (FY25) to 400mnt (FY30E) is on track. FY26 capex is pegged at Rs 55bn (Rs 40bn/15bn for ports/logistics). Key projects include Tuticorin (Q4FY26, interim ops ongoing), JNPA liquid (Q2FY26), Jaigarh LPG (Q1FY27), and Dharamtar/Jaigarh expansions (Q4FY27).

Maintain HOLD: We have cut our estimates by 3-5% for FY26-FY27E to factor in lower volume from group cargoes in FY26-FY27; ramp-up in Navkar to incur additional costs denting the overall margins. We continue to ascribe 25x FY27E EBITDA to arrive at Mar'26 TP of Rs 330 vs earlier TP of Rs 360. We maintain HOLD rating.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	JSWINFRA IN/Rs 294
Market cap	US\$ 7.1bn
Free float	13%
3M ADV	US\$ 8.0mn
52wk high/low	Rs 361/Rs 218
Promoter/FPI/DII	86%/4%/3%

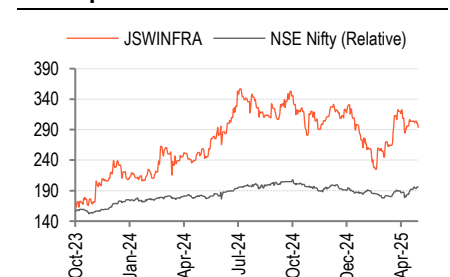
Source: NSE | Price as of 30 Apr 2025

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	44,761	51,088	58,461
EBITDA (Rs mn)	22,622	25,897	29,920
Adj. net profit (Rs mn)	15,215	15,011	16,569
Adj. EPS (Rs)	7.3	7.2	7.9
Consensus EPS (Rs)	0.0	0.0	0.0
Adj. ROAE (%)	17.2	14.5	14.1
Adj. P/E (x)	40.4	40.9	37.1
EV/EBITDA (x)	28.2	24.8	21.7
Adj. EPS growth (%)	21.0	(1.3)	10.4

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly Performance

Particulars (Rs mn)	Q4FY25	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	FY25	FY24	YoY (%)	Q4FY25E	Var %
Revenue	12,832	10,964	17	11,818	9	44,761	37,629	19	13,356	(4)
Revenue (ex Navkar)	11,523	10,964	5	10,630	8	42,264	37,629	12	12,313	(6)
Volume (mnt)	31.2	29.9	4	29.4	6	117.0	106.5	10	32	
Realisation (Rs/t)	369	367	1	362	2	361	353	2	391	
EBITDA	6,409	5,812	10	5,861	9	22,622	19,646	15	6,561	(2)
EBITDA Margin (%)	49.9	53.0	(306bps)	49.6	40bps	50.5	52.2	(170bps)	49.1	80bps
Depreciation	1,405	1,337		1,376		5,466	4,365		1,314	
EBIT	5,005	4,475	12	4,484	11.6	17,156	15,281	12.3	5,247	(5)
Finance Costs	78	1,341		2,560		2,657	3,325		303	
PBT	4,926	3,135	57	1,924	156	14,499	11,956	21	4,945	(0)
Other Income	887	1,039		835		3,530	2,694		656	
PBT incl Other Income	5,814	4,174	39	2,759		18,028	14,650	23.1	5,601	4
Tax	552	883		(597)		2,814	3,043		2,654	
Adjusted PAT	4,502	3,775	19	3,298	37	14,612	11,910	23	3,044	48
Adj. PAT Margin (%)	35.1	34.4	65bps	27.9	720bps	32.6	31.7	100bps	22.8	1,230bps
EPS (Rs)	2.1	1.9	15	1.6	34	6.9	6.2	12	0.0	

Source: Company, BOBCAPS Research

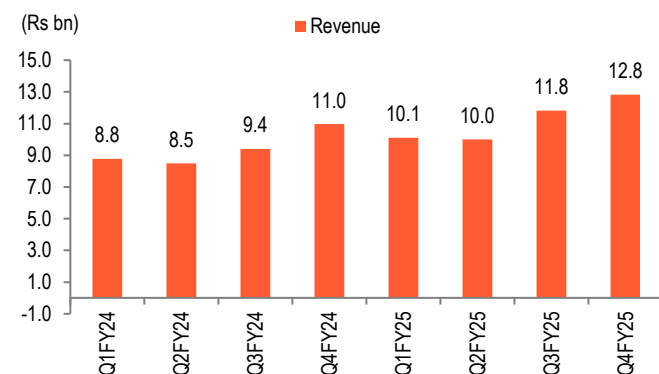
Fig 2 – Port wise volume

(mn tonnes)	Q4FY25	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	FY25	FY24	YoY (%)	Q4FY25E	Var %
India Port Volume (mnt)	31.2	29.9	4	29.4	6	117.0	106.5	10	31.5	(1)
Jaigarh	4.9	4.9	0	5.1	(4)	19.9	21.5	(7)	4.9	(1)
Dharamtar	6.1	6.1	0	6.0	2	23.1	25.1	(8)	5.6	8
Southwest Goa	1.8	1.8	0	1.7	6	6.4	7.2	(11)	1.4	27
Paradip Coal Terminal	5.4	5.1	6	4.9	10	18.9	16.8	13	4.1	32
Paradip Iron Ore	2.2	3.3	(33)	2.8	(21)	11.4	12.4	(8)	3.8	(42)
Ennore coal	2.9	2.6	12	2.3	26	10.2	9.3	10	3.1	(7)
Ennore Bulk	0.9	0.4	125	0.5	80	2.1	1.5	40	0.4	131
Mangalore coal	1.7	1.2	42	1.7	0	6.3	4.8	31	1.7	(2)
JSW Mangalore container	0.5	0.6	(17)	0.6	(17)	2.4	2.6	(8)	0.9	(46)
Tuticorin (interim)	0.9	0.0	NA	0.0	NA	0.9	0.0	NA	0.0	NA
JNPA (interim)	0.1	0.0	NA	0.0	NA	0.2	0.0	NA	0.0	NA
Others	3.8	3.9	(3)	3.8	0	16.3	5.8	182	5.5	(31)
Port Volume Mix (%)										
Jaigarh	16	16	(4)	17	(9)	17	20	(16)	16	0bps
Dharamtar	20	20	(4)	20	(4)	20	24	(16)	18	9bps
Southwest Goa	6	6	(4)	6	0	5	7	(19)	5	28bps
Paradip Coal Terminal	17	17	1	17	4	16	16	2	13	33bps
Paradip Iron Ore	7	11	(36)	10	(26)	10	12	(16)	12	(41bps)
Ennore coal	9	9	7	8	19	9	9	0	10	(6bps)
Ennore Bulk	3	1	116	2	70	2	1	27	1	133bps
Mangalore coal	5	4	36	6	(6)	5	5	19	6	(1bps)
JSW Mangalore container	2	2	(20)	2	(21)	2	2	(16)	3	(46bps)
Others	12	13	(7)	13	(6)	14	5	157	17	(30bps)

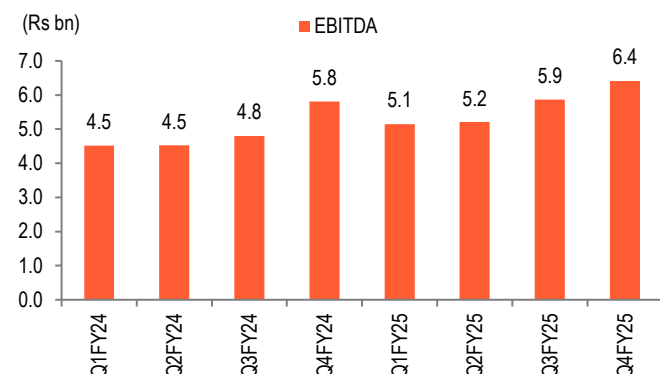
Source: Company, BOBCAPS Research

Earning Call Highlights

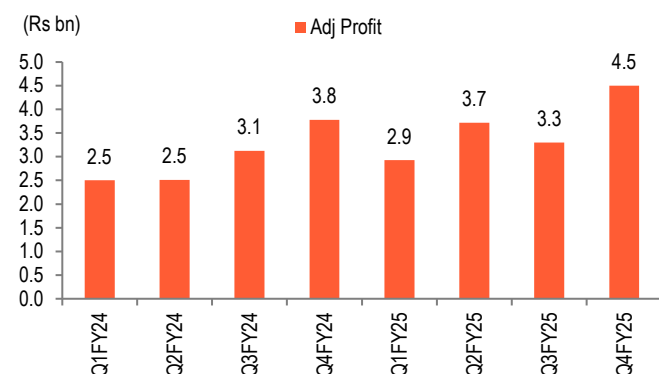
- Paradip iron ore volumes remained subdued at ~2 MT due to the earlier delays in Vedanta mine operations and weak pellet export demand. However, with Vedanta mines now operational and prices near \$100/tonne, management expects gradual recovery although the segment remains exposed to export market volatility.
- Management highlighted that take-or-pay revenue was recognised in Q4FY25 for the LNG terminal at Jaigarh Port, in line with the previous trends.
- ESOP expenses declined by Rs 0.2 bn YoY in Q4; management guided that FY26 charges will be minimal at Rs 0.25 bn, as most of the costs have already been expensed.
- Management reiterated confidence in its 10% cargo volume growth guidance for FY26, calling it conservative. With stable demand across steel (mostly domestic), energy (coal-led), and limited container exposure, the company does not foresee any major downside risks from global supply chain uncertainties or tariff-related issues.
- Management projects FY26 cargo growth to be evenly split between interim operations at JNPA and Tuticorin (50%) and higher capacity utilisation at Paradip coal terminal and Goa (50%). Additional volumes from the Dolvi steel plant ramp-up will aid growth, with third-party cargo share expected to increase from the current 50%.
- Management expects normalised EBITDA to reach Rs 1 bn in FY26, with logistics revenue projected to grow 50% YoY, driven by rake additions, terminals, and Gati Shakti initiatives. Long-term target is Rs 80 bn revenue and Rs 20 bn EBITDA by FY30 via an asset-light strategy.
- The company has completed the acquisition of the slurry pipeline and signed a long-term take-or-pay agreement with JSW Steel. Of the 302 km pipeline, 180 km has been lowered and over 200 km welded, with completion targeted by March 2027. FY25 capex of Rs 24.4 bn was primarily allocated to the slurry pipeline and other ongoing/new projects. For FY26, the company expects to spend Rs 55bn of capex — Rs 40bn for ports and Rs 15bn for logistics.

Fig 3 – Revenue trend

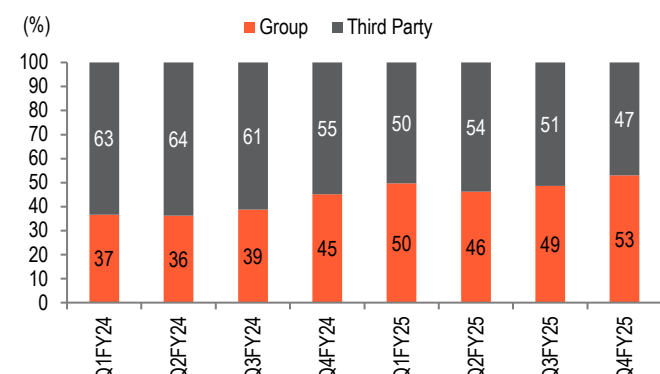
Source: Company, BOBCAPS Research

Fig 4 – EBITDA trend

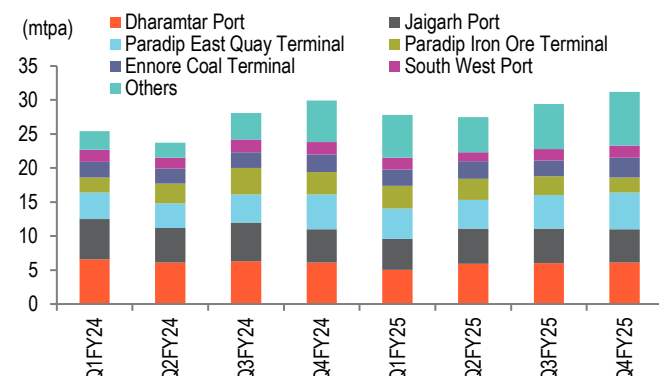
Source: Company, BOBCAPS Research

Fig 5 – Profit trend

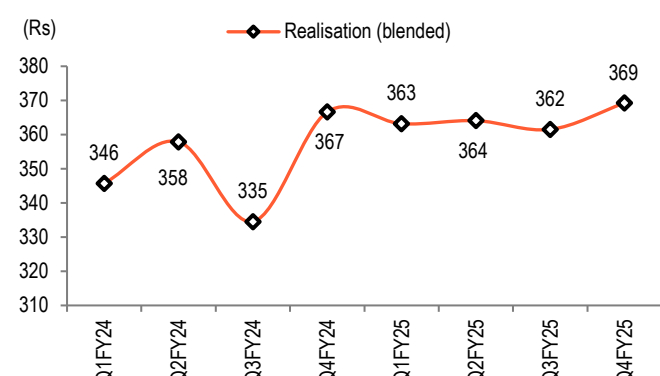
Source: Company, BOBCAPS Research

Fig 6 – Cargo mix

Source: Company, BOBCAPS Research

Fig 7 – Port wise volume breakup

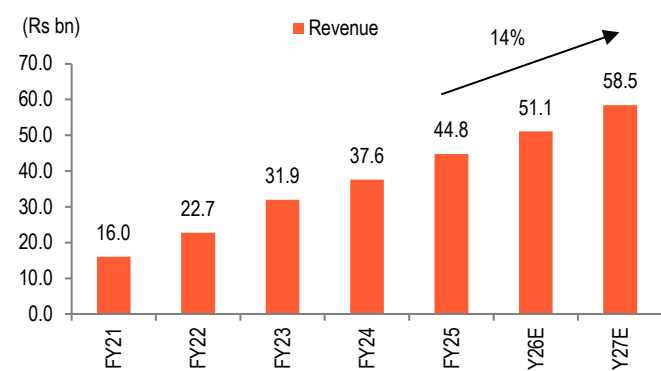
Source: Company, BOBCAPS Research

Fig 8 – Realisation (blended)

Source: Company, BOBCAPS Research

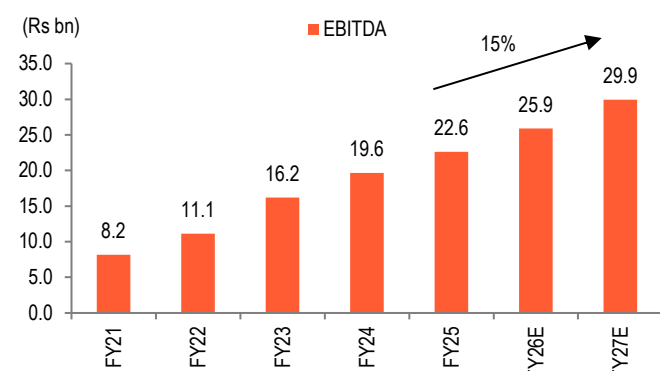
Annual Charts

Fig 9 – Revenue trend



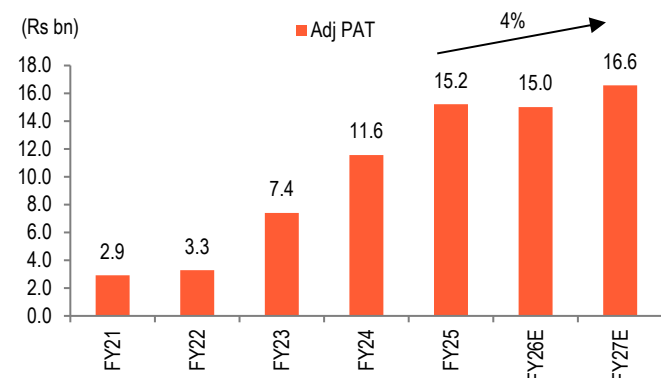
Source: Company, BOBCAPS Research

Fig 10 – EBITDA trend



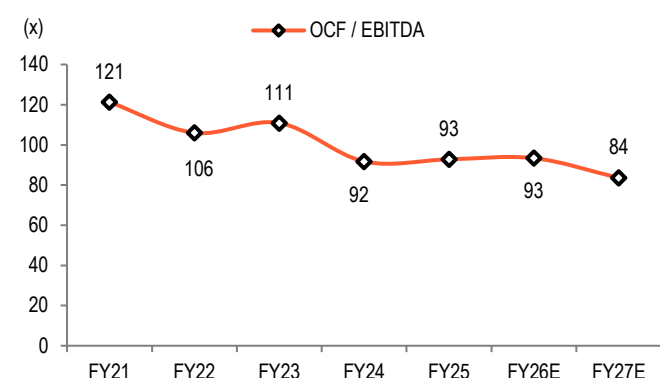
Source: Company, BOBCAPS Research

Fig 11 – Profit trend



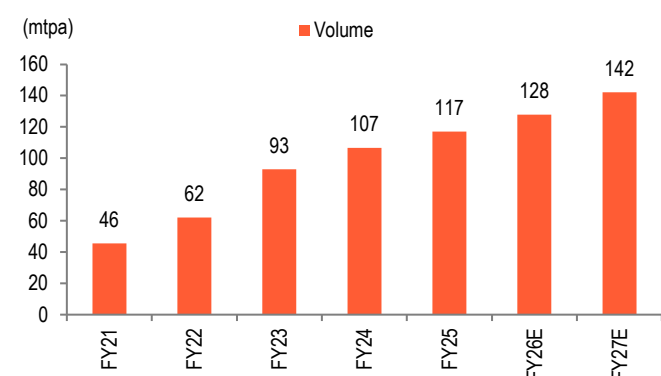
Source: Company, BOBCAPS Research

Fig 12 – OCF to EBITDA Trend



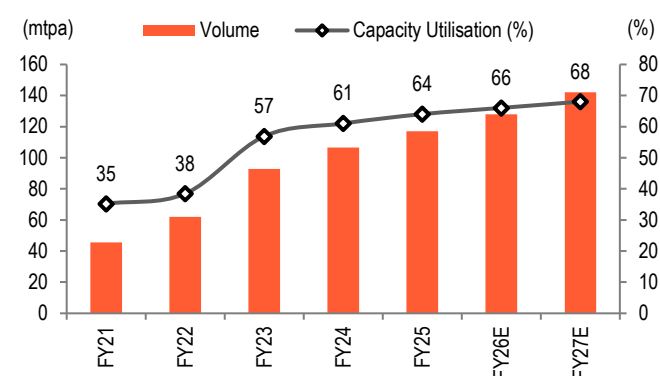
Source: Company, BOBCAPS Research

Fig 13 – Cargo Volume trend



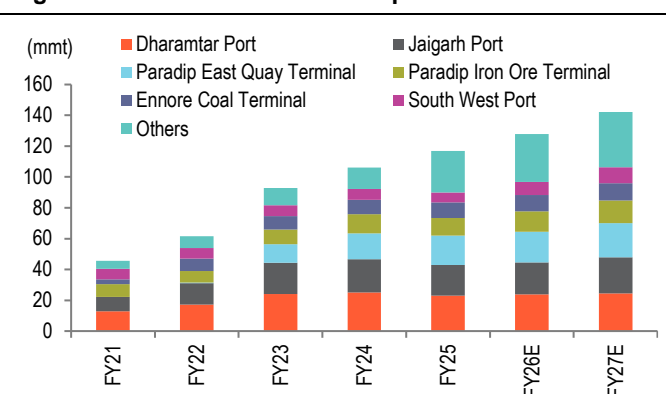
Source: Company, BOBCAPS Research

Fig 14 – Cargo Volume vs Utilisation



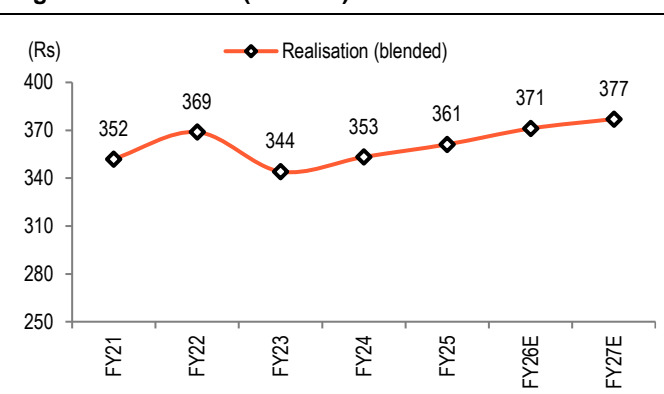
Source: Company, BOBCAPS Research

Fig 15 – Port-wise volume breakup



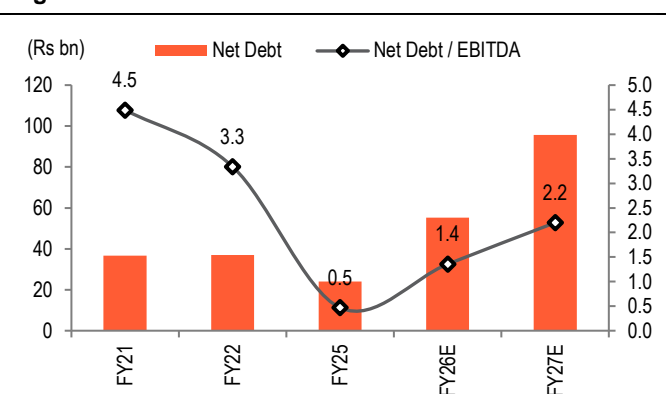
Source: Company, BOBCAPS Research

Fig 16 – Realisation (blended)



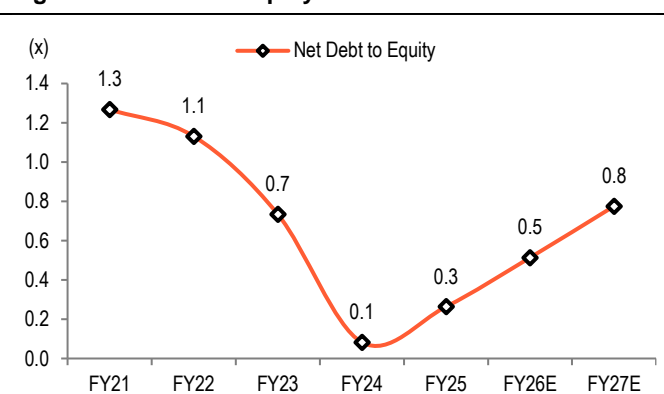
Source: Company, BOBCAPS Research

Fig 17 – Net Debt to EBITDA



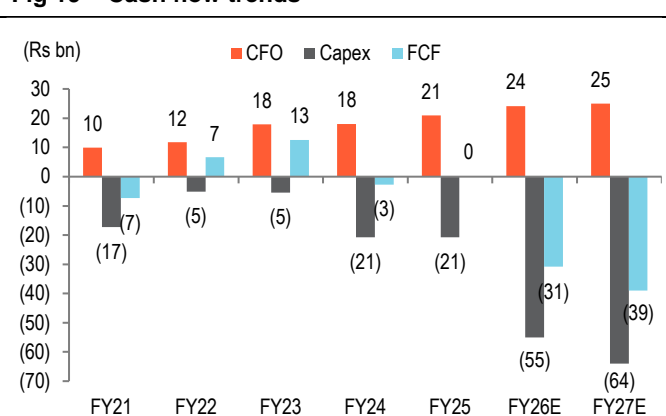
Source: Company, BOBCAPS Research

Fig 18 – Net Debt to Equity



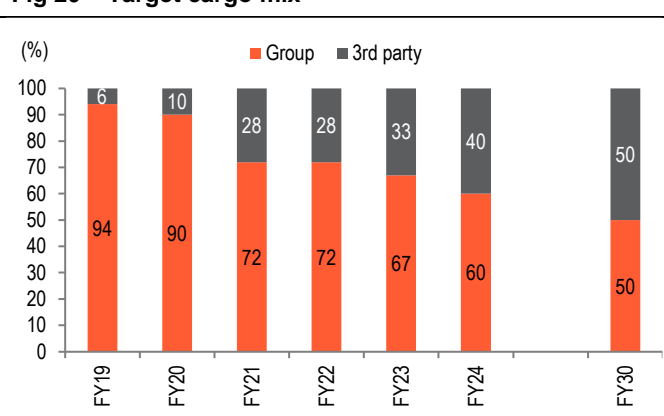
Source: Company, BOBCAPS Research

Fig 19 – Cash flow trends



Source: Company, BOBCAPS Research

Fig 20 – Target cargo mix



Source: Company, BOBCAPS Research

Valuation Methodology

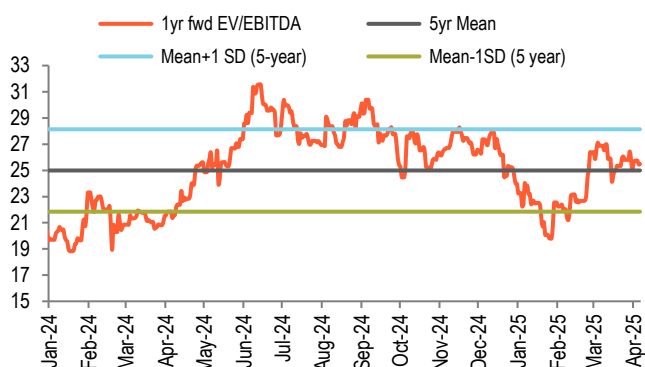
We have revised our FY26–27E EBITDA estimates downward by 3–5% to reflect (a) lower group cargo volumes as the Dolvi expansion now expected primarily in FY28 (b) ramp-up costs at Navkar likely to compress margins. Our earlier estimates had assumed stronger growth in the logistics segment, factoring in Navkar's full FY25 revenue base. While near-term growth seems muted, we continue to assign a premium valuation multiple of 25x, supported by a robust pipeline of expansion projects beyond FY27. Accordingly, we revise our Mar'26 TP to Rs 330 (from Rs 360 earlier) and maintain HOLD.

Fig 21 – Revised Estimates

(Rs mn)	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Volume	128	142	128	145	0	(2)
Revenue	51,088	58,461	54,391	63,513	(6)	(8)
EBITDA	25,897	29,920	26,697	31,488	(3)	(5)
PAT	15,011	16,569	15,640	17,473	(4)	(5)

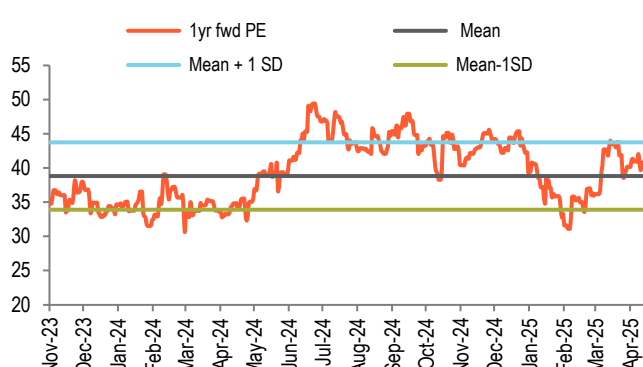
Source: Company, BOBCAPS Research

Fig 22 – JSW INFRA 1YF EV/EBITDA



Source: Company, BOBCAPS Research

Fig 23 – JSW INFRA 1YF P/E



Source: Company, BOBCAPS Research

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25A	FY26E	FY27E
Total revenue	31,947	37,629	44,761	51,088	58,461
EBITDA	16,202	19,646	22,622	25,897	29,920
Depreciation	3,912	4,365	5,466	6,471	7,443
EBIT	12,290	15,281	17,156	19,427	22,476
Net interest inc./(exp.)	(5,961)	(3,325)	(2,657)	(4,000)	(5,500)
Other inc./(exp.)	1,781	2,694	3,530	4,630	5,130
Exceptional items	0	0	0	0	0
EBT	8,110	14,650	18,028	20,056	22,106
Income taxes	615	3,043	2,814	5,014	5,382
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	97	48	0	31	155
Reported net profit	7,398	11,559	15,215	15,011	16,569
Adjustments	0	0	0	0	0
Adjusted net profit	7,398	11,559	15,215	15,011	16,569

Balance Sheet

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25A	FY26E	FY27E
Accounts payables	3,016	3,562	3,494	4,899	5,606
Other current liabilities	0	0	0	0	0
Provisions	1,682	1,739	1,745	2,519	2,883
Debt funds	42,437	43,807	46,588	69,390	94,390
Other liabilities	5,098	5,518	11,356	12,056	12,756
Equity capital	3,596	4,103	4,147	4,147	4,147
Reserves & surplus	37,293	78,207	1,00,741	1,13,690	1,28,321
Shareholders' fund	40,889	82,310	1,04,888	1,17,837	1,32,468
Total liab. and equities	93,121	1,36,936	1,68,071	2,06,702	2,48,103
Cash and cash eq.	16,316	40,902	24,821	16,055	327
Accounts receivables	4,023	6,768	8,090	7,698	8,809
Inventories	1,022	1,117	1,338	1,400	1,602
Other current assets	6,363	4,893	13,187	13,187	13,187
Investments	3,070	2,445	3,128	3,128	3,128
Net fixed assets	59,755	77,806	93,929	1,07,661	1,16,718
CWIP	450	1,089	20,202	55,000	1,02,500
Intangible assets	0	0	0	0	0
Deferred tax assets, net	2,121	1,916	3,375	2,573	1,833
Other assets	0	0	0	0	0
Total assets	93,121	1,36,936	1,68,071	2,06,702	2,48,103

Cash Flows

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25A	FY26E	FY27E
Cash flow from operations	17,972	18,032	21,004	24,196	25,035
Capital expenditures	(5,414)	(20,712)	(20,756)	(55,000)	(64,000)
Change in investments	(5,232)	(14,741)	1,394	0	0
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(6,208)	(42,047)	(16,969)	(50,370)	(58,870)
Equities issued/Others	0	28,000	0	0	0
Debt raised/repaid	(7,912)	1,126	(714)	22,802	25,000
Interest expenses	0	0	0	0	0
Dividends paid	0	0	(1,155)	(2,093)	(2,093)
Other financing cash flows	(2,953)	(4,088)	(3,344)	(4,000)	(5,500)
Cash flow from financing	(10,866)	25,039	(5,213)	16,709	17,407
Chg in cash & cash eq.	899	1,024	(1,178)	(9,466)	(16,428)
Closing cash & cash eq.	6,187	7,211	6,113	15,355	(373)

Per Share

Y/E 31 Mar (Rs)	FY23A	FY24A	FY25A	FY26E	FY27E
Reported EPS	4.1	6.0	7.3	7.2	7.9
Adjusted EPS	4.1	6.0	7.3	7.2	7.9
Dividend per share	0.0	0.0	0.8	1.0	1.0
Book value per share	22.2	39.1	46.8	53.0	60.0

Valuations Ratios

Y/E 31 Mar (x)	FY23A	FY24A	FY25A	FY26E	FY27E
EV/Sales	20.1	17.0	14.3	12.5	11.1
EV/EBITDA	39.6	32.6	28.2	24.8	21.7
Adjusted P/E	71.3	48.9	40.4	40.9	37.1
P/BV	13.2	7.5	6.3	5.5	4.9

DuPont Analysis

Y/E 31 Mar (%)	FY23A	FY24A	FY25A	FY26E	FY27E
Tax burden (Net profit/PBT)	91.2	78.9	84.4	74.8	75.0
Interest burden (PBT/EBIT)	66.0	95.9	105.1	103.2	98.4
EBIT margin (EBIT/Revenue)	38.5	40.6	38.3	38.0	38.4
Asset turnover (Rev./Avg TA)	36.0	34.2	30.4	28.2	26.6
Leverage (Avg TA/Avg Equity)	2.2	1.6	1.6	1.8	1.9
Adjusted ROAE	20.4	19.2	17.2	14.5	14.1

Ratio Analysis

Y/E 31 Mar	FY23A	FY24A	FY25A	FY26E	FY27E
YoY growth (%)					
Revenue	40.5	17.8	19.0	14.1	14.4
EBITDA	46.0	21.3	15.1	14.5	15.5
Adjusted EPS	126.4	45.9	21.0	(1.3)	10.4
Profitability & Return ratios (%)					
EBITDA margin	50.7	52.2	50.5	50.7	51.2
EBIT margin	38.5	40.6	38.3	38.0	38.4
Adjusted profit margin	23.2	30.7	34.0	29.4	28.3
Adjusted ROAE	20.4	19.2	17.2	14.5	14.1
ROCE	15.7	13.3	12.7	10.9	10.3

Working capital days (days)

Receivables	46	66	66	55	55
Inventory	12	11	11	10	10
Payables	34	35	28	35	35

Ratios (x)

Gross asset turnover	0.4	0.4	0.4	0.4	0.4
Current ratio	5.9	10.1	9.1	5.2	2.8
Net interest coverage ratio	2.7	5.9	8.5	6.5	5.4
Adjusted debt/equity	0.7	0.1	0.3	0.5	0.8

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Recommendation scale: Recommendations and Absolute returns (%) over 12 months

BUY – Expected return >+15%

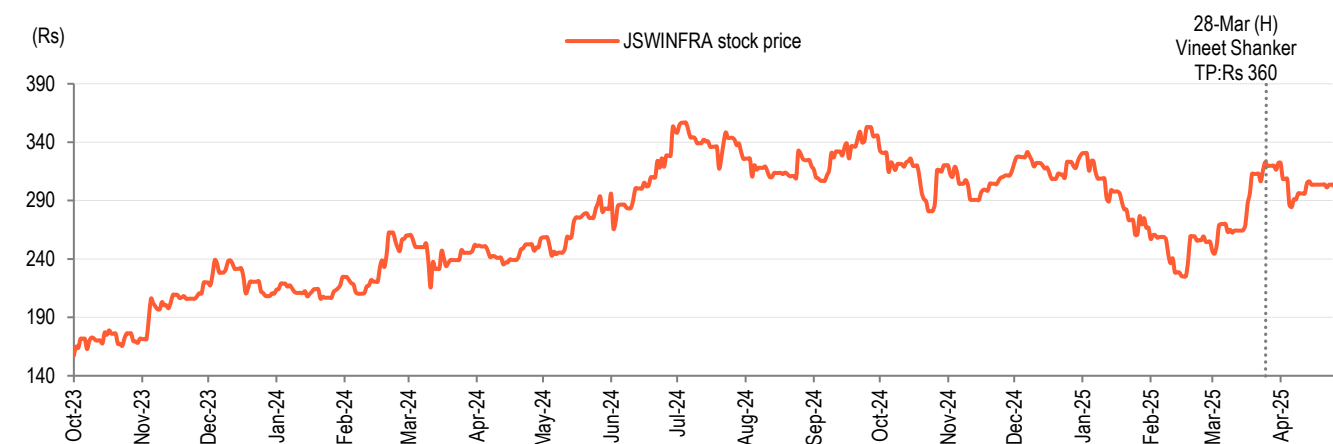
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

Ratings and Target Price (3-year history): JSW INFRA (JSWINFRA IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

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