27 November, 2025 | PICK OF THE MONTH | VOL-11, NO-09

Industry: Industrial Products | John Cockerill India Ltd | BUY

CMP: Rs.5181 | **TARGET PRICE: Rs.6600** | **TIME : 12 months**

Incorporated in 1986, **John Cockerill India Limited** (JCIL), formerly known as CMI FPE Limited, is a key part of the Belgium-headquartered John Cockerill Group (JCG). JCIL plays a pivotal role in delivering advanced technologies including cold rolling mill complexes, acid regeneration plants, and a range of continuous processing lines such as annealing, galvanizing, color coating, tension levelling, skin pass mills, wet flux lines, and pickling lines with both greenfield and brownfield installations. The company is actively supporting the decarbonisation of steelmaking by integrating technologies such as Direct Reduced Iron (DRI), Electric Arc Furnaces (EAF), and hydrogen-based solutions. Headquartered in Mumbai, JCIL currently employs over 360+ professionals and operates advanced manufacturing facilities in Taloja and Hedavali.

The fundamentals of the overall business seems to have improved and the order visibility gives the confidence heading into CY26E with better opportunities. JCIL's core business is deeply embedded in the **steel value chain** and its future growth is tied to the expansion of steel capacity in India. The company was struggling to generate topline owing to seasonality issues which had translated into a red bottomline; however, with time we believe JCIL will begin to **turnaround**. **We initiate coverage** on JCIL with a BUY rating and a TP of Rs6600 implying 27% upside.

Strong Parentage: JCIL benefits significantly from the support of the JCG, a 200-year-old multinational engineering giant headquartered in Belgium. JCG's prestigious client base and track record for quality, reliability, and timely delivery enhances JCIL's credibility in the marketplace as a preferred partner not only for Indian steel majors, but also for international projects channeled through the group's global network.

Industry Tailwinds: The global steel sector is navigating through a mixed outlook where India and Southeast Asia stand out. India is growing at a fast pace and is one of the largest growing steel markets today. The strong demand is also propelled by four major megatrends including decarbonization, digitalization, value-added production, and supply chain rebalancing where players like JCIL can be benefitted on a larger scale.

India Strategically Transforming: JCIL is executing a deliberate plan to consolidate the Global Metals activities of the JCG under a single India-based listed entity in order to create a sharper, more transparent, and highly investible platform. The Board of Directors has approved the acquisition of 100% equity stake in John Cockerill Metals International SA (Belgium) from the parent with an attractive five-year interest free deferred payment facility. JCIL is on track to become one of the pioneering Indian companies with localized electrolyzer manufacturing capabilities.

SNAPSHOT	
52 week H/L	**Mcap (INR mn)**
6660/2383	25,584
Face value: 10	
BSE Code	**NSE CODE**
500147	NA

Shareholding Pattern as on 30th Sept, 2025		
Parameters	**No of Shares**	**%**
Promoters	37,03,200	75.0
Institutions	1297	0.03
Public	12,33,316	24.9
TOTAL	**49,37,813**	**100.0**

Annual Performance				
(Rs mn)	**9MCY23**	**CY24**	**CY25E**	**CY26E**
Total Revenue	6,666	3,887	3,631	4,094
EBITDA	261	(38)	218	319
EBITDA (%)	3.9	(1.0)	6.0	7.8
Other Income	62	49	80	86
Interest	23	23	17	17
Depreciation	39	60	64	70
PBT	261	(72)	217	318
PAT	216	(54)	161	236
Equity (Rs mn)	49	49	49	49
EPS (INR)	43.8	(10.9)	32.6	47.7

Quarterly Performance				
Parameters (Rs mn)	**Dec-24**	**Mar-25**	**Jun-25**	**Sept-25**
Sales (Net)	723	764	821	970
EBITDA	(5)	(4)	19	113
EBITDA (%)	(0.7)	(0.6)	2.4	11.7
Other Income	11	14	26	24
Interest	8	4	7	3
Depreciation	16	15	15	15
PAT	(15)	(7)	17	89
Equity (Rs mn)	49	49	49	49

Source: Annual Report, Progressive Research

Ratio Analysis				
Parameters (Rs mn)	**9MCY23**	**CY24**	**CY25E**	**CY26E**
EV/EBITDA (x)	102.9	-	123.1	83.9
EV/Net Sales (x)	4.0	6.9	7.4	6.5
M Cap/Sales (x)	3.8	6.6	7.0	6.2
M Cap/EBITDA (x)	98.2	-	117.4	80.1
Debt/Equity (x)	1.2	0.9	0.8	0.8
ROCE (%)	12.4	(2.0)	9.6	12.9
Price/Book Value (x)	12.1	12.7	11.9	10.9
P/E (x)	118.2	-	159.2	108.6

Note: Data calculated as on 26th Nov, 2025

27 November, 2025	PICK OF THE MONTH	VOL-11, NO-09
Industry: Industrial Products	John Cockerill India Ltd	BUY
CMP: Rs.5181	TARGET PRICE: Rs.6600	TIME : 12 months

Industry Overview:

Global Steel Industry:

The global steel industry is projected to experience moderate growth between 2024 and 2030, with demand rising from ~1.8bn tons in 2024 to ~2.2bn tons by 2030, representing an average annual growth rate of ~2.9%. This expansion is anticipated to be primarily driven by rapid industrialization in developing regions, notably South East Asia, some parts of Africa and India. The market is undergoing significant transformation owing to **emerging trends** and evolving demands. Sustainability is at the forefront, as manufacturers invest heavily in green technologies like electric arc furnaces and low-carbon steel production to reduce emissions to comply with stringent environmental regulations and increasing consumer demand for eco-friendly products. Concurrently, the industry is also embracing digital transformation through the adoption of IoT, artificial intelligence, and advanced data analytics to enhance operational efficiency and optimize production processes. Infrastructure development remains a key driver, supported by escalating global investments where steel plays a critical role. Urbanization trends further boost demand, with the United Nations projecting that ~68% of the global population will reside in urban areas by 2050, amplifying the need for steel in residential and commercial construction. Growth is also fuelled by rising **demand from sectors** such as electric vehicles and energy-efficient construction materials. **Green Steel** technologies like hydrogen based steelmaking and electrification are gaining traction with increased government incentives for decarbonisation efforts. The shift towards **low-carbon steel** is emerging as both a sustainability imperative and a strategic growth driver. As industries and governments worldwide intensify efforts to reduce carbon emissions, green steel will be essential to achieve climate goals while fostering long term economic growth. This transition is poised to **reshape the industry's future** trajectory significantly. However, the industry also faces **near-term headwinds** due to softening demand from China, which could put pressure on global iron and steel prices. Structural challenges in the Chinese housing sector, driven by demographic changes, are expected to reduce demand for new construction and steel consumption. In 2024, China, which is the largest steel producer and consumer, experienced a notable decline in steel production and demand, with crude steel output dropping amid a slowdown in construction, infrastructure development, and persistent property market challenges. Steel demand contracted by ~3% in 2024, and the World Steel Association forecasts a further ~1% decline in 2025.

Indian Steel Industry:

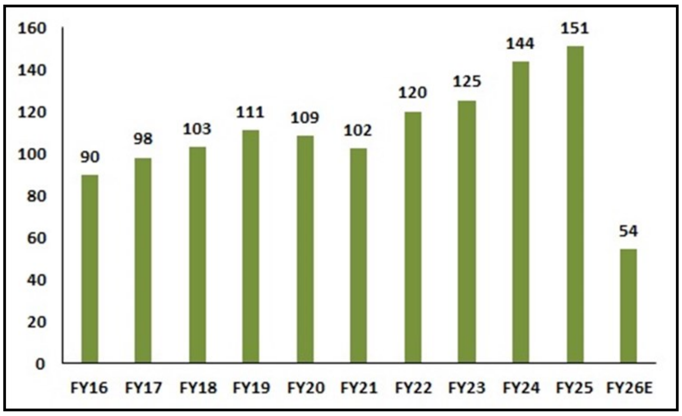
India's steel industry is poised for robust expansion between 2025 and 2030, with production capacity expected to grow from ~180mn metric tons (MMT) to around ~300MMT. This growth is expected to be underpinned by strong domestic demand, driven largely by the ongoing infrastructure development and the broader momentum of the Indian economy. The key growth drivers include:

Government Initiatives: GoI continues to actively support the sector through large-scale infrastructure investments and policy incentives focused on sustainability. The Ministry of Steel has requested ~Rs150bn in federal funding to accelerate the production of low-carbon steel, aligning with the country's broader decarbonization goals

Capacity Expansion: Leading steel producers are significantly increasing investments in modernization and capacity enhancement. For example, JSW Steel's acquisition of NSL Green Steel Recycling in September 2023 signals a strong commitment to both scaling operations and reducing environmental impact

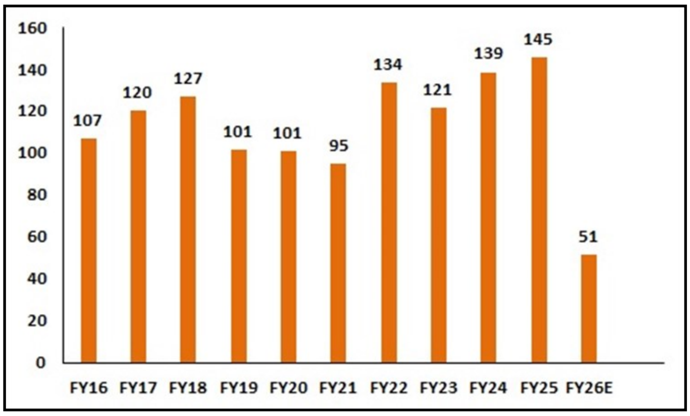
Policy Support: A surge in low-cost steel imports has pressured domestic manufacturers, lowering capacity utilization and raising competitiveness concerns. In response, the GoI has introduced anti-dumping duties on specific alloy and non-alloy flat steel grades to address pricing distortions and create a more equitable playing field for Indian producers

Exhibit 01: India's Total Crude Steel Production (mn tons)



Source: IBEF Aug 2025, Progressive Research

Exhibit 02: India's Total Finished Steel Production (mn tons)



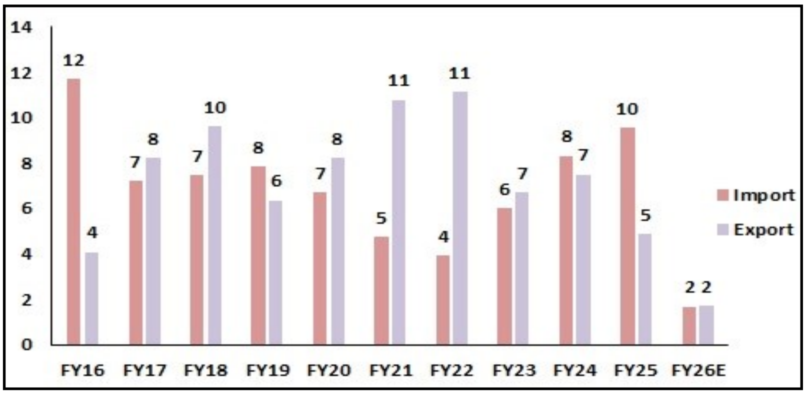
Source: IBEF Aug 2025, Progressive Research

27 November, 2025 | PICK OF THE MONTH | VOL-11, NO-09

Industry: Industrial Products	John Cockerill India Ltd	BUY
CMP: Rs.5181	TARGET PRICE: Rs.6600	TIME : 12 months

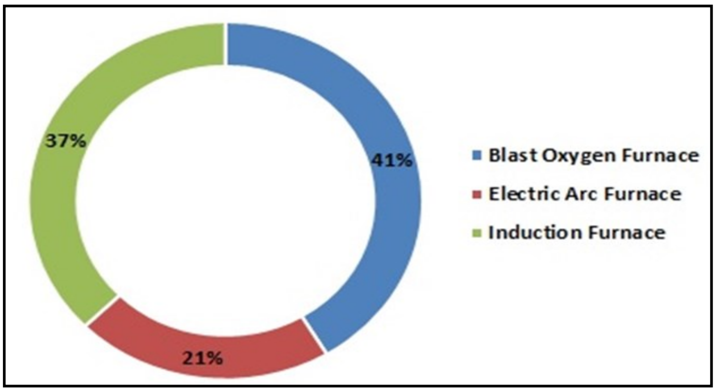
Indian Steel Industry Overview (contd.): India has emerged as a global bright spot in steel consumption. According to the World Steel Association, domestic steel demand is projected to rise by 8% across 2024 and 2025 positioning India among the fastest-growing steel markets globally. Large-scale infrastructure projects in roads, bridges, and urban development continue to fuel demand for structural steel, underpinned by the government's infrastructure led development model. In the 2024-25 Union Budget, the GoI allocated significant funding to sectors indirectly supporting steel demand, including ~USD24bn for job creation over five years and ~USD32bn for rural development. Further support is anticipated through the PLI Scheme 2.0, aimed at encouraging the use of scrap steel, adoption of advanced technologies like artificial intelligence, and a stronger push towards carbon reduction. These initiatives are expected to play a crucial role in achieving India's 300MMT steel production target by 2030. India's growing consumption is helping offset global imbalances, particularly the demand slowdown in China. Meanwhile, recent policy clarity and trade protections have improved market sentiment, with major domestic producers reporting a noticeable increase in project inquiries. This uptick in business activity is seen as an early indicator of a **rebound in capex** across the steel value chain. Steelmakers remain aligned with the National Steel Vision, actively pursuing long-term expansion plans focused on **capacity additions** and **process modernization**. Sustainability remains a key theme, with industry players prioritizing green technologies, operational efficiency, and emission reduction. As of September 2025, order books across the value chain including OEMs, engineering firms, and technology providers like JCIL are gradually swelling with rising demand. With stable policy support, improving domestic demand, and growing clarity around trade and sustainability regulations, FY26 could mark an inflection point for India's steel industry. The sector anticipates faster infrastructure project execution, which is expected to directly translate into stronger steel consumption and increased orders.

Exhibit 03: Finished Steel Export and Import (in mn tons)



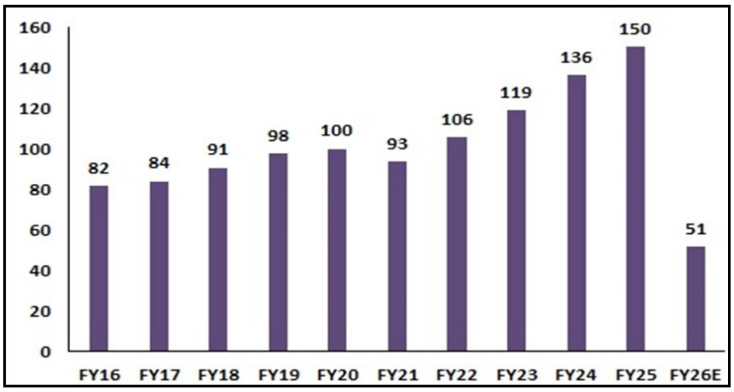
Source: IBEF Aug 2025, Progressive Research

Exhibit 04: Crude Steel Production Capacity in FY25-By Route



Source: IBEF Aug 2025, Progressive Research

Exhibit 05: India Consumption of Finished Steel (in mn tons)



Source: IBEF Aug 2025, Progressive Research

Global Electrolyzers Market: is projected to reach ~USD717.50mn by 2032, growing at a CAGR of ~5.38%. This growth is largely driven by the escalating demand for green hydrogen and the increasing adoption of fuel cell vehicles. Technological advancements in electrolyzer design, strategic industry collaborations, and significant investments in Asia Pacific's power sector are further accelerating growth. Electrolyzers, particularly traditional alkaline and proton exchange membrane (PEM) types, are central to **hydrogen production** through water electrolysis. Market trends reveal a growing focus on hydrogen as a green fuel alternative, the development of advanced electrolyzer technologies such as solid oxide electrolysis cells (SOECs), and the integration of IoT and AI for enhanced efficiency. Furthermore, its emerging applications in transportation, power generation, and grid stabilization are fuelling demand. In the APAC region, countries such as China, India, Singapore, and Malaysia are ramping up hydrogen investments, with projects like Wuhan's hydrogen city and Plug Power's strategic acquisitions signalling robust growth. Key collaborations, such as Siemens Energy and Air Liquide's joint venture to develop industrial-scale electrolyzers, are expected to further accelerate market expansion. The fuel cell vehicle sector is also gaining momentum, particularly in China, Japan, and South Korea, where a shift from gasoline to hydrogen-powered transportation is underway. However, challenges such as high electricity costs and underdeveloped hydrogen infrastructure remain significant barriers to widespread adoption. However, the falling costs of renewable energy are making green hydrogen increasingly competitive, thereby strengthening the market's long-term growth outlook.

Please Turn Over

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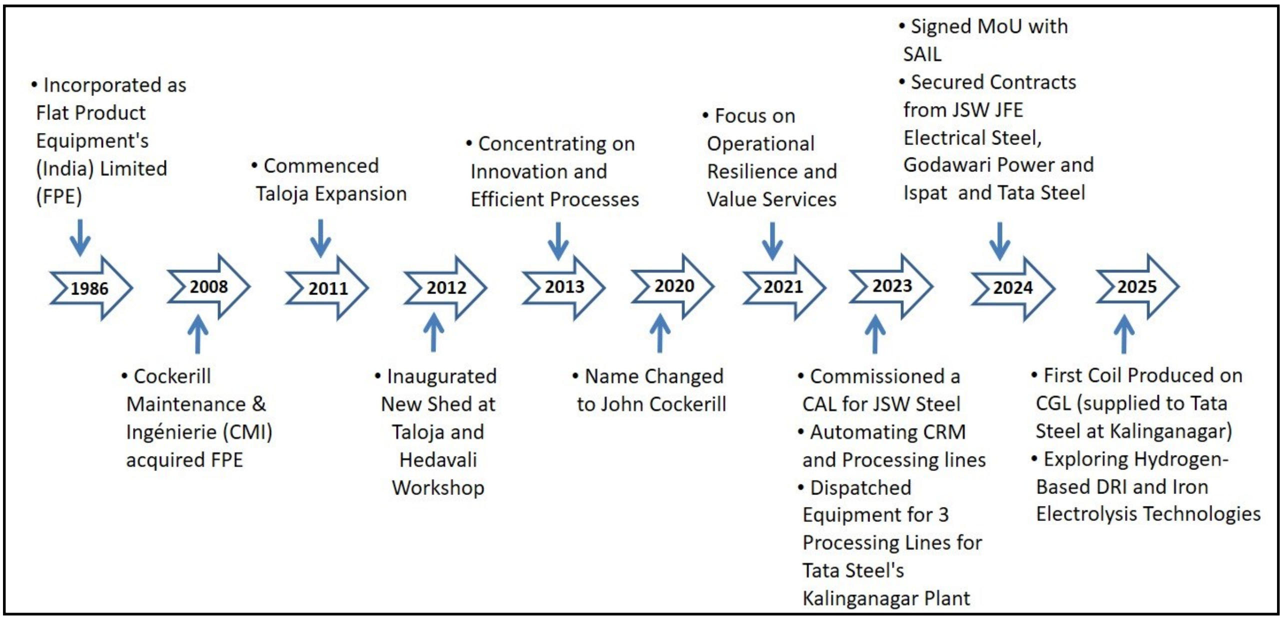
About the Company:

Incorporated in 1986, **John Cockerill India Limited** (JCIL), formerly known as CMI FPE Limited, is a key part of the Belgium-headquartered **John Cockerill Group (JCG)**. Serving as the Group's Indian hub and center of excellence, JCIL provides advanced engineering solutions, primarily to the global steel industry. In June 2008, JCIL (then FPE) was acquired by **Cockerill Maintenance and Ingénierie SA** (CMI), now rebranded as the **John Cockerill Group**. Since then, JCIL has played a pivotal role in delivering technologically advanced and efficient solutions, including cold rolling mill complexes, acid regeneration plants, and a range of continuous processing lines such as annealing, galvanizing, color coating, tension levelling, skin pass mills, wet flux lines, and pickling lines. JCIL aligns seamlessly with the JCG's global growth strategy, offering complementary product lines with minimal overlap and leveraging strong technology synergies. As a preferred partner for clean, reliable, and efficient equipment worldwide, JCIL benefits from the Group's ~75% ownership and collaborates closely with global entities including **John Cockerill Industry Technologies (Beijing)**, **UVK GmbH**, and **John Cockerill North America**. With operations spanning over 30 countries, JCIL demonstrates both global reach and engineering excellence. JCIL delivers both greenfield and brownfield installations, along with associated services such as training and technical support. Its **value services division** provides revamps, spare parts, and comprehensive lifecycle support. Core competencies include **design & engineering**, **manufacturing**, **erection & commissioning**, and **after sales support**, offering customized and cost-effective solutions to an esteemed client base including **Jindal (India) Ltd.**, **Tata Steel**, **JSW Steel**, and **AM/NS**. Headquartered in Mumbai, JCIL currently employs over 360+ professionals and operates advanced manufacturing facilities in **Taloja** and **Hedavali**. The Taloja workshop includes a state-of-the-art work roll coating unit, enabling in-house equipment production and assembly that adheres to stringent international standards. This facility, spanning ~25,000 sq. mtrs (~6.17 acres) and equipped with ~28 mill assembly stations, serves as a center of excellence for rolling mill equipment. The Hedavali plant, covering ~100,000 sq. mtrs (~24.71 acres) with ~3,000 sq. mtrs (~0.74 acres) of covered space and bridge cranes, has a monthly production capacity of ~150 tonnes and houses sandblasting and painting facilities. Safety remains a cornerstone of JCIL's operational philosophy, with continuous efforts to uphold and advance its strong track record. The company is run by a professional management team under the guidance of Mr. Francois David Martino as the Chairman and Mr. Frederic Martin as the Managing Director.

Exhibit 06: JCIL Milestones



Source: Market Reports, Annual Report, Progressive Research

JCIL is also at the forefront of next-generation technologies. In collaboration with **ArcelorMittal Nippon Steel**, the company is pioneering **Jet Vapor Deposition (JVD)** for enhanced coating efficiency and sustainable production. JCIL is actively supporting the **decarbonization of steelmaking** by integrating technologies such as **Direct Reduced Iron (DRI)**, **Electric Arc Furnaces (EAF)**, and **hydrogen-based solutions**. Furthering its upstream capabilities, JCIL is exploring carbon-free steel production through **Volteron**, a cold direct electrolysis process that extracts iron from iron ore using electricity. Pilot-scale operations have demonstrated high efficiency using standard-grade iron ore. The resulting iron plates are subsequently processed into steel using EAF which is an important step towards zero-emission steelmaking. In terms of **research and development**, JCIL is leveraging innovations such as **AI-based design simulations**, **digital engineering tools** like DigiREX, **3D modeling**, and **VAVE (Value Analysis/Value Engineering)** to enhance operational efficiency, reduce costs, and improve safety. These advancements are supported by a modern IT infrastructure, including **hyper-converged systems**, secure digital collaboration tools, and **Autodesk Vault** for centralized engineering data management.

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Investment Rationale:

(A) Strong Parentage: **JCIL** benefits significantly from the robust support of the **John Cockerill Group**, a 200-year-old multinational engineering conglomerate headquartered in Belgium. With operations spanning more than **30 countries**, the Group has established a strong global footprint and a reputation for delivering advanced industrial solutions across five key verticals. In the **Energy** domain, the Group is internationally recognized for its expertise in **industrial boilers, heat recovery steam generators (HRSGs), concentrated solar power (CSP) receivers**, and **hydrogen electrolyzer systems.** In the **Defence** segment, JCG designs and manufactures turret systems, light and medium military vehicles, and provides **advanced systems integration** solutions. The Group is also actively pursuing modular CSP projects in India, with expectations around NTPC's upcoming tender. It has entered into a strategic partnership with **L&T** to localize manufacturing and reduce costs through supply chain development. In the **nuclear** space, JCG is aligning with India's 100GW nuclear power roadmap, with a focus on providing servicing, diagnostics, and solutions for Small Modular Reactors (SMRs), expected to be deployed over the next three years. For **JCIL**, these global initiatives act as powerful growth catalysts, enabling participation in India's **green energy and defence ecosystems**. JCIL is well-positioned to scale manufacturing, enhance margins, and generate consistent revenue across verticals such as **green hydrogen, steel decarbonisation, CSP**, and **nuclear services** which is in full alignment with both India's energy transition agenda and global sustainability imperatives.

Under the **Industry** vertical, the Group is a specialist in designing, supplying, and modernizing **cold rolling mills, processing lines**, and **chemical and thermal treatment systems** for both ferrous and non-ferrous metal industries. In the **Environment** segment, the focus is on **air and water treatment**, **industrial wastewater systems**, and **energy efficiency services**. Meanwhile, the **Services** arm supports global clients through a suite of offerings including **maintenance, modernization, digital diagnostics**, and full **lifecycle management** of industrial systems. This strong international foundation and the Group's unwavering commitment to **technology leadership, sustainability, and large-scale industrial integration** translate into tangible advantages for JCIL. JCIL, which specializes in the design, engineering, manufacturing, erection, and commissioning of steel processing lines, cold rolling mills, and chemical processing equipment, draws extensively on the Group's two centuries of domain expertise. The parent's global leadership in hydrogen solutions also unlocks opportunities for JCIL to play a pivotal role in India's green hydrogen economy especially in areas like **electrolyzer manufacturing and associated infrastructure development**, through the transfer of proven designs and modular technologies. Moreover, JCG's **prestigious client base** and track record for **quality, reliability, and timely delivery** further enhance JCIL's credibility in the marketplace. This positions JCIL as a **preferred partner not only for Indian steel majors**, but also for international projects channeled through the Group's global network. As India ramps up investments in **steel capacity, infrastructure, renewable energy**, and **defence modernization**, the Group's **financial strength and strategic backing** provide JCIL with the ability to handle **largescale projects**, efficiently manage **working capital**, and invest in **capacity expansions, talent development**, and **R&D,** laying a strong foundation for long-term, sustainable growth.

Project Delivery and Targets:

The fundamentals of the **overall business seem to have improved** and the **order visibility** gives the confidence heading into CY26E with better opportunities. In Q3CY25, JCIL had an **order intake of ~Rs5.86bn** and an **order backlog of ~Rs11bn** which indicate good growth visibility over the next 6-8 quarters and a **growing sense of confidence amongst the customers of JCIL**. The **recent order wins include** JSW-JFE ~Rs2,700mn, Tata Steel ~Rs800mn, Godawari Power & Ispat ~Rs500mn, Jindal India ~Rs400mn and JSW Steel Coated Products ~Rs1,750mn which are quite encouraging. All these recent order wins also echo the growing **trust of leading steel producers** in JCIL's capabilities and also reinforce JCIL's relevance in India's **evolving steel landscape where JCIL is re-establishing itself as a dependable technology and project partner**. Going forward, the focus of the company is to maintain the growth trajectory, convert the strong order pipeline into efficient execution and strengthen the foundation for sustainable profitability.

JCIL has been maintaining a very good **project execution schedule** and adhering to its delivery targets timeliness; this has been the backbone of JCIL's performance. The company continues to deliver complex assignments on schedule while maintaining the high quality standards via disciplined project management, engineering expertise, and close collaboration with its clients. Some of the recent achievements demonstrating the consistency and reliability across multiple sites/clients include:

JSOL- Acid Regeneration Plant (ARP 1): Final Acceptance Certificate achieved; ARP 2 progressing as planned

Jindal India- CCL 3: Erection work initiated smoothly

Tata Steel Kalinganagar- CGL 1: Successful commissioning of the Galva-Annealing process

AM/NS Hazira- CGL 3: Galva-Annealing trials underway

On the **project side**, the company has been successfully **executing works within the timelines.** The projects related to **JCIL Acid Regeneration Plant** have reached final acceptance, while the company has already started working on the second phase of the same.

The company has excellent collaboration and relationship **with SAIL**; JCIL is trying to build a **plan to collaborate** and improve the performance of the different facilities in terms of **rolling and processing**. The company is also looking at materializing **a few strategic developments** which are in common with SAIL.

Investment Rationale (contd.):

Project Delivery and Targets (contd.):

The **AM/NS project at Hazira is a very large project and is** advancing well. The company has delivered two key technology lines for this project, the first one is the Continuous Galvanizing Line number 3 (already commissioned) and the second line is under commissioning which is a combined line between Annealing and Galvanizing. The **company is also exploring opportunities for new orders** and some of the explorations include the JSW JFE Electrical Steel Project in Nashik, (India's first TRDO electrical steel facility), supply of advanced technology to Tata Steel's Tinplate Division, works at Godawari Power's new integrated steel plant and JSW's Khopoli new coating and pickling line. All of these projects are anticipated to enhance JCIL's position across the entire value chain of steel staring from **pickling, rolling, coating and regeneration.** JCIL has strengthened its leadership position in India's steel value chain via several new and high impact contracts. These contracts also deepen the company's role and commitment towards India's industrial transformation. Some of these recent initiatives include

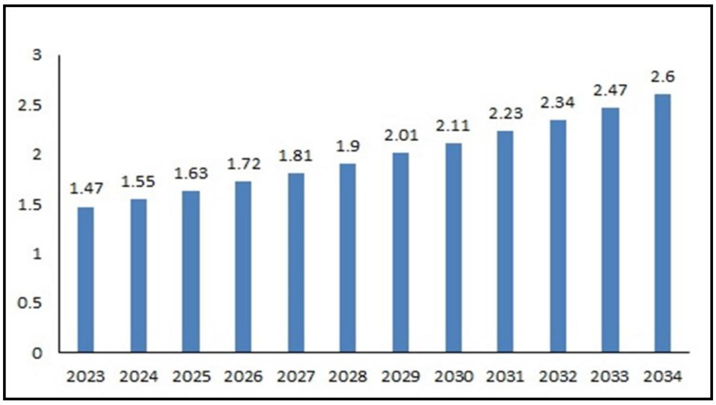
Exhibit 07: JCIL Order Wins in 9MCY25

Order won in	Customer	Scope of Work	Approx. Size (Rs Mn)
Mar-25	Jindal India Limited (Ranihati)	Engineering, design, manufacture and supply of equipment for revamping of Continuous Galvanising Line (CGL) and the supervision of erection and commissioning of the line	400
Aug-25	JSW JFE Electrical Steel Nashik Private Limited (Nashik)	Engineering, design, manufacture and supply of equipment for Tunnel Furnaces, including the coil handling arrangement and supervision of erection and commissioning of the line	2,700
Sept-25	Godawari Power and Ispat Limited (TILDA, Chhattisgarh)	Engineering, design, manufacture and supply of equipment for Cold Rolling Mill and the supervision of erection and commissioning of the Mill	500
Sept-25	Tata Steel Limited (Jamshedpur-Tinplate Division)	Engineering, design, manufacture and supply of equipment for Push Pull Pickling Line and Acid Regeneration Plant and the supervision of erection and commissioning of the line	800
Sept-25	JSW Steel Coated Products Limited (Khopoli)	Engineering, design, manufacture and supply of a state-of-the-art CGL and push pull pickling line and supervision of erection and commissioning of the line	1,750

Source: JCIL Q3CY25 PPT, Progressive Research

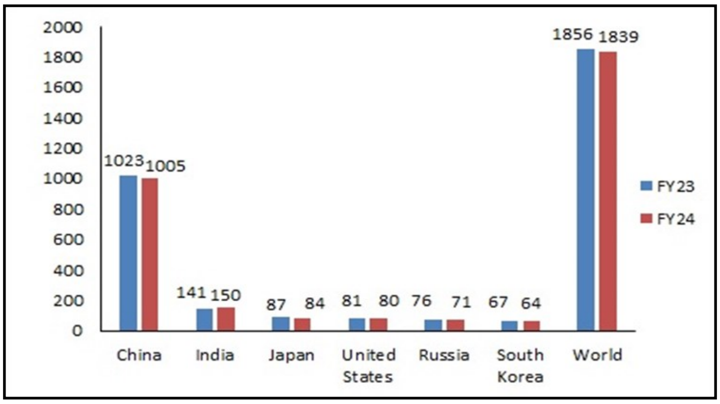
(B) Industry Tailwinds: The **global steel sector** continues to navigate through a mixed outlook where Europe is facing energy cost pressures, China remains subdued, the US market is holding steady to infrastructure and energy transition investments and India and Southeast Asia continue to stand out. Growth in these regions is owing to constant momentum in infrastructure, construction and automotive sectors. In these geographies, JCIL is well positioned with its technology-led and sustainability-driven approaches, supported by global expertise of the JCG. All these help JCIL deliver efficient and value driven solutions. The **India steel story continues to be resilient**, supported by double-digit growth in both production and consumption. Some of the GoI initiatives like PM *Gati Shakti*, the National Infrastructure Pipeline and Make in India, are creating a strong foundation for capacity expansion and modernization. In addition to this, the strong demand is also propelled by four major megatrends including decarbonization, digitalization, value-added production, and supply chain rebalancing where players like JCIL's and or its technology-led sustainable business model can be benefitted on a larger scale. India is growing at a fast pace especially on the steel manufacturing front and India is currently one of the largest growing steel markets today. In addition to this, the country is also eager to technologically advance via cutting-edge products like green steel, electric steel, high strength steels etc. China, which is already a more established/mature market, will continue to be a very strong competitor. JCG is already present in China, with an office close to Beijing with a perspective of gaining market share as well as prove the relevance of solutions in the Chinese market.

Exhibit 08: Global Steel Market Size (in USD trn)



Source: Market Research, Progressive Research

Exhibit 09: Global Crude Steel Production (Production in MT)



Source: Market Research, Progressive Research

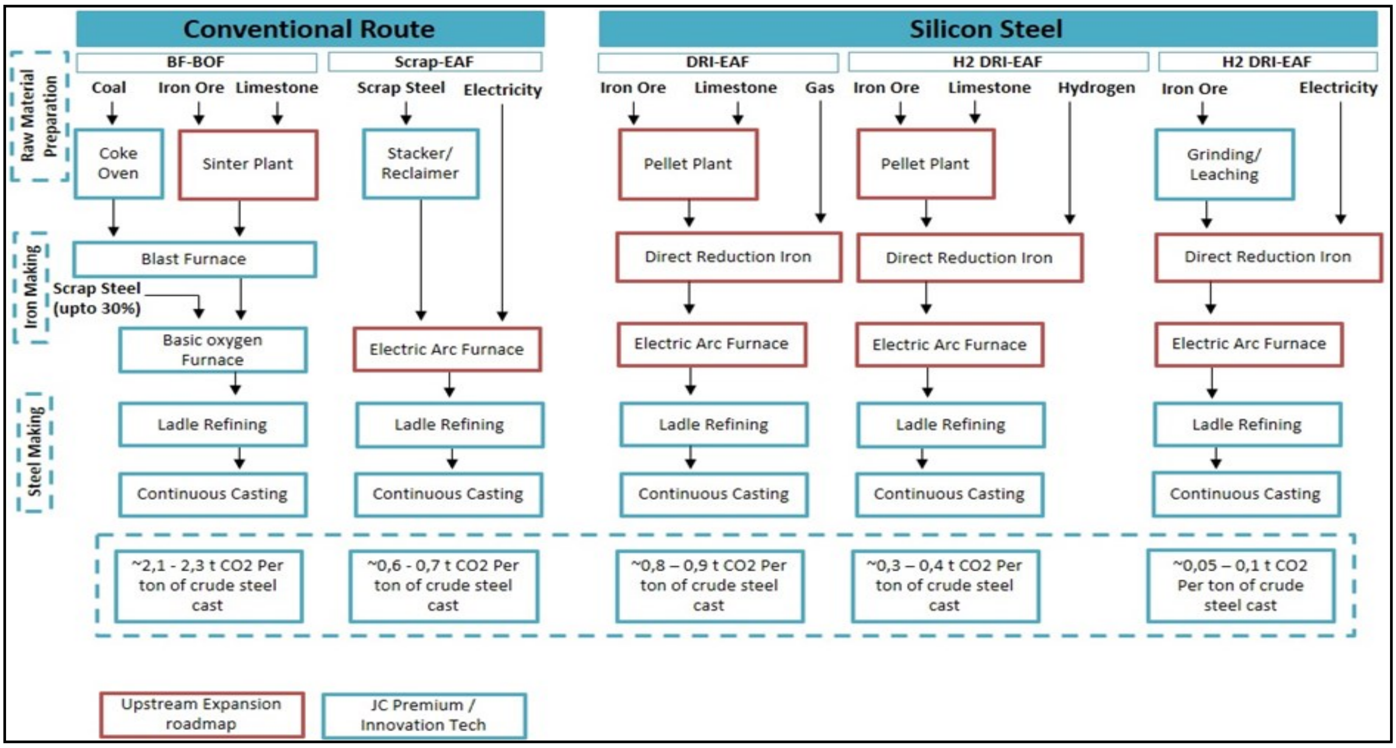
Investment Rationale (contd.):

(B) Industry Tailwinds (contd.):

The robust business segment which can propel growth of JCIL include,

(i) Iron & Steelmaking Technologies (Upstream Green Steel Production): represents JCIL's strategic dive into upstream processes which is aligned with its global and national decarbonization goals. In pursuit of this, the company is developing and deploying advanced solutions such as hydrogen-based steelmaking, DRI systems, EAF, and carbon-free processes to eliminate the traditional blast furnace route. The core of this transformation is **Volteron** which is a cutting-edge electrochemical iron reduction technology co-developed with AM/NS. **Volteron is a disruptive technology** in the field of iron making, which is dominated by the **black furnace technology** and direct reduction technology. JCIL is entering with electrolysis direct reduction, **which is a completely new innovation**. The company is developing a moat with competitively advanced technology and can commercially enter the market in the next 18 to 24 months with its first commercial project. JCIL is in the **development level stage of CRL7** (last step before commercialization). The **margins on new technologies**, with less **competition** is generally high which is also one of the drivers for the future profitability of the company. This breakthrough process enables carbon-free iron production by leveraging cold electrolysis in an aqueous electrolyte, completely eliminating the need for a conventional blast furnace. Volteron enables a shift in steel manufacturing by significantly reducing both energy usage and greenhouse gas emissions. This patented technology offers enhanced operational flexibility while substantially lowering electricity consumption. With its **first-mover advantage**, JCIL is strategically positioned to lead the decarbonized steelmaking space. The company anticipates receiving its first commercial order from AM/NS by early 2026, targeting a ~40,000-tonne steel making module based on Volteron. As global focus intensifies on decarbonizing upstream steel production, Volteron presents immense growth potential aligned with this megatrend. Initially, the plant will produce ~40,000-80,000 tonnes of iron plates annually, with plans to expand capacity to ~0.3mn-1mn tonnes per year (after proving the technology's viability). In terms of Volteron, JCG will be looking at a JV or entering into a common company with Arcelor to commercialize Volteron. As a result of which there will be no royalty fees involved for this technology. JCIL's upstream roadmap also includes innovations in hydrogen combustion, pelletizing units, and advanced EAF systems to replace coke-dependent production, significantly lowering CO_2 emissions from ~2.1 tons to as low as 0.05 tons per ton of steel. In addition, JCIL's entry into green hydrogen equipment, including pressurized alkaline electrolyzers, reinforces its commitment to providing full-cycle low-emission steelmaking infrastructure. These efforts not only align with India's National Green Hydrogen Mission but also position JCIL to be a global leader in sustainable metallurgical solutions. By leveraging high-performance alkaline electrolyzers and integrated project execution solutions, JCIL enables steelmakers to produce green hydrogen, which can serve as a **reducing agent** in the liquid phase of steelmaking, thereby reducing reliance on fossil fuels and lowering carbon emissions.

Exhibit 10: Upstream Steel Process



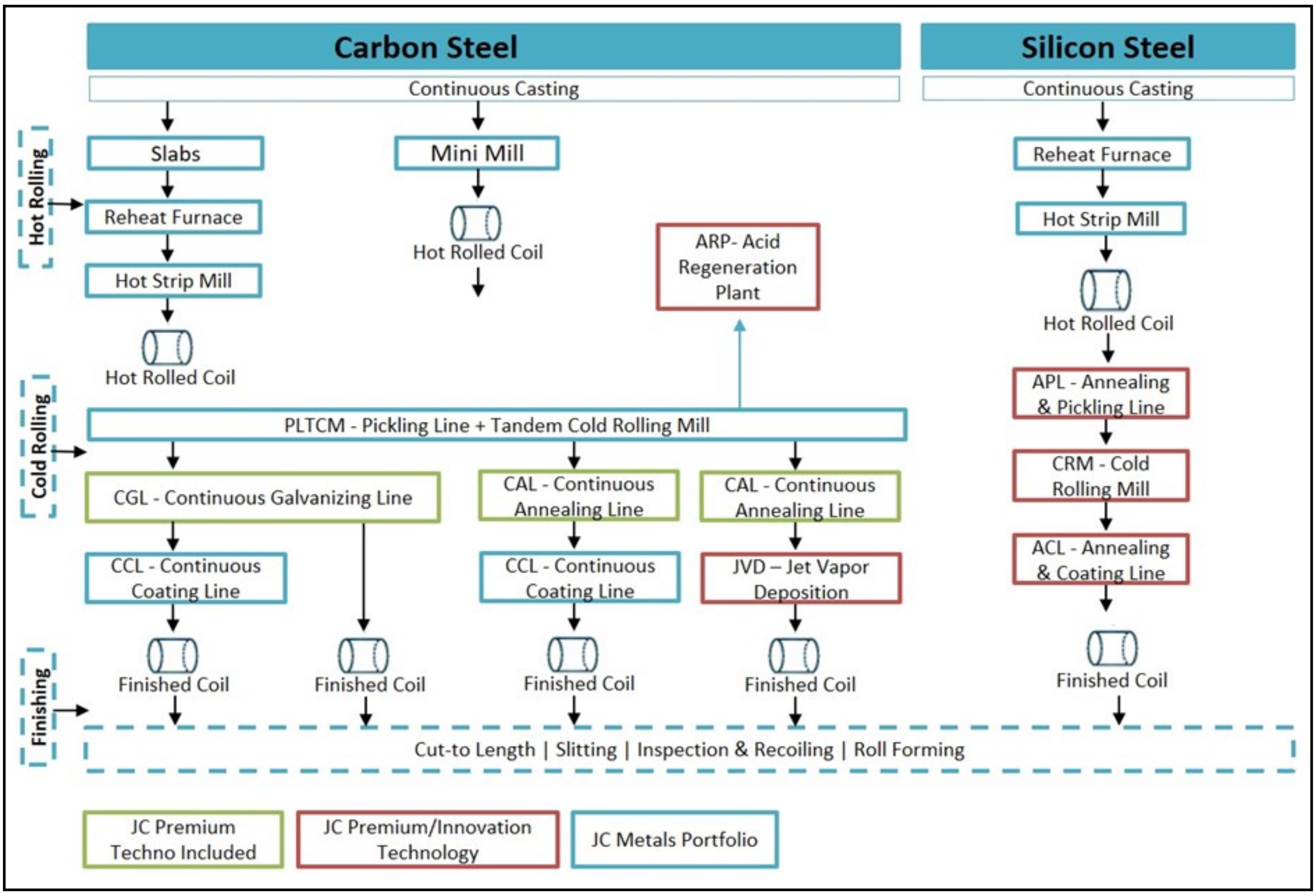
Source: JCIL Q3CY25 PPT, Progressive Research

Investment Rationale (contd.):

(B) Industry Tailwinds (contd.):

(ii) Processing & Rolling Segment (Downstream Steel Processing): is the most crucial part of the JCIL's business and a key contributor to its longstanding reputation in the metals industry. JCIL offers end-to-end solutions for downstream steel manufacturing, including CRM, Pickling Lines, ARP, CAL, CGL, and CCL. It has developed a wide range of technologies in the field of processing lines, rolling mills, thermal and chemical processes. It also supplies auxiliary steel treatment equipment. JCIL's **spray pickling technology** significantly reduces pickling time up to 70% and enables treating a broader range of steel grades with less acid and lower temperatures. This results in faster, more efficient, and environmentally friendly pickling. When paired with their innovative SILASS silicon elimination technology, JCIL provides a comprehensive solution for advanced high-strength steels (AHSS) and ultra-high-strength steels (UHSS). In addition to that it has also developed the **ultra dry cooling system**, which ensures both the quality of the latest generations of very high-resistance AHSS and UHSS steels and a superior surface quality. Currently JCG is also pioneering cutting-edge technologies in **JVD**. The company has **good relations** with **ArcelorMittal** for collaborating on developing R&D projects and the company has already **aquired the license for JVD** at reasonable fees. In terms of commercialization of the new technologies, for the JVD, the company has already commercialized a line in Belgium, which has already produced more than 1.1 million tons. This is now a proven line which has shown satisfactory opex, capex, and especially features of new products. JVD is a very complex line involving a lot of extremely high-tech components. JCIL is already in discussions with potential customers for JVD based galvanizing lines. These JVD orders are expected to significantly boost JCIL's order book, reversing the declining trend of the past few years, starting from CY25. JCIL continues to execute critical downstream projects for marquee clients such as Tata Steel (CAL and CGLs), JSW Steel (CAL at Vasind), JSOL (ARP units and CGL), AM/NS India (CGL), and Jindal India Ltd. (CCL at Ranihati).

Exhibit 11: Downstream Steel Process



Source: JCIL Q3CY25 PPT, Progressive Research

Investment Rationale (contd.):

(B) Industry Tailwinds (contd.):

(iii) Services & Energy Efficiency Segment: has evolved into a strategic growth pillar for JCIL, particularly during periods of muted capital investment in the steel sector. This segment delivers comprehensive lifecycle solutions, including plant revamping, modernization, spare parts management, decarbonization retrofits, and digital automation systems. JCIL has significantly intensified its focus on the Spares and Refurbishment (S&R) segment, a high-margin, relatively less cyclical area of the business. This includes the supply of wear-and-tear parts, upgrades of aging processing lines, and overhauls of equipment supplied by both JCIL and third-party OEMs, with a strong emphasis on the steel and metals industries. To support this growth, JCIL has restructured its service teams to ensure faster turnaround times and proactive client engagement for predictive maintenance, process improvements, and digital retrofits. As many legacy steel plants in India undergo modernization, and with an increasing emphasis on asset life extension and energy efficiency, the refurbishment market has expanded significantly. Rising efforts around import substitution and industry-wide OEM consolidation have further opened up new opportunities for JCIL to grow its aftermarket share.

These services are especially relevant for global steelmakers working toward carbon neutrality, and JCIL's combination of technical expertise, proprietary process models, and on-site execution capabilities has solidified its reputation as a trusted partner across domestic and international markets. This strategic pivot towards S&R not only **enhances margins** but also improves revenue visibility, reduces dependence on heavy capex cycles and reinforces JCIL's positioning as a long-term lifecycle partner for industrial clients. JCIL's after-sales support offerings include a range of maintenance programs tailored to customer needs which span preventive and routine maintenance, as well as minor upgrades aimed at maximizing productivity and optimizing energy and operational costs. In line with growing demand for energy optimization, the company is now actively supporting furnace electrification, hydrogen integration in legacy systems, and performance enhancement via custom automation software.

JCIL has the clear intent of expanding its **high value services**. The company is systematically scaling its aftermarket and value-added services business, a segment that delivers higher and more predictable margins than traditional project revenue. A major upcoming **milestone** is the new Rolls Coating Shed at Taloja, scheduled for commissioning in Q1CY26. The facility will integrate the proprietary expertise of Advanced Coatings SA (JCG) with JCIL's local execution capabilities and introduce India's first High-Pressure High-Velocity Air-Fuel (HP-HVAF) thermal spray coating line. Key operational and competitive advantages include significantly faster turnaround times through customer proximity, superior coating performance and durability and reduced waste and lower life-cycle costs for clients. By combining European coating technology with cost-effective Indian operations, JCIL will strengthen its position as the **preferred lifecycle** service partner for domestic and regional steel producers. This initiative further deepens client stickiness, lifts overall margin profile, and creates a recurring revenue stream that is largely insulated from steel capex cyclicality.

JCIL and the group has been building capacities for the new technologies like the **Roll-coating technology** which is aimed at maintaining/revamping rolls which are used in furnaces. The wear and tear of these rolls is very high as the furnaces used for **processing lines are on very high temperature and the strips** which are in contact with rolls wear down over time and have to be reshaped/revamped. With the new technology which JCIL proposes to offer is expected to have higher durability and lifetime which will benefit all the customers. The company has a good order pipeline which is providing a visibility of 10-12 quarters. Of the total order book, service spare parts revamping is ~20-25%, which is a slightly **higher margin business**. The value services segment of the company which includes revamps, spares and services is seen building momentum.

As India's industrial infrastructure continues to age (particularly within steel and metal processing facilities) companies are increasingly investing in modernization to improve energy efficiency, implement digital control systems, and comply with stringent safety and emissions norms. JCIL's maintenance contracts span from short-term (6-12 months) to long-term (2-2.5 years), ensuring consistent cash flow. In CY24-25, the company saw a significant uptick in inquiries and order finalizations in services and revamp solutions particularly from clients seeking digital upgrades for aging rolling and galvanizing lines. As **ESG compliance** and **Industry 4.0** adoption accelerate, JCIL's offerings in smart automation, advanced process control, and real-time monitoring present a compelling growth opportunity and a potential new revenue vertical. As clients increasingly prioritize performance improvement and equipment longevity, JCIL's ability to deliver customized service packages has become a key competitive advantage. This recurring business model allows JCIL to optimize resource utilization, harness its technical expertise, and maintain a sustained presence throughout the solution lifecycle, all while driving attractive returns and serving as a strategic growth engine. The company is scaling up its aftermarket capabilities by leveraging its substantial installed base across India, Bangladesh, the Middle East, and Africa while effectively monetizing its deep field expertise and long-standing customer relationships. JCIL is well-positioned for long-term growth, driven by a decisive shift toward high-margin, value-added services, which now represent a rapidly expanding portion of its future pipeline. The **order book** for these services has tripled over the past year and the company is targeting ~20% of future order inflows from this segment.

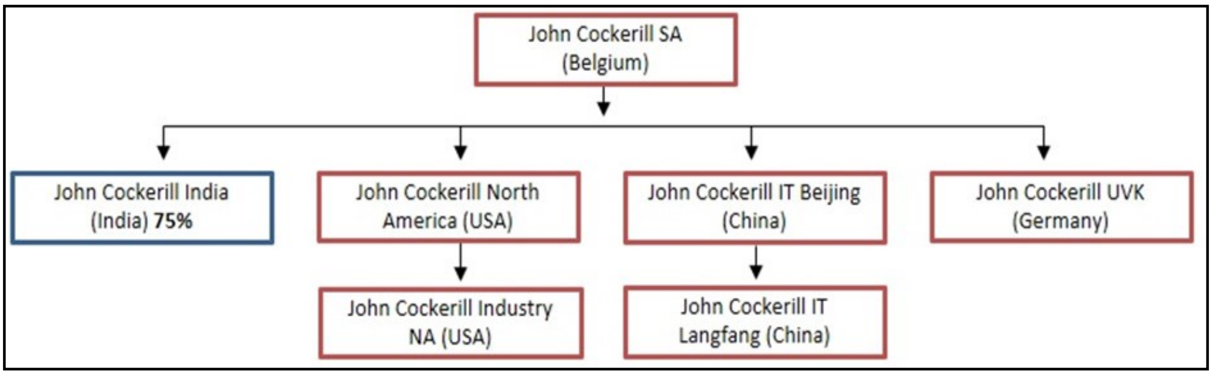
Please Turn Over

Investment Rationale (contd.):

(C) India Strategically Transforming:

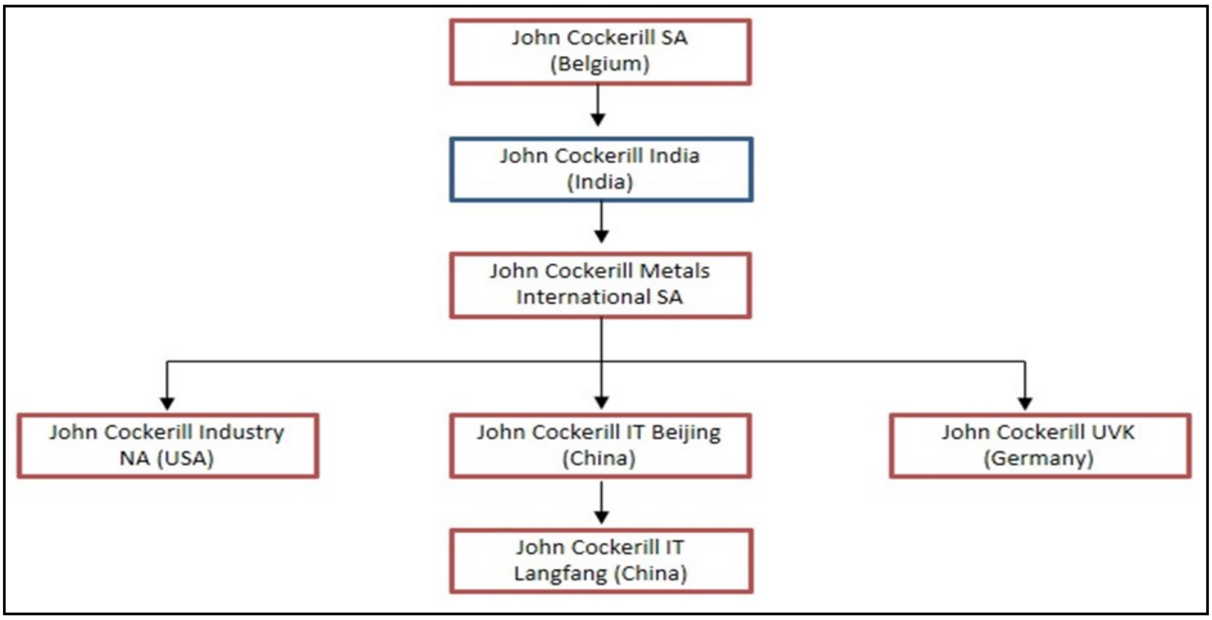
CY25 marks a pivotal year of **strategic transformation** for JCIL. The Management is executing a deliberate plan to consolidate the global Metals activities of the JCG under a single **India-based listed entity**. This move aims to create a sharper, more transparent, and highly investible platform that delivers superior operational and financial agility. India is emerging as the natural hub for this global Metals consolidation, driven by strong and sustained domestic market growth, rising investor confidence and a robust listed platform offering the scale and stability required for **long-term value creation**. The consolidation is expected to **unlock significant synergies** across technology transfer, supply-chain optimization and lifecycle support services, thereby strengthening manufacturing capabilities, shortening lead times, and enhancing customer responsiveness in markets worldwide. As a key milestone in this transformation, the Board of Directors has approved the acquisition of 100% equity stake in John Cockerill Metals International SA (Belgium) from the parent, John Cockerill SA, for a total consideration **not exceeding EUR50mn**. The parent has extended an attractive **five-year interest free deferred payment** facility. Upon completion, John Cockerill Metals International SA will become a wholly-owned subsidiary of JCIL. The **consolidation processes** can help JCIL localize the key technologies related to JVD and Volteron, which in an exclusive way reinforce the positioning of JCIL as a leading company in the field of high-tech solutions for the steel industry. This consolidation of worldwide business activities under JCIL will allow the company to **balance global presence** via the **high growing markets** of Southeast Asia, US and India.

Exhibit 12: Existing Structure



Source: JCIL Q3CY25 PPT, Progressive Research

Exhibit 13: Proposed Structure



Source: JCIL Q3CY25 PPT, Progressive Research

Investment Rationale (contd.):

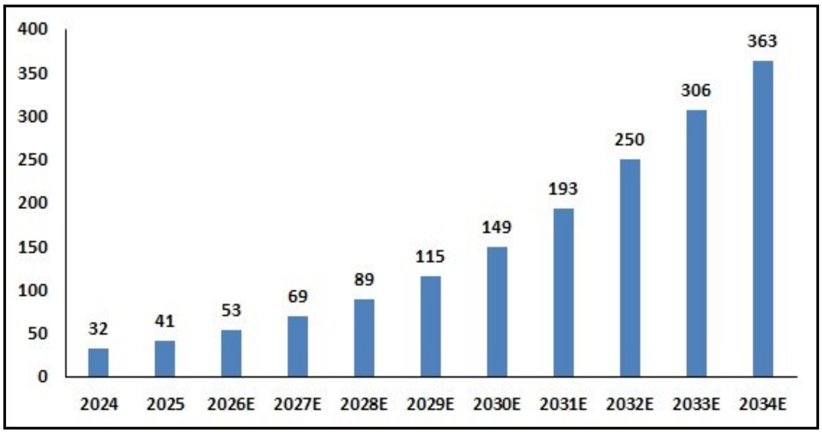
(C) India Strategically Transforming (contd.):

Localizing Advanced Equipment: GoI's *Atmanirbhar Bharat* initiative is a **strategic growth lever** for JCIL which is aggressively localising manufacturing of high-technology assemblies and modules that were previously imported from JCG facilities in Belgium and elsewhere. This multi-year initiative can help deliver a number of benefits like lower project costs and elimination of forex risk, shorter lead times with stronger execution control, higher gross margins and enhanced eligibility for GoI and PSU contracts that mandate domestic value addition. Supported by Make in India incentives, sector-specific PLI schemes, and increasing domestic content requirements, JCIL is uniquely positioned to displace foreign suppliers in high-value, technology-intensive steel projects.

A landmark development was the signing of a strategic **MoU with SAIL** at METEC India 2024, where the companies intend to jointly **invest** around ~Rs60bn on setting up a downstream plant for steel, aimed at advancing cold rolling and green hydrogen integration solutions for the Indian steel sector, including Green Steel and Silicon Steel (CRGO, CRNO). The hot-rolled coils (HRCs), a form of finished steel to be used as raw material for this plant, will be supplied from SAIL, while the downstream unit itself is likely to be set up at one of SAIL's existing plants. The downstream plant is likely to have a capacity of ~1.5MTPA (million tonnes per annum), while SAIL is likely to set up an EAF to make the green steel, which will then be used to make cold-rolled sheets. Cold rolled grain oriented (CRGO) sheets find application in transformers and generators, and most of the country's demand is currently met through imports. India consumes ~4 lakh tonnes of CRGOs each year, of which ~50,000 tonnes is produced in India. This move also ensures greater resilience against global supply chain shocks and **increases the company's competitiveness** in export markets where price and lead time matter. In essence, localization is not just a compliance or cost-control tool for JCIL, it's a **full-fledged growth enabler**. For JCIL, localisation has evolved from a defensive, cost-focused exercise into a **genuine competitive moat** and long-term growth engine.

Green Hydrogen and Electrolyzer Manufacturing: In its pursuit to build a new growth engine JCIL has taken a decisive early-mover position in India's fast-emerging green hydrogen ecosystem. JCIL's entry into the **green hydrogen and electrolyzer** market significantly enhances its competitive edge and establishes substantial **entry barriers** for potential newcomers. By successfully assembling India's first indigenous electrolyzer stack at its Taloja facility, leveraging advanced technology from JCG, JCIL is on track to become one of the pioneering **Indian companies** with localized electrolyzer manufacturing capabilities. This early mover advantage is critical as India's National Green Hydrogen Mission is set to create a massive domestic demand for electrolyzers from sectors like steel, refining, ammonia, and heavy transport, all seeking decarbonization solutions. JCIL is strategically positioned not only to capture this increasing domestic market requirement but also to expand into global markets in Asia and Africa, offering **cost-effective electrolyzer solutions**. A key differentiator and barrier to entry for others is JCIL's capacity to provide comprehensive, full-stack solutions, encompassing everything from stack assembly to balance-of-plant engineering, giving it a distinct edge over competitors reliant on imports. By entering a segment characterised by long-gestation, high-value contracts and strong policy tailwinds, JCIL is meaningfully diversifying away from cyclical steel capex while erecting high technological and economic barriers to entry. Green hydrogen is rapidly evolving from an adjacency into a second core pillar for profitable, future-proof growth.

Exhibit 14: Electrolyzer Market Size 2024 to 2034 (USD bn)



Source: Market Reports, Progressive Research

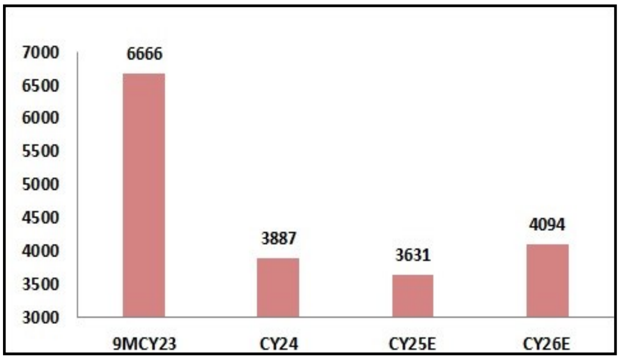
JCIL is **strategically positioned** to benefit from the global and domestic shift towards decarbonization, a trend gaining strong momentum across energy-intensive industries such as steel, chemicals, and heavy manufacturing. With India targeting net-zero emissions by 2070 and industries under increasing pressure to reduce their carbon footprint, JCIL's technology portfolio is **directly aligned with these sustainability goals**. The company is a key player in green hydrogen and electrolyzer technologies, offering EPC solutions for electrolysis-based hydrogen production. In CY25, JCIL continued to build on its **early-mover advantage** by expanding its green hydrogen project pipeline and working closely with international collaborators including its parent company, JCG, which holds global leadership in alkaline electrolyser manufacturing. Domestically, with the Indian government launching the ~Rs174.90bn National Green Hydrogen Mission and major steelmakers announcing hydrogen-based steelmaking trials, JCIL could see increased traction for its decarbonization offerings. These include not only full-scale hydrogen plants but also associated infrastructure like JVD coating lines, energy efficient pickling and acid regeneration systems. By **riding this megatrend**, JCIL is well-placed to drive top-line growth.

Financials: JCIL has been showing upward momentum across all key parameters including revenue, margins, profitability and cash flow. In the 9MCY25, the company has shown consistent growth and disciplined **execution of projects** demonstrating the delivery of tangible turnaround strategies which the Management had initiated at the beginning of the year. This period has also shown gaining traction of the turnaround plan. The overall revenue growth is propelled by acceleration of the project execution supported by improved site readiness, supply chain coordination, achievement of key billing milestones as well as faster project ramp-ups. The growth in Ebitda is currently achieved via a stronger revenue mix, disciplined cost control, and the sustained benefits of restructuring. The overall **cash position** of the company stands at ~Rs1472mn in Q3CY25 which is reflecting effective milestone collections, advance billing, and prudent vendor management. All these factors are supporting the **recovery of the topline**, bottom-line as well as the overall financial performance of JCIL. The company has been expanding its footprint across India and Asia which is supported by the order intake. In Q3CY25 the order intake was ~Rs5861mn which is highlighting the confidence of the customers like JSW, Tata Steel, and Godawari Power & Ispat Ltd (GPIL) in JCIL; the overall order backlog in Q3CY25 stood at ~Rs11291mn. This strong order inflow provided good visibility for the upcoming quarters. The company does **not have any major capex plans outside India**; the major planning for capex are projected within India.

Operationally, the growth momentum of JCIL appears to be improving. JCIL's financial model is a powerful enabler of its long-term growth. The company operates with a **minimal capital lock-in and maintaining a debt-free balance sheet** with decent liquid assets. This strong balance sheet can support its **new business verticals** like green hydrogen or digital process automation without increasing financial risk. The company's strong in-house engineering capabilities and cross-functional project teams allow it to maintain execution timelines (even in multi-country projects) and also sustain supply chain pressure. This **operational discipline and financial conservatism** makes JCIL a rare player in the capital goods segment. In 9MCY25, the **value services** division (which encompasses spares and after-sales services) delivered a standout performance despite a challenging macroeconomic environment. The company has successfully expanded its role from equipment supplier to technology and transformation partner, helping clients extend asset life while aligning with evolving environmental and regulatory standards. With a strong pipeline of downstream and upstream steel technology projects including innovative solutions like JVD, Volteron electrolysis, and green hydrogen integration JCIL is well-positioned to capitalize on the **growing shift towards sustainable steelmaking** both in India and globally. The **transformation plan** is helping build the foundation of a sustained and structured growth story. The company is considering a **fundraising plan** for the future. In the immediate and short-term the company does not need any fundraising to make the current acquisitions with JCG; the Management will identify and propose to the Board any new acquisitions for JCIL, if any, in future. With the upcoming anticipated growth of JCIL, the need for working capital will also increase, however, JCIL has been maintaining the same at a reasonable level; the payment terms generally are positive which allows them to keep a positive cash flow at any time of the project. The financing of the projects is generally done by the customer and therefore, JCIL usually has a negative working capital effect of ~10% of sales. The typical **order execution cycle** varies between 12-18 months. The execution cycles are made of basic layout design, engineering of the plant, detailed design of the equipment, purchase, manufacturing of the equipment, delivering to site, and then installing, assembling and commissioning the line till achievement of the performance.

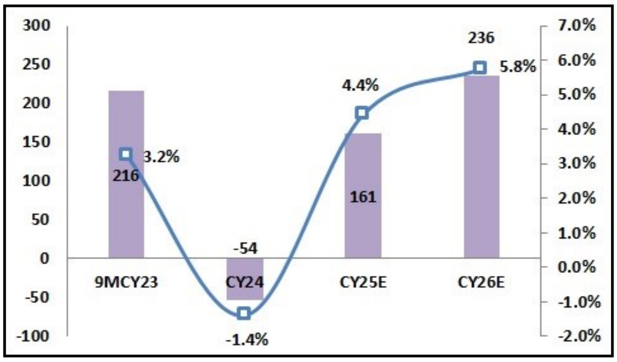
As per the Management commentary in Q3CY25, the intention of the promoter group is to support JCIL to become a **global leader** with the headquarter in Mumbai in the field of technology. The promoter has accommodated JCIL with very comfortable payment terms, and the acquisition is anticipated to be paid over a period of five years without any interest fee and this debt which may be convertible at termination if not fully paid into shares. This shows the commitment of the group to make a **profitable player** within India.

Exhibit 15: Revenue Trend (Rs in mn)



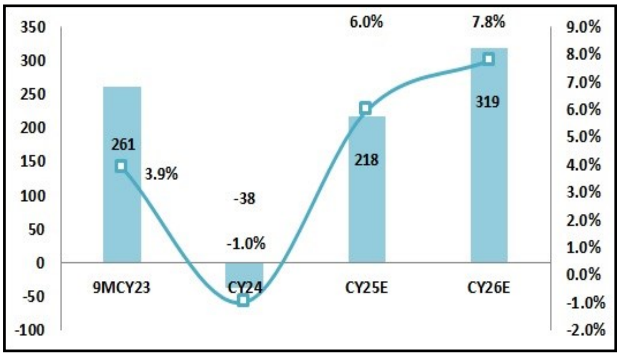
Source: Annual Reports, Progressive Research

Exhibit 16: PAT (Rs in mn) v/s PAT Margins



Source: Annual Reports, Progressive Research

Exhibit 17: Ebitda (Rs in mn) v/s Ebitda Margins



Source: Annual Reports, Progressive Research

Risks and Concerns:

Despite its strong positioning, JCIL remains exposed to significant concentration and cyclical risks. The stock is **highly illiquid** with a small equity base and **only listed on BSE**. Some of other risks include

Customer Concentration Risk: The business is heavily dependent on a handful of large Indian steel producers. In CY24, the top 10 customers contributed ~99% of revenue which reflects the oligopolistic structure of the Indian steel industry, shaped by high capital intensity, stringent regulatory norms and ongoing consolidation. While order rotation among these clients provides limited diversification, JCIL's revenue and cash flows remain highly **vulnerable to project delays**, deferrals, or cancellations by these customers. Although the company mitigates risk through **staged payment** structures (~10-30% advances, milestone-linked payouts, and post-commissioning retentions), timely receivable collection ultimately depends on the **financial health** of the narrow client base.

Sector and Contract Structure Risk: JCIL operates exclusively in the steel capex ecosystem and predominantly on fixed price contracts. This exposes the blended margins to raw material price volatility, especially during the execution cycle which can last for 4-8 quarters. While the company seeks to limit exposure by procuring key inputs early, sharp **commodity price swings** can still compress profitability

Cyclical Steel Industry: The overall revenue is closely correlated with the inherently **cyclical steel sector**, which is sensitive to macroeconomic conditions in infrastructure, construction, automotive, and consumer durables. Weak demand, elevated interest rates, inflation, or policy uncertainty can prompt steelmakers to postpone or shelve capacity expansion which can directly impact JCIL's order intake, earnings visibility, and cash conversion cycle.

Strategic and Emerging Risks: As global steel producers accelerate decarbonization and automation initiatives, JCIL's long-term relevance will depend on **sustained investment in next-generation technologies** (green hydrogen, digital twins, smart plants) and strategic partnerships. Failure to adapt to these risks can gradually erode competitive edge. Additionally, geopolitical tensions, trade policy shifts, or changes in steel import/export dynamics could alter domestic capex priorities. As JCIL expands internationally and diversifies into adjacent verticals, it will face heightened execution risks, unfamiliar regulatory environments, and stiffer competition from established global EPC players.

Outlook and Recommendations:

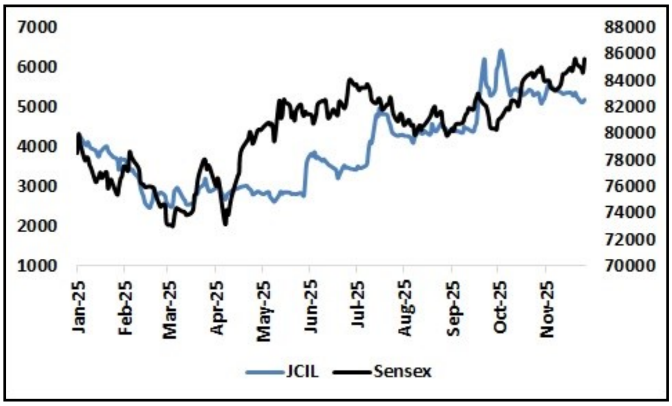
JCIL's core business is deeply embedded in the **steel value chain** and its future growth is strongly tied to the expansion of steel capacity in India. With GoI aiming for ~300MTPA steel capacity by 2030 under the National Steel Policy and PLI incentives being rolled out for the specialty steel sector, major producers like JSW Steel, Tata Steel, SAIL, AM/NS, and Jindal Steel have committed **large-scale capital expenditure plans** which spans across greenfield as well as brownfield expansions. These expansions require high-precision downstream process equipment which **JCIL specializes** in and the company's strong track record enables its ability to execute large turnkey projects. In 9MCY25 alone, JCIL witnessed continued **order inflows** for CGL and CRM units from both private and public sector clients. Moreover, with the steel sector increasingly focusing on value-added flat steel products (for sectors like auto, white goods, and renewable energy), JCIL's expertise in galvanizing and coating lines makes it a strategic partner for mills aiming to enhance **downstream value realization**. As India's steel demand grows alongside infrastructure spending, vehicle manufacturing, and construction, JCIL is set to benefit from a steady stream of project-based revenues that are not just large in size but also complex in scope, ensuring long-term business continuity and **high customer stickiness**. The recurring **services and spares** business model enables the company to optimize resource utilization, capitalize on technical expertise, and sustain a strong presence across the solution lifecycle. This model not only delivers attractive returns but also serves as a strategic driver of growth.

The key factors that would drive the growth of the steel sector includes **increased funding** for roads, railways, and urban development to drive domestic steel demand, expansion of the **PLI Scheme** for advanced steel grades, **green steel** initiatives promoting hydrogen-based production, **reduced customs duties** on key raw materials to stabilize prices, **anti-dumping** measures to curb low cost imports, increased funding for **steel-related research** particularly in next-generation sustainable manufacturing processes and public sector strengthening for enterprises to enhance capacity and operational efficiency. JCIL can play a central role in India's green steel transition, as demonstrated by its technological offerings in green hydrogen integration, JVD, and the E-Si suite solutions that directly **support India's decarbonization** and green steel ambitions. Moreover, recent **government interventions**, such as potential curbs on cheap steel imports from China and Vietnam, promotion of scrap-based steelmaking, and support for technological upgrades, are favorable tailwinds for JCIL. The company's key focus remains exploring a JV in Cold Rolling and Processing for Carbon and Silicon Steel (CRGO, CRNO), integrating green hydrogen into steelmaking. With India's limited coating roll suppliers and JCIL's extensive installed base coupled with rising demand for high-end processing lines, the state-of-the-art new rolls coating facility in Taloja will enable JCIL to better serve customers and provide significant value creation. On the **strategy front**, the company is exploring possibilities to **consolidate** more operations in India. The company is extremely optimistic to be able to grow the overall revenue in the near future through implementation and contractualization of **new technologies** like JVD and Volteron. JCIL appears to be looking at the upcoming quarters **with improved confidence** and continues to stand stronger with better financial stability, operational agility, robust order book and strategically working towards the next phase of growth coupled with the **upcoming consolidation initiative**. The company was struggling to generate topline which is based on seasonality and translates into red at the bottomline; however, with time we believe JCIL will begin to show a **turnaround** and gradually become a profitable entity at PAT levels as well.

Outlook and Recommendations (contd.):

A number of triggers can propel the growth of JCIL including a large orderbook pipeline, potential of disruptive technologies like JVD and Volteron, partial entry into the upstream cycle of the steel manufacturing and current order book of ~Rs11bn which is spread over the next 3-4 years. All these positive yardsticks indicate a large potential growth which can unfold with time. In addition to this, the company has an ambitious plan to reach a consolidated topline of ~Rs80bn in 2030 which can be powered by the external growth levers of the other entities within the group. All these factors indicate a **good turnaround story** with very strong supportive tailwinds; the overall return ratios and profile is anticipated to change in the next 6-8 quarters. We initiate a BUY on the stock with a target price of Rs6600.

Exhibit 18: Price v/s Sensex



Source: Ace Equity, Progressive Research

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www.progressiveshares.com | Contact No.:022-40777500.

Compliance Officer:

Ms. Neha Oza,

Email: compliance@progressiveshares.com,

Contact No.:022-40777500.

Grievance Officer:
Email: grievancecell@progressiveshares.com