

# JSW Energy Limited

**BUY**

Sector: Power

19<sup>th</sup> February, 2026

<b>Key Changes</b>	<b>Target</b> ▲	<b>Rating</b> ●	<b>Earnings</b> ▼	<b>Target</b>	<b>Rs. 578</b>		
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame	<b>CMP</b>	<b>Rs. 486</b>
Mid Cap	JSW:IN	83,734	JSWENERGY	533148	12 Months	<b>Return</b>	<b>+19%</b>

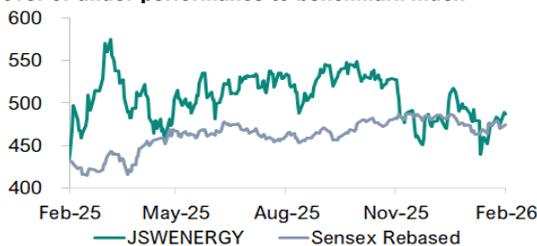
Data as of: 18-Feb-2026, 18:00 hrs

Company Data	
Market Cap (Rs.cr)	84,994
52 Week High — Low (Rs.)	579 - 428
Enterprise Value (Rs. cr)	147,991
Outstanding Shares (cr)	174.8
Free Float (%)	30.6
Dividend Yield (%)	0.4
6m average volume (cr)	0.3
Beta	1.1
Face value (Rs. )	10.0

Shareholding (%)	Q1FY26	Q2FY26	Q3FY26
Promoters	69.3	69.3	69.3
FII's	12.4	12.1	9.5
MFs/Institutions	11.4	11.6	14.4
Public	4.5	4.6	4.6
Others	2.5	2.5	2.2
Total	100.0	100.0	100.0
Promoter Pledge	11.3	11.6	11.7

Price Performance	3 Month	6 Month	1 Year
Absolute Return	-7.7%	-8.9%	10.4%
Absolute Sensex	-1.1%	3.0%	10.2%
Relative Return	-6.6%	-11.9%	0.2%

## \*over or under performance to benchmark index



Y.E March (cr)	FY26E	FY27E	FY28E
Sales	20,295	23,858	27,339
Growth (%)	72.8	17.6	14.6
EBITDA	10,792	12,776	14,698
EBITDA Margin (%)	53.2	53.6	53.8
PAT Adjusted	2,045	2,659	3,238
Growth (%)	4.8	30.0	21.8
Adjusted EPS	11.7	15.2	18.5
Growth (%)	4.8	30.0	21.8
P/E	41.6	32.0	26.3
P/B	2.9	2.7	2.5
EV/EBITDA	13.7	12.1	11.0
ROE (%)	7.4	8.6	9.6
D/E	2.2	2.3	2.3

## Building Scale, Enhancing Stability

**JSW Energy Ltd, part of the \$24bn JSW Group, is a leading private power generation company in India, with an installed capacity of 13,336 megawatts (MW), across thermal (5,658 MW), wind (3,648 MW), hydro (1,631 MW) and solar (2,127 MW) projects.**

- In Q3FY26, the company's consolidated revenue from operations surged 67.4% YoY to Rs. 4,082cr, driven by higher generation across the thermal, renewable and hydro verticals, along with capacity additions.
- In Q3FY26, thermal generation rose 54.7% YoY to 7.9 billion units (BUs) from 5.1BUs in Q3FY25, supported by contributions from Mahanadi, Utkal Unit-II and LT tie-up at Vijayanagar.
- Net renewable energy generation in Q3FY26 soared 95.6% YoY to 3,220 million units (MUs) vs. 1,646MUs in Q3FY25, driven by organic wind capacity additions and contributions from O2 Power.
- Net generation grew 64.7% YoY to 11.1BUs compared with 6.7BUs in Q3FY25.
- EBITDA grew 97.5% YoY to Rs. 2,202cr, with margins expanding 830bps to 54.0% YoY, driven by significant contributions from acquired assets, primarily Mahanadi and O2 Power.
- As a result, reported profit after tax (PAT) in Q3FY26 rose 235.8%YoY to Rs. 529cr.

## Outlook & Valuation

JSW Energy delivered a strong Q3FY26 performance, driven by recent capacity additions that boosted generation and improved earnings visibility. The management highlighted a robust and diversified growth pipeline across the thermal, renewable and storage segments, supported by long-term power purchase agreements (PPAs). The company's strategic focus on firm and dispatchable power, including thermal and storage projects, is well-aligned with the evolving needs of the grid. Progress on key projects such as Salboni and Utkal, along with continued growth in renewables and hydro, is expected to sustain generation growth. The commissioning of India's largest green hydrogen plant further reinforces the company's leadership in clean energy. Hence, **we retain our BUY rating on the stock, with a roll forward target price of Rs. 578, based on 11x FY28E EV/EBITDA.**

## Quarterly Financials Consolidated

Rs.cr	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	9MFY26	9MFY25	YoY (%)
Sales	4,082	2,439	67.4	5,177	-21.2	14,403	8,556	68.3
EBITDA	2,202	1,115	97.5	3,180	-30.7	8,439	4,602	83.4
Margin (%)	54.0	45.7	830bps	61.4	-740bps	58.6	53.8	480bps
EBIT	1,374	709	93.6	2,371	-42.1	6,063	3,430	76.8
PBT	-173	150	n.m.	955	n.m.	1,798	1,853	-3.0
Rep. PAT	529	157	235.8	824	-35.9	2,189	1,568	39.6
Adj PAT	485	168	189.1	705	-31.2	1,932	1,543	25.2
Adj. EPS (Rs)	2.8	1.0	189.1	4.0	-31.2	11.1	8.8	25.2



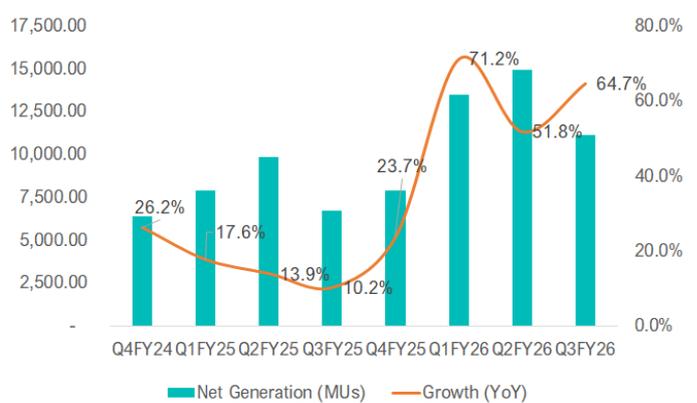
## Key concall highlights

- The management reaffirmed its confidence in achieving over 30 gigawatt (GW) of generation capacity and 40 gigawatt-hour of storage by 2030, driven by a diversified asset mix and a secured project pipeline.
- JSW Energy has secured a 25-year PPA with Karnataka discom for supply of 400MW from the Utkal thermal plant and a short-term PPA to supply RTC power with Assam discom for 115MW, both effective April 1, 2026.
- The company signed a second 1,600MW PPA for the Salboni thermal project with West Bengal, taking the total project capacity to 3,200MW, with tariffs of ~Rs. 3.65/unit (Phase 1) and ~Rs. 4.06/unit (Phase 2). Fixed costs remain a pass-through with a normative heat rate of ~2,350kcal/kilowatt-hour (kWh).
- In Q3FY26, JSW Energy commissioned India's largest green hydrogen plant at its Vijayanagar facility, with an annual capacity of ~3,800 tonnes.
- As of Q3FY26, the company's net debt was Rs. 63,771cr, up from Rs. 61,960cr in Q2FY26; however, net leverage is expected to decline following the receipt of Rs. 3,000cr. from a recent preferential allotment.
- In Q3FY26, installed capacity rose to 13.3GW. Over the past 12 months, the company added 5,219MW of capacity, comprising 3,069MW of renewable energy and 2,150MW of thermal power. The company's current total locked-in generation capacity is 30.5GW

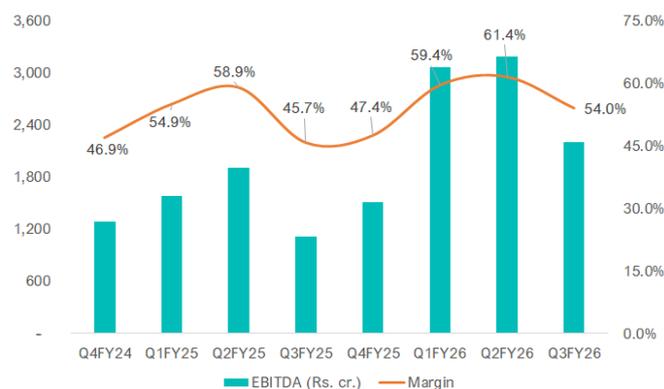
## Revenue



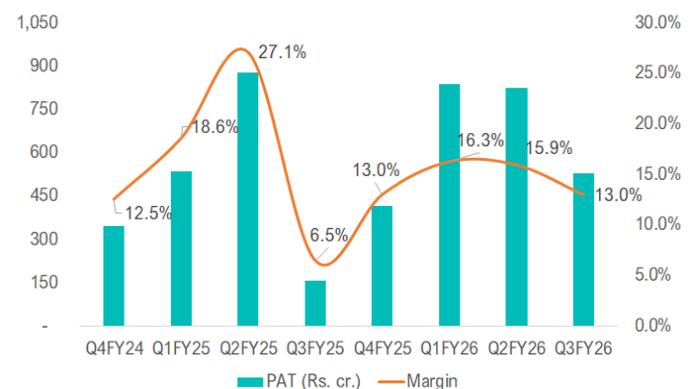
## Net Generation



## EBITDA



## PAT



## Change in Estimates

Year / Rs cr	Old estimates		New estimates			Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY28E	FY26E	FY27E
Revenue	19,928	23,291	20,295	23,858	27,339	1.8	2.4
EBITDA	10,426	12,565	10,792	12,776	14,698	3.5	1.7
Margins (%)	52.3	53.9	53.2	53.6	53.8	90bps	-30bps
Adj. PAT	3,300	3,966	2,045	2,659	3,238	-38.0	-33.0
EPS	18.9	22.7	11.7	15.2	18.5	-38.0	-33.0



## Consolidated Financials

### Profit & Loss

Y.E March (Rs. Cr)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Sales</b>	<b>11,486</b>	<b>11,745</b>	<b>20,295</b>	<b>23,858</b>	<b>27,339</b>
% change	11.2	2.3	72.8	17.6	14.6
<b>EBITDA</b>	<b>5,837</b>	<b>6,115</b>	<b>10,792</b>	<b>12,776</b>	<b>14,698</b>
% change	52.9	4.8	76.5	18.4	15.0
Depreciation	1,633	1,655	2,998	3,365	3,984
<b>EBIT</b>	<b>4,204</b>	<b>4,460</b>	<b>7,794</b>	<b>9,411</b>	<b>10,713</b>
Interest	2,053	2,269	5,223	6,245	6,858
Other Income	17	23	-38	33	39
<b>PBT</b>	<b>2,167</b>	<b>2,214</b>	<b>2,533</b>	<b>3,198</b>	<b>3,895</b>
% change	11.5	2.2	14.4	26.3	21.8
Tax	442	231	380	480	584
Tax Rate (%)	20.4	10.4	15.0	15.0	15.0
<b>Reported PAT</b>	<b>1,725</b>	<b>1,983</b>	<b>2,153</b>	<b>2,719</b>	<b>3,311</b>
<b>PAT att. to common shareholder-</b>	<b>1,723</b>	<b>1,951</b>	<b>2,110</b>	<b>2,659</b>	<b>3,238</b>
Adj.*	-	-	-65	-	-
<b>Adj. PAT</b>	<b>1,723</b>	<b>1,951</b>	<b>2,045</b>	<b>2,659</b>	<b>3,238</b>
% change	26.9	13.2	4.8	30.0	21.8
No. of shares (cr)	164.5	174.8	174.8	174.8	174.8
<b>Adj EPS (Rs.)</b>	<b>10.5</b>	<b>11.2</b>	<b>11.7</b>	<b>15.2</b>	<b>18.5</b>
% change	26.8	6.6	4.8	30.0	21.8
DPS (Rs.)	2.0	2.0	2.0	2.0	2.0

### Cashflow

Y.E March (Rs. Cr)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Net inc. + Depn.</b>	<b>3,358</b>	<b>3,638</b>	<b>5,151</b>	<b>6,084</b>	<b>7,295</b>
Non-cash adj.	1,974	838	-749	6,331	7,144
Other adjustments	-	-	-	-	-
Changes in W.C	901	-637	-1,689	895	695
<b>C.F. Operation</b>	<b>6,234</b>	<b>3,838</b>	<b>2,714</b>	<b>13,310</b>	<b>15,135</b>
Capital exp.	-8,032	-6,846	-12,786	-13,360	-15,310
Change in inv.	-652	-306	-1,117	-116	-
Other invest.CF	366	-16,461	-	-	-
<b>C.F - Investment</b>	<b>-8,318</b>	<b>-23,613</b>	<b>-13,903</b>	<b>-13,476</b>	<b>-15,310</b>
Issue of equity	-11	4,947	-	-	-
Issue/repay debt	4,370	18,425	19,138	6,876	7,678
Dividends paid	-347	-364	-350	-350	-350
Other finance.CF	-2,338	-2,785	-4,765	-6,153	-6,757
<b>C.F - Finance</b>	<b>1,675</b>	<b>20,223</b>	<b>14,024</b>	<b>373</b>	<b>572</b>
Chg. in cash	-409	449	2,835	207	397
<b>Closing Cash</b>	<b>4,207</b>	<b>4,695</b>	<b>7,530</b>	<b>7,737</b>	<b>8,134</b>

### Balance Sheet

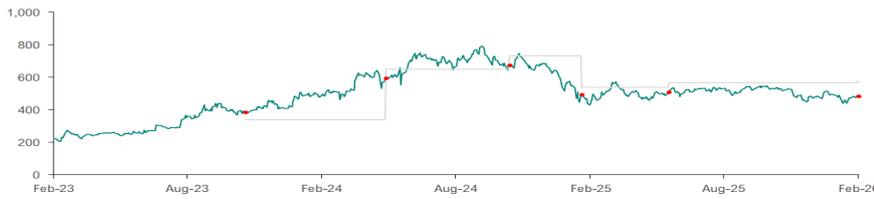
Y.E March (Rs. Cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash	4,207	4,695	7,530	7,737	8,134
Accts. Receivable	844	1,320	1,879	2,537	3,102
Inventories	831	905	1,292	1,624	1,956
Other Cur. Assets	2,783	5,155	6,041	6,240	6,327
Investments	5,946	7,654	8,561	8,561	8,561
<b>Gross Fixed As-sets</b>	<b>35,830</b>	<b>56,957</b>	<b>69,743</b>	<b>83,103</b>	<b>98,413</b>
Net Fixed Assets	26,088	45,713	56,322	67,074	79,095
CWIP	10,282	10,277	9,455	8,698	8,003
Intangible Assets	2,861	8,446	13,128	13,409	13,696
Def. Tax -Net	502	484	209	216	263
Other Assets	3,925	5,290	6,180	5,723	5,014
<b>Total Assets</b>	<b>58,269</b>	<b>89,939</b>	<b>110,596</b>	<b>121,817</b>	<b>134,150</b>
Current Liabilities	3,674	6,991	7,052	8,433	10,121
Provisions	114	152	152	152	152
Debt Funds	31,327	49,621	68,760	75,636	83,314
Other Liabilities	2,140	4,089	3,743	4,338	4,344
Equity Capital	1,641	1,745	1,745	1,745	1,745
Res. & Surplus	19,191	25,616	27,377	29,686	32,574
<b>Shareholder Funds</b>	<b>20,832</b>	<b>27,361</b>	<b>29,122</b>	<b>31,431</b>	<b>34,319</b>
Minority Interest	183	1,724	1,767	1,826	1,899
<b>Total Liabilities</b>	<b>58,269</b>	<b>89,939</b>	<b>110,596</b>	<b>121,817</b>	<b>134,150</b>
BVPS	127	157	167	180	196

### Ratio

Y.E March	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Profitab. &amp; Return</b>					
EBITDA margin (%)	50.8	52.1	53.2	53.6	53.8
EBIT margin (%)	36.6	38.0	38.4	39.4	39.2
Net profit mgn.(%)	15.0	16.9	10.6	11.4	12.1
ROE (%)	8.3	7.2	7.4	8.6	9.6
ROCE (%)	8.0	5.7	7.8	8.6	9.0
<b>W.C &amp; Liquidity</b>					
Receivables (days)	26.8	41.0	33.8	38.8	41.4
Inventory (days)	64.4	71.9	63.2	66.8	69.7
Payables (days)	104.2	111.9	67.5	73.6	79.0
Current ratio (x)	1.2	1.0	1.0	0.9	0.9
Quick ratio (x)	0.8	0.7	0.7	0.6	0.6
<b>Turnover &amp; Leverage</b>					
Gross asset T.O (x)	0.3	0.3	0.3	0.3	0.3
Total asset T.O (x)	0.2	0.2	0.2	0.2	0.2
Int. covge. ratio (x)	2.0	2.0	1.5	1.5	1.6
Adj. debt/equity (x)	1.5	1.7	2.2	2.3	2.3
<b>Valuation</b>					
EV/Sales (x)	10.0	12.0	7.3	6.5	5.9
EV/EBITDA (x)	19.6	23.0	13.7	12.1	11.0
P/E (x)	50.5	48.2	41.6	32.0	26.3
P/BV (x)	4.2	3.4	2.9	2.7	2.5



## Recommendation Summary (Last 3 years)



Dates	Rating	Target
06-Nov-23	SELL	340
15-May-24	HOLD	650
30-Oct-24	HOLD	733
06-Feb-25	HOLD	538
04-Jun-25	BUY	566
19-Feb-26	BUY	578

## Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
<b>Buy</b>	Upside is above 10%	Upside is above 15%	Upside is above 20%
<b>Accumulate</b>	-	Upside is between 10%-15%	Upside is between 10%-20%
<b>Hold</b>	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
<b>Reduce/sell</b>	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

### Not rated/Neutral

#### Definition:

**Buy:** Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

#### Symbols definition:

 Upgrade

 No Change

 Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

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Not rated/Neutral- The analyst has no investment opinion on the stock under review.

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