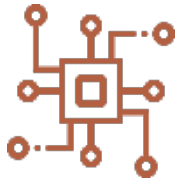


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06th August, 2025

IPO Details	
Price Band (INR)	139-147
Face Value (INR)	10 per share
Issue Open/Closing Date	August 07, 2025 to August 11, 2025
Fresh Issue (in INR crores)	1,600
OFS (in INR crores)	2,000
Total Issue (in INR crores)	3,600
Implied Market Cap (in INR crores; at higher band)	20,040

Object of the Issue	Financing of new integrated cement unit. Repayment of debt. General Corporate purposes
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Strengths
JSW Cement is India's largest GGBS maker, holding ~84% market share in FY25
Operations span southern, western, and eastern India.
Claims the lowest CO ₂ emission intensity in India and among top global peers — 52%
Well-located plants near key markets and raw materials
Experienced management team

Risk
Reported loss in FY25 raises red flags
Highly competitive industry with price wars
Cyclical nature of cement demand
High debt burden affecting profitability

Particular (in INR crores)	FY23	FY24	FY25
Revenue	5982	6028	5914
EBITDA	827	1036	815
EBITDA Margin	14%	17.2%	13.8%
PAT	104	62	-163.8
PAT Margin	1.78%	1.03%	-2.8%
EPS (in INR)	1.37	0.91	-1.16
ROE (in %)	4.54	2.53%	-2.75%
ROCE (in %)	6.46	11.08%	4.35%
Fixed Asset T/O	1.36x	0.97x	0.49x

About the Company:

- JSW Cement Limited, which was incorporated in 2006, is an Indian green cement manufacturer. Being a member of the JSW Group, the organization works on sustainability and innovation in the cement sector.
- The organizational product line consists of Portland Slag Cement (PSC), Ground Granulated Blast Furnace Slag (GGBS), and Composite Cement.
- The firm had seven plants spread throughout the nation, comprising one integrated plant, one clinker plant, and five grinding plants
- JSW Cement Limited markets its products through a well-connected network. As of 31st March, 2025, there were 5,093 dealers, 10,412 sub-dealers, and 164 warehouses in the distribution network of the company.
- As of March 31, 2025, the company had an installed grinding capacity of 20.60 MMTPA, split regionally: 11.00 MMTPA (South), 4.50 MMTPA (West), and 5.10 MMTPA (East)

Strong Industry Trends:

- Government initiatives such as PM GatiShakti, affordable housing (PMAY), and large-scale metro and highway projects are creating multi-year cement demand visibility.
- JSW Cement's positioning in high-growth eastern and southern markets aligns with regions expected to see strong infrastructure outlay, allowing it to leverage macro tailwinds.
- India's cement consumption is projected to grow at 6–7% CAGR over the next five years, driven by housing, urban infrastructure, and industrial capex.
- Regulatory push for low-carbon materials and corporate ESG commitments are accelerating adoption of blended cement (PPC, PSC, GGBS)
- Fuel and raw material prices (coal, petcoke, limestone) remain volatile, pushing manufacturers to adopt alternative fuels, waste heat recovery systems, and captive power to protect margins
- Cement companies are investing in digital sales platforms, real-time inventory management, and AI-driven demand forecasting.

Market Positioning & Brand Strength:

JSW Cement benefits from vertical integration through JSW Steel and JSW Energy, ensuring stable input supply and lower costs. Its clinker-to-cement ratio of ~46.6%, compared to the industry average of 60–70%, cuts both emissions and raw material expenses. With CO₂ emissions at ~270 kg/tonne—far below the 500–550 kg/tonne typical of peers—the company is well-positioned for tightening ESG regulations. In-house EPC expertise and modular capacity additions, such as the Nagaur project, enhance capital efficiency and speed to market. A robust distribution network of 5,000+ dealers and 10,000+ sub-dealers across 15 states, coupled with strong institutional sales to metro, road, and rail projects, further strengthens its market reach.

Structural Cost Advantages:

Vertical integration within the JSW Group is a key moat—slag from JSW Steel and power from JSW Energy ensure stable, low-cost inputs. The company operates with a clinker-to-cement ratio of ~46.6%, compared to the 60–70% seen in peers, which translates into lower raw material costs and reduced energy requirements. Modular capacity additions, supported by in-house EPC execution, allow rapid, cost-efficient expansion—exemplified by the upcoming Nagaur project. This approach reduces capital intensity and shortens the time to revenue generation.

Green Leadership & ESG Tailwinds:

JSW Cement's CO₂ emissions of ~270 kg/tonne are among the lowest globally, well below the 500–550 kg/tonne average for peers. With tightening environmental norms and rising demand for sustainable building materials, the company is positioned to benefit from the “green premium” and increasing institutional preference for eco-friendly suppliers.

Expansive Distribution & Institutional Relationships:

The company has a distribution footprint of 5,000+ dealers and 10,000+ sub-dealers across 15 states, giving it deep penetration in both retail and semi-urban markets. On the institutional side, JSW Cement supplies to metro rail projects, highway authorities, and rail bodies—providing recurring, large-ticket orders. This balanced mix of retail and institutional demand ensures resilience across economic cycles.

Focus on Asset Efficiency:

The company has a track record of improving capacity utilization through debottlenecking existing plants before committing to greenfield projects. This approach optimizes fixed asset turnover and enhances return ratios over the capex cycle. The planned doubling of grinding and clinker capacity to 40.85 MMTPA and 13.04 MMTPA, respectively, is being phased to match demand growth, minimizing idle capacity risk.

Valuation and view:

JSW Cement combines scale leadership, structural cost advantages, and industry-leading ESG performance. With infrastructure and housing demand expected to grow at a robust pace, and increasing preference for low-carbon building materials, the company is well-positioned for sustained growth post-IPO. The offering provides investors an opportunity to participate in a differentiated, future-ready cement player with both profitability levers and growth visibility. The sector is seeing large players expand capacity aggressively while smaller regional players face cost pressures. Consolidation is expected to improve pricing discipline and supply chain efficiencies, benefiting scale players like JSW Cement. Owing to such developments, we recommend **to subscribe**.

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