JSW Infrastructure Limited (JSWINF)

CMP: ₹ 312 | Target ₹ 400 (28%) | Target Period: 12 months | BUY

October 28, 2026

Logistic ramps up, port volumes tepid...

About the stock: JSW Infrastructure Limited (JIL), part of the $24 billion JSW Group is fast-growing ports-related infrastructure company and second-largest private port operator with a capacity of 186 million tons per annum (MTPA). It operates twelve Port Concessions and 2 port terminals under O&M agreements in UAE. Its logistics (Navkar, Gati Shakti Terminal) business owns 4958+ Domestic standard containers, 602 Trailers, 78 rakes, 6 RTG Cranes.

Q2FY27 performance: JIL reported steady set for Q2FY27 with Consolidated Revenue growth of 17% YoY growth (up 2.5% QoQ) at ₹ 1481 crore. The port volume grew 1.8% YoY for Q2FY27 (-5.2% QoQ). Ports revenues were up 9% YoY (down 0.5% QoQ) at ₹ 1202 crore for Q2FY27. Logistics business reported Q2FY27 revenue growth of 72% YoY (+18% QoQ) to ₹ 279 crore. Consolidated EBITDA for Q2FY27 grew 11% YoY (+0.2% QoQ) at ₹ 675 crore. The Q2FY27 EBITDA margins of 45.6% (-259 bps YoY/-106 bps QoQ). Ports EBITDA margins stood at 49.4% Vs 53%/49.8% in Q2FY26/Q1FY27. The logistics margins stood at 29% vs 15.2%/30.6% in Q2FY26/Q1FY27. Consolidated adjusted PAT for Q2FY27 -11.8% YoY (-8.1% QoQ) at ₹ 318 crore vs ₹361/ ₹347 crore for Q2FY26/Q1FY27 respectively.

Investment Rationale:

- **Logistics to drive 42%/39% revenue/EBITDA CAGR over FY26-FY28:** The company retained its revenue/ EBITDA guidance for FY28E at ₹ 10,800 crore/ ₹ 5000 crore (42%/ 39% CAGR over FY26-FY28). The same is expected to be driven by Logistics (revenue/ EBITDA CAGR of 99%/ 122%) led by rake additions (from 25 in FY26 to 110 by FY27 end, target of 267 over medium term) as new terminals get added and connected. Ports revenues/ EBITDA is expected to grow at 31%/ 32% CAGR over FY26-FY28E as it scales up its Port capacities from 183 MT in FY26 (186 MT as on Q2FY27) to 300 MT by FY28 (further to 400 MT by FY30). It stays committed to its capex plan of ₹ 16,500 crore (Ports - ₹ 13,000 crore, Logistics - ₹ 3500 crore) for FY27-FY28.
- **Port expansion projects stay on track barring a couple:** The company largely stays on track to commence construction on Murbe port (33 MTPA) in Maharashtra in Q4FY27. Keni port (30 MTPA) in Karnataka has been delayed where it continues to seek EC approval in another 3-4 months followed by construction commencement. The construction work at Jatadhar Port (30 MTPA) and Slurry pipeline project (30 MTPA) stays on track for completion by March 2027. Expansions at Dharamtar (21 MTPA) is on track for completion by March 2027 while Jaigarh (15 MTPA) during Q1FY28 (earlier by March 2027). The construction work at Oman (27 MTPA) is expected to start in Q4FY27.

Rating and Target Price:

- JIL is expected to be on a strong long-term growth trajectory over FY26-FY30 backed by expansion of ports capacities, strengthening of logistics network and pursuing inorganic growth opportunities.
- We maintain our Buy rating on the stock with a Target Price of ₹ 400/- i.e. 23x EV/EBITDA on FY28E.

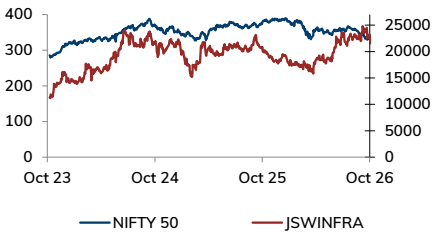
Market data

Particulars	Rs. in crore
Market Capitalisation	73861
Debt (FY26)	6410
Cash (FY26)	2318
EV	77953
52 Week H/L (Rs.)	356/233
Equity Capital	466
Face Value (Rs.)	₹ 2

Shareholding pattern

	Dec-25	Mar-26	Jun-26	Sep-26
Promoter	83.6	83.6	83.6	73.9
FII	7.3	7.1	6.9	12.5
DII	2.5	2.2	2.4	8.5
Others	6.6	7.1	7.0	5.1

Price Chart



Key risks

(i) Slowdown in pre-sales run-rate led by weakness in MMR region

(ii) Delay in project launches and execution run-rate

(iii) Rise in interest rates and/or increase in key raw material prices

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Result Update

ICICI Securities – Retail Equity Research

Key Financial Summary

Particulars (₹ crore)	FY24	FY25	FY26	2-year CAGR (FY24-26)	FY27E	FY28E	FY29E	3-year CAGR (FY26-29E)
Revenues	3,763	4,476	5,361	18.8%	6,305	8,964	11,407	45.9%
EBITDA	1,965	2,262	2,604	17.1%	2,971	4,386	5,579	46.4%
EBITDA margin (%)	52.2	50.5	49%		47%	49%	49%	
Adjusted PAT	1,156	1,503	1,603	29.4%	1,609	2,085	2,620	27.8%
EPS (Rs)	5.0	6.5	6.5		6.9	8.9	11.2	
EV to EBITDA (x)	40.4	36.0	32.0		27.5	19.6	14.4	
RONW (x)	19.2	17.0	14.8		10.8	10.5	11.9	
RoCE (%)	13.9	13.0	11.6		8.6	8.2	9.0	

Source: Company, ICICI Direct Research

Q2FY27 – Earnings call summary

- **Guidance and Outlook:** The management expects to achieve port volumes of 127 MTPA for FY27E, 4.4% YoY accounting for impact on Fujairah port due to middle east situation. It has increased EBITDA guidance of Logistics business to 28% from 24% earlier now adjusted EBITDA guidance of ₹ 2950 crore and ₹ 5000 crore in FY27E and FY28E. Consolidated revenues/EBITDA is expected to grow at a CAGR of 42%/ 38% over FY26-FY30E. Ports revenues/EBITDA are expected to grow at a CAGR of 24% each while Logistics at a CAGR of 144%/ 183% over FY26-FY30E.
- **Capacity expansion:** The company has floated tenders in Oman (27 MTPA) and company expects to start work by Q4FY27. In Murbe (33 MTPA), it is in land acquisition and expects to begin work by Q4FY27. In Keni (30 MTPA) environmental clearance is delayed, it expects to seek EC approval in another 3-4 months. Expansions at Slurry pipeline project (30 MTPA), Dharamtar (21 MTPA) are expected to be completed by Q4FY27 and Jaigarh (15 MTPA) by Q1FY28. The construction work at Jatadhar Port (30 MTPA) and is progressing well. Overall, its ports capacity expansion plan stays intact to achieve 300 MT/ 400 MT by FY28E/ FY30E respectively from current 186 MT.
- **Ports performance:** Total cargo handled was up 2% YoY at 29.4 mtpa in Q2FY27, port volumes impact by disruption at Fujairah terminal, lower volumes at Jaigarh and Paradip iron ore terminal on regulatory approval issues. Domestic volumes grew 8% YoY. For Q2FY27 Port Revenues/EBITDA were up 9%/ 2% YoY at ₹ 1202 crore/₹ 594 crore while Port EBITDA margins declined 360 bps YoY to 49.4% due to ME situation and higher contribution to business from ports with lower margins.
- **Logistics performance:** Navkar's EXIM volumes grew 12% YoY to 88,000 TEUs in Q2FY27 while domestic volumes were up 16% YoY at 459,000 MT. Logistics business reported Q2FY27 revenue growth of 72% YoY (+18% QoQ) to ₹ 279 crore, EBITDA stood at ₹ 81 crore, EBITDA Margins at 29%. It has 78 rakes currently and it is on track to reach 110 rakes by March 2027. Going ahead it aims to scale up to 250 rakes in next 2 to 3 years.
- **Capex:** During Q2FY27 it has incurred ₹ 1500 crore capex in ongoing expansions and committed ₹ 6000 crore for equipments and long lead items. Overall, it would be incurring capital expenditure of ₹ 13000 crore in Ports and ₹ 3500 crore in logistics over FY27-FY28E.
- Key focus areas: Going ahead, the company's primary focus areas are 1) early completion of projects 2) ramping up logistics business and 3) efficiency gains

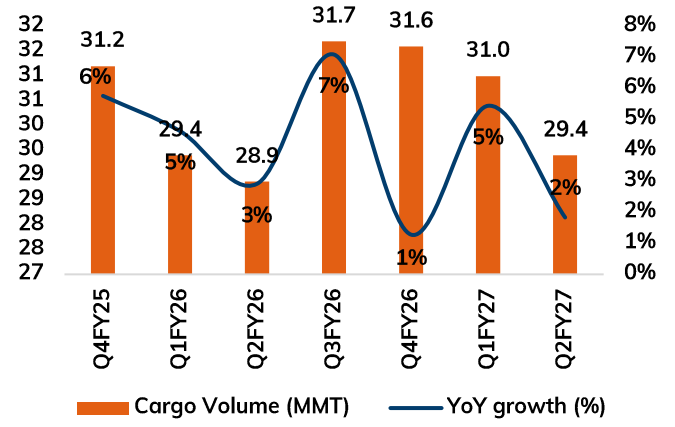
Exhibit 1: Q1FY27 consolidated result overview (₹ crore)

Particulars	Q2FY27	Q2FY26	YoY (%)	Q1FY27	QoQ (%)	Comments
Revenue from Operations	**1,481**	**1,266**	**17.0%**	**1,445**	**2.5%**	Overall growth was partially offset by disruption at Fujairah Liquid Terminal, lower volumes at Jaigarh Port and Paradip Iron Ore Terminal
Operating Expenses	681	539	26.3%	**645**	5.5%	
Employee Expenses	58	59	-0.9%	**56**	3.4%	
Other Expenditure	67	58	16.2%	**70**	-3.0%	
Total Expense	806	656	23.0%	771	4.6%	
EBITDA	**674**	**610**	**10.6%**	**674**	**0.1%**	
EBITDA Margin (%)	45.5%	48.2%	-263bps	46.6%	-110bps	Margins down because of a) absence of contribution from Fujairah terminal; b) higher contribution from lower margin business
Depreciation	175	149	17.9%	**166**	5.6%	
Interest	257	105	145.5%	**102**	151.6%	Higher interest expense include forex loss of ₹149 crore on rupee depreciation
Other Income	189	107	76.7%	**57**	232.0%	
Less: Exceptional Items	-	-		**-**		
PBT	**432**	**463**	**-6.8%**	**463**	**-6.7%**	
Total Tax	103	94	-	**105**	-2.2%	
Reported PAT	**318**	**361**	**-11.8%**	**347**	**-8.1%**	Profitability impact mainly due to forex loss

Source: Company, ICICI Direct Research

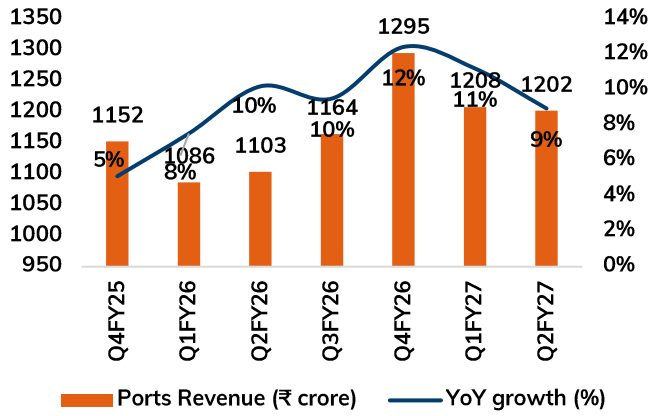
Financial summary

Exhibit 2: Cargo volume trend



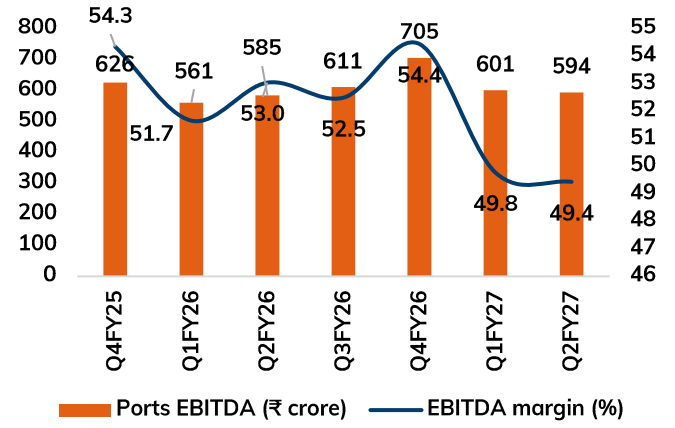
Source: Company, ICICI Direct Research

Exhibit 3: Ports revenue trend



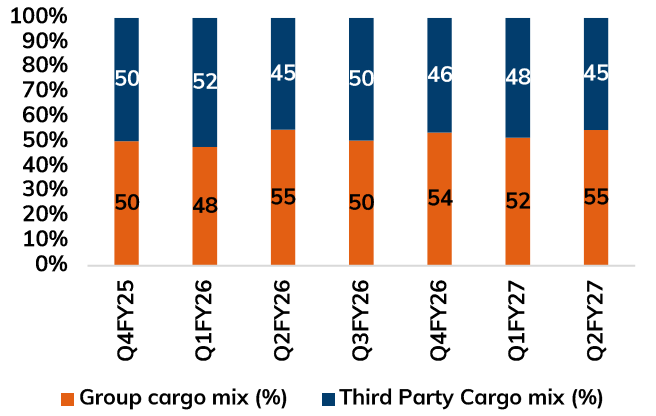
Source: Company, ICICI Direct Research

Exhibit 4: Ports EBITDA trend ₹ crore



Source: Company, ICICI Direct Research

Exhibit 5: Group vs third party cargo mix



Source: Company, ICICI Direct Research

Financial summary

Exhibit 6: Profit and loss statement ₹ crore

(Year-end March)	FY26	FY27E	FY28E	FY29E
Total Operating Income	**5361**	**6152**	**8831**	**11407**
Growth (%)	20%	15%	44%	29%
Operating Expenses	2286	2576	3653	4838
Gross Profit	**3076**	**3576**	**5178**	**6569**
Gross Profit Margins (%)	57.4%	58.1%	58.6%	57.6%
Employee Expenses	239	263	289	318
Other Expenditure	234	363	521	673
Total Operating Expenditure	2758	3201	4463	5828
EBITDA	**2604**	**2951**	**4368**	**5579**
Growth (%)	15.1%	13.3%	48.0%	27.7%
Interest	383	636	726	933
Depreciation	614	707	1208	1584
Other Income	346	311	280	252
PBT before Exceptional item	**1873**	**1919**	**2714**	**3314**
Total tax	326	384	543	663
PAT before minority interest	1547	1536	2171	2651
Minority interest	24	26	29	31
Profit from associates	0	0	0	0
PAT	**1523**	**1510**	**2143**	**2620**
Growth (%)	1.3%	-0.9%	42.0%	22.3%
EPS (Adjusted)	6.5	6.5	9.2	11.2

Source: Company, ICICI Direct Research

Exhibit 7: Cash flow statement ₹ crore

(Year-end March)	FY26	FY27E	FY28E	FY29E
Profit/loss after taxation	1526	1536	2171	2651
Add: Depreciation & Amortization	614	707	1208	1584
Add: Interest Paid	383	636	726	933
Others	-181	-311	-280	-252
Net Increase in current assets	-405	851	-904	-872
Net Increase in current Liabilities	85	471	1101	1059
CF from operating activities	**2022**	**3889**	**4022**	**5103**
(Purchase)/Sale of Fixed Assets	-2488	-8345	-7878	-3962
Investments	-119	0	0	0
Others	195	311	280	252
CF from Investing activities	**-2413**	**-8034**	**-7597**	**-3710**
Issue of Equity	-8	6558	0	0
(inc)/Dec in Loan	730	3397	4571	2340
Divident & Divident tax	-168	-140	-140	-140
Less: Interest Paid	-327	-636	-726	-933
Others	0	0	0	0
CF from Financing activities	**227**	**9179**	**3705**	**1267**
Net Cash Flow	-164	5034	130	2659
Cash and Cash Equivalent	2482	2318	7352	7481

Source: Company, ICICI Direct Research

Exhibit 8: Balance sheet ₹ crore

(Year-end March)	FY26	FY27E	FY28E	FY29E
Equity Capital	417	466	466	466
Reserve and Surplus	10460	18339	20341	22821
Total Shareholders funds	**10878**	**18805**	**20807**	**23287**
Minority Interest	815	841	870	901
Total Debt	**6410**	**9807**	**14378**	**16718**
Current Liability	2057	2528	3629	4688
Long-Term Provisions	56	56	56	56
Other Non Current Liabilities	0	0	0	0
Total Liabilities	**20215**	**32037**	**39740**	**45650**
Gross Block - Fixed Assets	10120	18465	26343	30305
Accumulated Depreciation	2629	3336	4544	6128
Net Block	7491	15129	21799	24177
Capital WIP	3188	3188	3188	3188
Fixed Assets	**10680**	**18318**	**24987**	**27366**
Intangible assets	3036	3036	3036	3036
Investments	25	25	25	25
Other non-Current Assets	380	380	380	380
Inventory	147	162	178	196
Debtors	1058	1028	1476	1906
Other Current Assets	724	724	724	724
Loans & Advances	1847	1011	1452	1875
Cash	2318	7352	7481	10141
Total Current Assets	**6094**	**10277**	**11311**	**14842**
Creditors	374	506	726	938
Provisions	56	56	56	56
Other Current Liabilities	1682	2022	2903	3750
Total Current Liabilities	**2057**	**2528**	**3629**	**4688**
Net Current Assets	4037	7749	7682	10155
Application of Funds	**20215**	**32037**	**39740**	**45650**

Source: Company, ICICI Direct Research

Exhibit 9: Key ratios

(Year-end March)	FY26	FY27E	FY28E	FY29E
Per share data (₹)				
Adjusted EPS	6.9	6.5	9.2	11.2
Cash EPS	9.5	9.5	14.4	18.0
BV per share	48.5	82.7	91.3	101.9
Cash per Share	9.9	31.6	32.1	43.5
Dividend per share	0.5	0.5	0.5	0.5
Operating Ratios (%)				
Gross Profit Margins	57.4	58.1	58.6	57.6
Operating EBIDTA margins (%)	48.6	48.0	49.5	48.9
(Adjusted) PAT Margins	29.9	24.5	24.3	23.0
Cash Conversion Cycle	57	41	38	37
Fixed asset turnover (x)	0.5	0.3	0.4	0.4
Return Ratios (%)				
RoE	14.8	10.2	10.8	11.9
RoCE	11.6	8.8	8.5	9.0
RoIC	11.5	9.4	10.0	10.8
Valuation Ratios (x)				
P/E	48.5	48.9	34.5	28.2
EV / EBITDA	29.9	25.9	18.5	14.4
EV / Net Sales	14.5	12.4	9.1	7.1
Market Cap / Sales	13.8	12.0	8.4	6.5
Price to Book Value	6.5	3.8	3.5	3.1
Solvency Ratios				
Debt / EBITDA	2.5	3.3	3.3	3.0
Debt / Equity	0.6	0.5	0.7	0.7

Source: Company, ICICI Direct Research

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Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

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