

Quant-Funda

Jindal Steel Ltd.

22nd January 2026

Sector: Metals & Mining

Security Not Under ASM: ☒

LTP	Recommendation	Target	Stop Loss	Return
Rs. 1,042	Buy between Rs.1,050–1,080	Rs. 1,290	Rs.939	+24%
SENSEX	Market Cap	NSE Code	BSE Code	Time Frame
81,910	Rs.1,09,129cr	JINDALSTEL	532286	3-6 Months

Data as of: 21-01-2026

Fundamental View

Jindal Steel Limited (JSL), founded in 1979 and headquartered in New Delhi, is one of India's leading steel producers and a major player in infrastructure and energy. It operates integrated plants in Raigarh (Chhattisgarh), Angul and Barbil (Odisha), and Patratu (Jharkhand), producing rails, rebars, plates, coils, and wire rods. Notably, it is the only private company in India manufacturing railway rails and has pioneered technologies like the MXCOL plant, which uses high-ash coal for steelmaking.

- Topline grew by ~4%YoY in Q2FY26 to ₹11,685.9cr led by steady steel demand. EBITDA stood at ₹2,081cr in Q2FY26 with EBITDA margins at 17.8% (down by 181bps YoY) due to higher operating costs from planned maintenance and metallic purchases. Consequently, PAT fell by 26%YoY at ₹635cr.
- In Q2FY26, Jindal Steel commissioned India's second-largest blast furnace and a 3 MTPA BOF (Basic Oxygen Furnace) at Angul, raising overall steelmaking capacity to 12.6 MTPA (Million Tonnes Per Annum) and keeping the company on track to reach 15.6 MTPA by FY26, reinforcing its growth trajectory and positioning it for future volume expansion.
- Despite margin and PAT pressure in Q2FY26, JSL expects a recovery in the coming quarters, driven by the ramp-up of Angul capacity, a higher value-added product mix at 73% of sales, increased captive iron ore usage from 29% to 45%, and stabilising steel prices, supporting efficiency and margin expansion.
- The net debt reduced to ₹14,156cr in Q2FY26, with net debt-to-EBITDA improving to 1.48x, reflecting strong financial discipline and prudent leverage management in Q2FY26.
- As per market consensus, JSL is currently trading at a 1year fwd. EV/EBITDA of 8.2x (which is ~12% above the 3 year Avg EV/EBITDA of 7.3x). This is supported by JSL's aggressive capacity expansion, higher share of value-added and flat steel products, improved raw material integration, and strong financial discipline, all of which position JSL for sustained growth and margin recovery.

Technical View

- The stock has completed a Cup-with-Handle formation and confirmed a downward trendline breakout on daily charts, signalling a structural shift toward higher highs and sustained bullish continuation.
- The stock is trading firmly above all key moving averages, reflecting strong trend alignment, improving market participation, and reinforcing the medium-term bullish bias.
- Momentum indicators support the setup, with RSI hovering near 52 and MACD showing a positive crossover above the zero line, indicating strengthening upside momentum.
- Initiate long positions between ₹1,050–₹1,080, maintain a stop-loss at ₹939, and target ₹1,290, offering a favourable risk-reward profile aligned with the prevailing trend.

Price Chart



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